

Requirements for entrance exams in ECONOMICS

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.

Economy – definition of national economy. Economic sectors. Basic issues related to organization of the economy. Types of economy.

Human needs – definition, the satisfaction of human needs and different types of needs. Goods and their classification according to availability, purpose, ownership and forms.

Division of labour – definition, different forms of division of labour, cooperation.

Labour productivity - concept, calculation, factors of growth in labour productivity.

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.

Goods – characteristics and classification: consumer's goods, capital goods, substitution and complementary goods.

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.

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.

10. **Inputs** – land, labour, capital. Demand, supply and price of factors of production. Different forms of wages, wage differences. Trade unions. Rent and capitalized rent.

Firm – definition, classification according to the size, final product, ownership, legal form. Change in ownership in Slovak Republic after 1989, privatization and restitution.

Firm economic activities – firm's factors of production: elementary and dispositive. Depreciation. Firm's objectives. Costs and cost classification. Revenues. Economic result (profit, loss).

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.

State – characteristics, different types of governments, basic human rights, main roles of state.

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.

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.

Unemployment – definition, different forms of unemployment, unemployment rate. Impacts of unemployment. Policy of employment. Requalification, retraining and their objectives.

Inflation - definition. Moderate, galloping and hyperinflation. Demand – pull and cost – push inflation. Economic impact of inflation. Inflation rate.

Economic growth – factors of economic growth. How to measure economic growth?

Economic or business cycle – definition and phases.

International economic integration – characteristics, forms and the degrees of economic integration. European and non-European integration.

World economy – characteristics. Advanced economies. Emerging market and Developing economies, their classification and problems.

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.

Requirements for entrance exams also include questions related to the current state of the Slovak economy. The applicant for study is able to answer these questions while watching the current developments in our national economy, he knows the basic macroeconomic indicators that characterize our economy and is able to orient himself in the problems that threaten our economy.

Recommended study resources

1. Samuelson, P. A. - Nordhaus, W.D.: Economics. 19th edition. McGraw-Hill Inc., 2009.
2. Heyne, P. Boettke, P.J., Prychitko, D.L.: The Economic Way of Thinking. 13th edition. Pearson Series in Economics, 2013
3. Horeháj, J., Šuplata, M. A Concise History of Economic Theories, Banská Bystrica: EF UMB, Bellianum, 2015.