



**DEVELOPMENT OF DIGITAL CURRENCY AND FINANCIAL TECHNOLOGY (FINTECH)**

<b>Credit points</b>	5 CP		
<b>Duration of the study course</b>	2 sem. (study programme 90 CP) / 3 sem. (study programme 120 CP)		
<b>Study course annotation</b>	History and reasons for the emergence of private digital currencies. Reasons for the growing popularity of digital currencies in international business, development problems and competition with fiat money. Problems of organization and prospects for state regulation of private digital currencies, the creation of state digital currencies and their prospects. Development of financial technologies and restructuring of the macroeconomic system for regulating international financial relations.		
<b>Aim of the study course</b>	Without a clear understanding of the prospects for the development of a modern digital monetary system, today it is impossible to build almost any business aimed at rapid development and interaction with modern technologies. The main goal is to achieve an understanding of how to build a business in a rapidly changing world.		
<b>Study course results</b>	<b>Knowledge</b>	<b>Skills</b>	<b>Competences</b>
	Knowledge of modern financial technologies and principles of digital payment systems.	Ability to understand digital currencies, know their problems and advantages.	Build a business taking into account the capabilities of private and state digital currencies, understand the constantly changing rules of currency regulation.
<b>Study course content</b>	<b>Topics</b>		
	1	Historical aspects of macroeconomic financial regulation over the past 20 years, crisis phenomena and the development of financial regulation mechanisms	
	2	Reasons and history of the emergence of digital currencies, reasons for the growth of popularity.	
	3	Blockchain system, areas of use of financial technologies in modern banking systems.	
	4	The beginning of active development of the state digital currency (CBDC), its implementation, problems and prospects.	
	5	Possible ways to develop government regulation in conditions of parallel circulation of state, private digital currencies and fiat money.	
<b>Form of assessment:</b>	Exam, project defense, combined version.		
<b>Obligatory literature:</b>	<ul style="list-style-type: none"> <li>Ministry of Finance of Republic of Latvia. (2023) <i>Vērtē Latvijas finanšu tehnoloģiju sektora attīstības stratēģiju</i>. Available: <a href="https://www.fm.gov.lv/lv/jaunums/verte-latvijas-finansu-tehnologiju-sektora-attistibas-strategiju">https://www.fm.gov.lv/lv/jaunums/verte-latvijas-finansu-tehnologiju-sektora-attistibas-strategiju</a> (In Latvian).</li> <li>The World Bank. (2022) <i>Financial Inclusion Support Framework (FISF)</i>. Available: <a href="https://www.worldbank.org/en/topic/financialinclusion/brief/financial-inclusion-support-framework">https://www.worldbank.org/en/topic/financialinclusion/brief/financial-inclusion-support-framework</a></li> <li>Digital currencies and the soul of money. Speech by Mr Agustín Carstens, General Manager of the BIS,</li> </ul>		



Goethe University's Institute for Law and Finance (ILF) conference on "Data, Digitalization, the New Finance and Central Bank Digital Currencies: The Future of Banking and Money", 18 January 2022  
<https://www.bis.org/speeches/sp220118.htm>

- ECB Working Paper Series, 2783. CBDC and financial stability.
- <https://www.ecb.europa.eu/pub/research/working-papers/html/index.en.html>
- Jurijs Baltgailis, Vladimirs Meņšikovs, Viktorija Šipilova. DIGITAL CURRENCIES AND FINANCIAL LITERACY: ESSAY ON SUSTAINABLE FINANCES' PERSPECTIVES/ Sociālo Zinātņu VÁstnesis, 2023 2.

### **Additional literature:**

- Baltgailis, J., Simakhova, A., & Buka, S. (2023). Digital Currencies and Fintech Innovation Technologies for Economic Growth. *Marketing and Management of Innovations*, 14(3), 202–214.
- <https://doi.org/10.21272/mmi.2023.3-18>
- Jonathan McMillan. *The End of Banking: Money, Credit, and the Digital Revolution*. Berlin. Zero/One Economics GmbH, 2014.

### **Other sources of information:**

The Global Fintech Index 2020 [https://findexable.com/wp-content/uploads/2019/12/Findexable\\_Global-Fintech-Rankings-2020exSFA.pdf](https://findexable.com/wp-content/uploads/2019/12/Findexable_Global-Fintech-Rankings-2020exSFA.pdf)

Changes and additions to the program and literature list are possible during the study process