Educational Establishment
"Belarusian State University of Economics"

APPROVED
Rector of the Educational
Establishment «Belarus State
Economic University"
__________________ A. V. Egorov
"22" 06 2023 ye.

Registration № УД 5213-21уч.

MACROECONOMICS

The curriculum of the establishment of higher education for the specialty:
1-25 01 03 «World economy»;
1-25 01 08 «Accounting, analysis and audit (by areas)»
(in English)

2023

The curriculum is based on the standard curriculum for the academic discipline "Macroeconomics", approved by the First Deputy Minister of Education of the Republic of Belarus dated 06.16.2022 No. ТД –E.910 / тип.

COMPILED BY:

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RECOMMENDED FOR APPROVAL:

Department of Economic Theory of the Educational Establishment «Belarus State Economic University»
(Protocol No. 10 dated 15.04.22);

Scientific and Methodological Council of the Educational Establishment «Belarus State Economic University»
(Protocol No. 7 dated 15.06.22)

EXPLANATORY NOTE

The curriculum for the academic discipline "Macroeconomics" was developed for higher education institutions of the Republic of Belarus in accordance with the requirements of educational standards of higher education in the following specialties: 1-25 01 07 "Economics and management at the enterprise"; 1-25 01 08 " Accounting, analysis and audit (in the following areas)

The purpose of studying the academic discipline "Macroeconomics" is to develop students ' economic thinking, form their fundamental knowledge of the mechanisms of economic functioning, and the ability to creatively apply theoretical knowledge in the process of making managerial decisions.

Objectives of the discipline:

- to give an understanding of the mechanisms of functioning of the national economy as a whole;
- to identify economic instruments for influencing the main macroeconomic parameters (national income, employment, price levels, etc.);
- master the tools for analyzing the consequences of macroeconomic regulation in a closed and open economy.

The place of an academic discipline in the system of training a specialist with higher education. The academic discipline "Macroeconomics "is based on the study of the academic disciplines" Economic Theory "and"Microeconomics".

The academic discipline "Macroeconomics" serves as a theoretical and methodological basis for studying a number of specialized disciplines in selected specialties, preparing final qualification work and studying macroeconomics at an advanced level while studying for a master's degree or continuing professional development in other forms.

- Studying the academic discipline "Macroeconomics" will contribute to the formation of the following **academic competencies**:

–AK-1. Be able to apply basic scientific and theoretical knowledge to solve theoretical and practical problems;

–AK-2. Master system and comparative analysis;

–AK-3. Possess research skills;

–AK-6. Possess an interdisciplinary approach to problem solving;

– AK-7. Have skills related to using technical devices, managing information, and working with a computer.

– AK-9. Be able to learn and improve your skills throughout your life.

Studying the academic discipline "Macroeconomics" will contribute to the formation of the following **social and personal competencies**:

–SLK-1. Possess the qualities of citizenship;

– SLK-2. Be capable of social interaction.

– SLK-3. Have the ability to communicate interpersonally.

– Studying the academic discipline "Macroeconomics" will contribute to the formation of the following **professional competencies:**

– PC-1. Use the laws of economic development in professional activities. Coordinate current work with prospective tasks and vital interests in the development of the national economy, its branches and spheres;

– PC-2. Identify the economic nature of problems that arise in the course of professional activity, and be able to attract appropriate financial and analytical tools to solve them.

As a result of studying the academic discipline, the student must:

know:

- basic concepts and principles of the academic discipline "Macroeconomics";
- views of representatives of various economic schools on the mechanism of functioning of the national economy;
- the main instruments of macroeconomic policy;
- the mechanism of influence of macroeconomic policy instruments on the macroeconomic parameters of the national economy;

be able to:

- analyze the macroeconomic processes taking place in the Republic of Belarus and abroad, predict the development of macroeconomic processes and the consequences of macroeconomic policy in an open economy;
- use theoretical knowledge to make optimal decisions in the context of economic choice;
- reasonably defend their point of view in discussions on topical issues of macroeconomics;
- solve problems and tests that reinforce the training material;

own:

- basic theoretical knowledge for solving practical problems;
- system and comparative analysis;
- an interdisciplinary approach to solving economic problems.

The form of higher education is full-time and part-time.

In total, there are 148 hours in the academic discipline, including 86 classroom hours, 44 lectures, and 42 practical classes.

The curriculum of the higher education institution in the specialties 1-25 81 02 Economics, 1-25 81 04 Finance and Credit, 1-25 81 05 Statistics provides for the study of the discipline in the second year in the second semester.

