

Requirements for entrance exams in Economics

- 1. History of economic theories** including ancient Greek and Roman thinkers and philosophers. Mercantilism, physiocracy, classical economics (Adam Smith, David Ricardo, William Petty), neoclassical economics, Keynesian economics, new institutional economics, neoliberalism.
- 2. Economics** – definition of economics, scientific methods in economics. Economic laws and categories (law of diminishing returns, law of scarcity and opportunity costs, increasing returns to scale). Production possibility curve. Positive and normative economics. Microeconomics and macroeconomics.
- 3. Economy** – definition of national economy. Economic sectors. Basic issues related to organization of the economy. Types of economy.
- 4. Human needs** – definition, the satisfaction of human needs and different types of needs. Goods and their classification according to availability, purpose, ownership and forms.
- 5. Division of labour** – definition, different forms of division of labour, cooperation.
- 6. Labour productivity** - concept, calculation, factors of growth in labour productivity.
- 7. Market** – characteristics of market, basic market entities, market functions. Market of factors of production, market for goods and services, financial market. Partial and aggregate market. Local market, national market, world market. Market classification according to object of purchase and sale, quantity of sold goods and territorial dimension.
- 8. Goods** – characteristics and classification: consumer's goods, capital goods, substitution and complementary goods.
- 9. Market mechanism** – basic elements of market mechanism: demand, supply, price and competition. Market demand and supply curves. Price elasticity of demand. Market failures. Market mechanism and government intervention. Simplified market cycle.
- 10. Money** – concept of money, different forms of money, basic roles of money, money demand determinants. Payment system. Money aggregates. Monetary system, exchange rate, currency convertibility.
- 11. Inputs** – land, labour, capital. Demand, supply and price of factors of production. Different forms of wages, wage differences. Trade unions. Rent and capitalized rent. Profit.
- 12. Firm** – definition, classification according to the size, final product, ownership, legal form. Change in ownership in Slovak Republic after 1989, privatization and restitution.
- 13. Personal management** - management functions, manager, and manager features.
- 14. Firm economic activities** – firm's factors of production: elementary and dispositive. Depreciation. Firm's objectives. Costs and cost classification. Revenues. Company's economic outcome.
- 15. Macroeconomic aggregates** – definition. Gross national product (GNP), gross domestic product (GDP) and their structure. Nominal and real GNP. Net national

product (NNP), national income, disposable income, net economic wealth. Macroeconomic equilibrium.

- 16. State** – characteristics, different types of governments, basic human rights, main roles of state.
- 17. Economic policy** – definition, subjects of economic policy. Four basic groups of economic policy objectives. Economic policy instruments. Monetary and fiscal policy and their instruments. State budget. Incomes and expenditures of state budget. Tax system. Income and foreign trade policy and their instruments.
- 18. Bank system** – central bank, commercial banks and their roles. Active and passive operations. Financial markets. Stock exchange. Discount, bills, discounting, clearing, shares, dividends, assets, liabilities, bond portfolio, goodwill, know-how.
- 19. Insurance** – characteristics, functions, roles, types and purpose of insurance.
- 20. Unemployment** – definition, different forms of unemployment, unemployment rate. Impacts of unemployment. Policy of employment. Requalification, retraining and their objectives.
- 21. Inflation** - definition. Moderate, galloping and hyperinflation. Demand – pull and cost – push inflation. Economic impacts of inflation. Inflation rate. Monetary stabilizers. The Quantity theory of money.
- 22. Economic growth** – factors of economic growth. How to measure economic growth?
- 23. Economic and entrepreneurial cycle** – definition and phases.
- 24. International monetary systems after World War II and international monetary institutions** – International monetary system (Bretton – Woods) and its objectives. International Monetary Fund. International Bank for Development and Reconstruction - World Bank, General Agreement on Tariffs and Trade and their objectives. Kingstone monetary system and differences from Bretton-Woods system (floating exchange rates, demonetarisatation of gold, SDR). European monetary system, ECU.
- 25. International economic organizations** – characteristics and principles. GATT and WTO.
- 26. International economic integration** – characteristics, forms and the degrees of economic integration. European and non – European integration.
- 27. World economy** – characteristics. Developed market economies, transitive economies, undeveloped countries, their classification and problems.

Study resources:

1. Samuelson, P. A. - Nordhaus, W.D.: Economics. McGraw-Hill Inc., 1992.
2. Paul Heyne: The Economic Way of Thinking.