



1

Explain the concept of absolute advantage. What significance does it hold in international trade? Provide an example of how two countries can benefit from trade, even if one of them has an absolute advantage in the production of both goods. What is comparative advantage? How does it differ from absolute advantage? Illustrate with an example how a country that lacks an absolute advantage in any production can still benefit from international trade through comparative advantage.



2

What is the minimum wage, and what are its primary objectives? Discuss how setting a minimum wage can impact both workers and employers. Explain the potential economic effects of raising the minimum wage. What are the arguments for and against the implementation of a minimum wage?



3

Explain the impacts of an excise tax on the market. Under what circumstances can producers fully pass the tax on to consumers? What determines the distribution of the tax burden between consumers and producers? For a given excise tax rate, on what type of product should the state impose an excise tax if it wants to collect a larger amount of revenue?



4

Explain what a monopoly is and how it can arise. How does a natural monopoly differ from an administrative monopoly? Discuss whether a monopoly is inefficient and whether it has any potential benefits. What forms of regulation can the government use to control monopolies?



5

Try to explain the concept of a negative externality using the example of a pandemic. Discuss the possibility of resolving it within the framework of the so-called Coase theorem in this case. Identify other potential solutions to this negative externality.



6

Explain the concept of market failure in the form of so-called asymmetric information. What is moral hazard? Try to explain this phenomenon in the context of the insurance market. What possible market solutions exist to address this problem from the perspective of companies/insurance providers? What solutions exist from the perspective of consumers?



7

What is the difference between nominal and real interest rates? According to the Fisher effect, what can happen to the nominal interest rate when the expected inflation rate rises, and why? What impact does an unexpected increase in the inflation rate have on the ex post real interest rate? Who benefits, the borrower or the lender, and why?



8

Explain what the demand for money is and what factors influence it. How does the demand for money differ in the context of the transaction, precautionary, and speculative motives? Discuss how interest rates and inflation expectations impact the demand for money. What is the relationship between money demand and the overall level of economic activity? How do changes in the demand for money affect monetary policy and the broader economy?



9

Explain the inflation targeting (IT) regime. What does an inflation target mean, and who sets it? Why is it typically positive rather than directly zero? Which central banks (for example) in today's world target inflation? What is the main tool of the IT regime, and how does the central bank adjust it when the (forecasted) inflation rate rises, and why?



10

Describe what an exchange rate between currencies is. Carefully explain the difference between the nominal exchange rate and the real exchange rate. Explain the theory of purchasing power parity (PPP) for determining exchange rates, including its absolute and relative versions. Clarify the difference between a flexible exchange rate regime and a fixed exchange rate regime. What are the advantages and disadvantages of each?