The form of the current certification is term paper, exam.

CONTENT OF THE TRAINING MATERIAL

Topic 1. Introduction to Macroeconomics

Subject of macroeconomics. Main macroeconomic problems and objectives of macroeconomic regulation. Macroeconomic policy.

Features of macroeconomic analysis. Macroeconomic (aggregated) entities, markets, and variables. Macroeconomic models. Exogenous and endogenous variables. Real and nominal values. Flow and stock variables. Closed and open economy. The role of expectations in the economy.

Circular flow model as a reflection of the interrelationships of macroeconomic agents and macroeconomic markets. Basic macroeconomic identities.

The main macroeconomic schools are: Keynesianism (neo-Keynesianism), neoclassical synthesis, Monetarism, new Keynesianism, rational expectations theory, supply-side economics.

Topic 2. Balance of the commodity market

Subjects of the commodity market. Components of total expenses.

Consumption function. Average and marginal propensity to consume. Savings function. Average and marginal propensity to save. Factors that determine the dynamics of consumption and savings.

Investment: types of investment, factors that determine the volume of investment, the function of demand for investment. Investment instability.

Investments and income. Multiplier and investment accelerator.

Equilibrium volume of national output: determination by methods of comparison of total income and total expenditures and investment and savings. The paradox of thrift.

Equilibrium GDP at full employment. Potential level of real GDP. Recessionary (deflationary) and inflationary gaps.

Topic 3. Money market equilibrium

Money market. Demand for money and its types. Basic theoretical approaches to explaining the demand for money. Nominal and real demand for money. Money demand function.

Offer of money. Monetary aggregates. Mandatory and excess reserves. Mandatory reserve ratio. The process of creating money by commercial banks. Bank multiplier. Monetary base and money supply. Money multiplier.

Establishing equilibrium in the money market.

Topic 4. Joint equilibrium of the commodity and money markets

Equilibrium in the commodity market. The investment-savings curve (IS curve). Interpretation of the slope and shifts of the IS curve.

Money market equilibrium. The "liquidity preference-money supply" curve (LM curve). Interpretation of the slope and shifts of the LM curve.

Interaction of the real and monetary sectors of the economy. Joint equilibrium of two markets (IS-LM model).

Relationship between the IS-LM model and the AD-AS model.

Topic 5. Fiscal policy in a closed economy

The concept, goals, tools, and types of fiscal policy.

Discretionary fiscal policy. Multiplier of public procurement. Transfer multiplier. Tax multipliers. Balanced budget multiplier. Full-time employment budget.

Non-discretionary fiscal policy: "embedded stabilizers".

State budget deficit. Structural and cyclical deficits. Sources of financing the state budget deficit.

Public debt, its types. The impact of public debt on the economy.

Using the IS-LM model to analyze the effects of fiscal policy in a constant and flexible price environment. Efficiency of fiscal policy. The displacement effect.

Topic 6. Monetary policy in a closed economy

Monetary policy, its goals and instruments. Direct and indirect tools. Regulation of the accounting (discount)system interest rates. Change in the mandatory reserve ratio.Operations on the open securities market.

Monetary policy in the Keynesian model: the mechanism of monetary transmission. Hard, soft and elastic monetary policy, the policy of "cheap" money and "expensive" money.

Monetary policy in the monetarist model. The basic equation of monetarism. Stability of the money circulation rate. The mechanism of monetary transmission in the monetarist model. Money neutrality. The money rule.

Using the IS-LM model to analyze the effects of monetary policy in a constant and flexible price environment. Effectiveness of monetary policy. A liquid trap. An investment trap.

Topic 7. Labor market equilibrium and aggregate supply

Equilibrium of the labor market with flexible wages: aggregate demand for labor, aggregate labor supply, equilibrium level of real wages, equilibrium level of employment, aggregate production function, equilibrium volume of output. Natural unemployment rate.

Long-term aggregate supply curve.

A model of the labor market with a rigid nominal wage. Disequilibrium in the labor market and its causes.

Short-term aggregate supply curve, its slope and shifts.

Topic 8. Macroeconomic equilibrium and expectation-based macroeconomic policy

The impact of expectations on consumer decisions. I. Fischer's theory of intertemporal preferences. F. Modigliani's life cycle theory. Theory of permanent income by M. Friedman.

The impact of expectations on investment decisions. Expected net present value.

The role of expectations in fluctuations in national output. The IS-LM model based on expectations.

The relationship between inflation and unemployment in the short term. Short-term Phillips curve, its slope and shifts. The dilemma of aggregate demand management policy. Aggregate supply shocks. Stagflation.

The Phillips curve and the aggregate supply curve.

Adaptive expectations and the long-term Phillips curve. Changes in labor market policies and shifts in the long-term Phillips curve.

Economic policy of stimulating supply and the theory of supply-side economics. The Laffer curve.

Theory of rational expectations. The Phillips curve in the theory of rational expectations

Topic 9. Open economy: basic concepts, equilibrium in an open economy

Balance of payments and its structure. Current account. Capital account. Official (currency) reserves account. Balance of payments status.

Key relationships in an open economy. Aggregate demand in an open economy. Internal and external balance.

Commodity market in an open economy. Net export function. Factors affecting net exports. Net exports and equilibrium income. Equilibrium of the commodity market in the open economy model. The IS curve in an open economy.

International capital flows. Factors affecting the movement of capital. The degree of capital mobility. BP balance of payments curve: graphical construction, algebraic equation, slope justification, shift factors, and points outside the BP curve.

The IS-LM-BP model as a small open economy model.

Topic 10. Macroeconomic policy in an open economy

Fiscal and monetary policy in a fixed exchange rate environment. Influence of the degree of capital mobility on the effectiveness of fiscal and monetary policy at a fixed exchange rate.

Fiscal and monetary policy in a floating exchange rate environment. Impact of the degree of capital mobility on the effectiveness of fiscal and monetary policies with a floating exchange rate

Topic 11: Economic growth

Concept, indicators and factors of economic growth. Extensive and intensive economic growth. Economic growth in the Republic of Belarus.

The Solow model. Basic prerequisites. Neoclassical Cobb-Douglas production function. Investment function. A stable level of capital-to-capital ratio. The impact of the savings rate on economic growth. Choosing a national savings rate: the golden rule of E. Phelps. Population growth and economic growth. Differences in population growth rates and living standards in different countries. Technological progress and economic growth.

Models of economic growth by R. Lucas and P. Romer.

Economic growth policy, its directions and problems. Economic growth policy in the Republic of Belarus.

Topic 12. Problems of implementing macroeconomic policy

Fiscal policy: the relationship between public debt and budget deficits. The problem of assessing the consequences of public debt. Barro-Ricardo equivalence. Cyclically adjusted deficit indicator and its application. Accumulation of public debt. Stabilization of public debt.

Fiscal policy and problems of its implementation in the Republic of Belarus.

Monetary policy and inflation. Costs and benefits of inflation. Optimal level of inflation. Inflation targeting policy. The Taylor rule. Stabilization policy in the context of high inflation.

Monetary policy and problems of its implementation in the Republic of Belarus.

Topic 13. Social policy of the state

Social policy: content, directions, principles, levels. Objects and subjects of social policy.

Level and quality of life. System of quality of life indicators. Income of the population. Nominal and real incomes. Factors that determine the population's income.

The problem of inequality in income distribution. Minimum consumer budget and subsistence level budget. The problem of poverty. Quantification of inequality. Decile and quintile coefficients. The Lorentz curve. Gini coefficient.

Ensuring social justice. Mechanism and main directions of social protection.

Models of social policy. Social policy in the Republic of Belarus.

EDUCATIONAL AND METHODICAL MAP OF THE ACADEMIC DISCIPLINE
full-time course: 86 classroom hours

Section number, topics	Section name, topics	Number of classroom hours						Form of knowledge control
		Lectures	Practical classes	Seminars	Laboratory classes	Guided independent work of students	Other	
	Macroeconomics (advanced level)	**44**		**42**				
1	Introduction to macroeconomics	2		2				Survey, reports
2	Commodity market equilibrium	4		4				Survey, reports
3	Money market equilibrium	2		2				Survey, reports
4	Joint commodity and money market equilibrium	2		2				Survey, reports, control work
5	Fiscal policy in a closed economy	4		4				Survey, reports
6	Monetary policy in a closed economy	4		4				Survey, reports, control work
7	Labor market equilibrium and aggregate supply	2		2				Survey, reports
8	Macroeconomic equilibrium and aggregate supply macroeconomic policy based on expectations	6		4				Survey, reports
9	Open economy: basic concepts, equilibrium in an open economy	4		4				Survey, reports
10	Macroeconomic policy in an open economy	4		4				Survey, reports, control work
11	Economic growth	4		4				Survey, reports
12	Problems of implementing macroeconomic policy	4		4				Survey, reports
13	Social policy state policy	2		2				Survey, reports,

INFORMATIONAL AND METHODOLOGICAL PART

Methodological recommendations for organizing independent work of students in the academic discipline "Macroeconomics"

Independent work of students is an important stage in mastering the knowledge of an academic discipline. The recommended time budget for independent work is an average of 2-2. 5 hours per 2-hour classroom session.

The main directions of independent work of the student are:

- initially, a detailed introduction to the curriculum of the discipline;
- familiarization with the list of recommended literature on the discipline as a whole and its sections, its availability in the library and other available sources, study of the necessary literature on the topic, selection of additional literature;
- study and expansion of the teacher's lecture material through special literature, consultations;
- preparation for seminars on specially developed plans with the study of basic and additional literature;
- preparation for the implementation of diagnostic forms of control (control work, etc.);
- writing a course paper;
- preparing for the exam.

Literature

Main page:

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2. Macroeconomical tools in the Belarusian institutional model: [monograph / A. I. Luchenok et al.]; under the scientific editorship of A. I. Luchenok ; Nat. Academy of Sciences of Belarus, Institute of Economics. Minsk: Belorusskaya nauka Publ., 2018, 281 p.

3. Macroeconomics: textbook / [A.V. Bondar, V. A. Vorob'ev, L. N. Novikova et al.]; edited by A.V. Bondar, V. A. Vorobyov. Minsk: BSEU Publ., 2014.

4. Vorob'ev V. A. and others, Macroeconomics: a textbook for students of institutions of higher education in economic specialties, ed.by V. A. Vorob'ev and A.M. Filiptsov. Minsk : BSEU Publ., 2017, 226 p. (in Russian)

Additional information:

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8. Zolotarchuk V. V. Macroeconomics : a textbook for students of higher educational institutions studying in economic and non-economic specialties. - 2nd ed., reprint. and add-ons. Moscow: INFRA-M Publ., 2019, 535 p.

9. Macroeconomics: textbook. manual / [L. P. Zenkova et al.]; edited by L. P. Zenkova. Minsk: IVC Minfina Publ., 2013.

10. Kulkov V. M., Tenyakov I. M. Makroekonomika : uchebnik i praktikum dlya akademicheskogo baccalaureata : dlya studentov vysshikh uchebnykh zavedeniy, obuchayushchikhsya po ekonomicheskikh napravleniyakh [Macroeconomics: textbook and practical course for academic bachelor's degree: for students of higher educational institutions studying in economic areas]. and add-ons. Moscow: Yurayt Publ., 2017, 292 p. (in Russian)

11. Mankew, N. G. Macroeconomics / N. G. Mankew, M. P. Taylor; [transl. translated from English by A. Smolsky]. - 2nd ed. - SPb. [et al.]: Piter, 2013.

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13. Nikiforov A. A., Antipina O. N., Miklashevskaya N. A. Macroeconomics: scientific schools, concepts, economic policy: textbook / A. A. Nikiforov, O. N. Antipina, N. A. Miklashevskaya; under the general editorship of A.V. Sidorovich. - 2nd ed., reprint. Moscow: Delo i Service Publ., 2010.

14. Macroeconomics: a textbook for students studying in economic areas and specialties, as well as for bachelor's, master's, postgraduate students, teachers of economic faculties of universities / S. D. Williamson; translated from English. under the scientific editorship of K. Sosunov. akad. nar. khoz-va and state services under the President of the Russian Federation. Russian Federation]. Moscow Delo Publ., 2018.934 p. (in Russian)

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PROTOCOL FOR APPROVING THE HEI CURRICULUM

Name of the training program disciplines, with which approval required	Title departments	Offers about changes in the curriculum content higher education institutions education in the academic discipline	The decision made by the department that developed the curriculum (with the date and time of its publication). protocol numbers)
Accounting Theory	Accounting, analysis and audit in trade, transport and agro-industrial complex	No comments or suggestions	

ADDITIONS AND CHANGES TO THE HEI CURRICULUM
on _____/_____ academic year

№ n/a	Additions and changes	Footing

The curriculum was reviewed and approved at the Department's meeting
_____________________________ (protocol no. _ _ _ _ of _ _ _ _ _ _ _ _ 201_)
(name of the department)

Head of the Department

_____________________ _______________ __________________
(academic degree, academic title) (signature) (Full Name)

APPROVING IT
Dean of the Faculty

_____________________ _______________ __________________
(academic degree, academic title) (signature) (Full Name)