Contents

Economic Classicism

I. Choose the right variant:

1. The economic classicism manifested:
   a) by the end of the 18^{th} century
   b) by the end of the 19^{th} century
   c) at the beginning of the 20^{th} century
   d) in the mid of the 20^{th} century

2. It is not a promoter of economic classicism:
   a) John Stuart Mill
   b) Thomas Malthus
   c) John Hicks
   d) David Ricardo

3. The pioneer of economic classicism is:
   a) David Ricardo
   b) Thomas Malthus
   c) Jean-Baptiste Say
   d) Adam Smith

4. The classical theory of value states that:
   a) the value of a product is given by the total amount of capital factor needed for its production

b) the value of a product is given by the total amount of labour factor needed for its production
c) the value of a product is given by the total amount of production factors needed for its production
d) the value of a product is given by its utility for the target consumers

5. Choose the right variant:
   a) the classical economists have launched the law of markets, focussing on the supply side
   b) the classical economists have launched the law of markets, focussing on the demand side
   c) the neoclassical economists have launched the law of markets, focussing on the supply side
   d) the neoclassical economists have launched the law of markets, focussing on the demand side

6. The initiator of the classical law of markets was:
   a) Thomas Malthus
   b) Adam Smith
   c) David Ricardo
   d) Jean-Baptiste Say

7. The classical law of markets, suggests that:
   a) supply creates is own demand
   b) not everything produced in an economy will be sold
   c) demand creates its own supply
   d) none of the above-mentioned

8. According to the classical conception:
   a) markets self-adjust, based on a consistent state intervention in economy

b) markets self-adjust, without needing a consistent state intervention in economy
c) markets self-adjust, based on a consistent monetary authority intervention in economy
d) markets fail in self-adjusting

9. The classical perspective regarding the unemployment level on the equilibration of markets is as follows:
   a) the equilibration of markets occurs at full unemployment
   b) the equilibration of markets occurs at zero unemployment
   c) the equilibration of markets occurs at a natural rate of unemployment
   d) the equilibration of markets occurs at a high rate of involuntary unemployment

10. The theory of absolute advantage was launched by:
   a) Adam Smith
   b) John Stuart Mill
   c) John Maynard Keynes
   d) David Ricardo

11. The theory of absolute advantage refers to:
   a) the ability to produce a good/service at a lower opportunity cost
   b) the ability to produce a greater quantity of a good/service than competitors, while using the same amount of resources
   c) the ability to produce a good/service at a higher opportunity cost
   d) the ability to produce a greater quantity of a good/service than competitors, while using different amounts of resources

12. The theory of comparative advantage was launched by:
    a) Jean-Baptiste Say
    b) John Stuart Mill
    c) John Maynard Keynes
    d) David Ricardo

13. The theory of absolute advantage refers to:
    a) the ability to produce a good/service at a lower opportunity cost
    b) the ability to produce a greater quantity of a good/service than competitors, while using the same amount of resources
    c) the ability to produce a good/service at a higher opportunity cost
    d) the ability to produce a greater quantity of a good/service than competitors, while using different amounts of resources

14. According to the classical conception:
    a) prices are flexible, being quickly adjustable to the market related conditions
    b) prices are sticky, being slowly adjustable to the market related conditions
    c) prices are flexible, being slowly adjustable to the market related conditions
    d) prices are sticky, being quickly adjustable to the market related conditions

15. The classical economists considered that:
    a) any shift in the level of prices determines a quick adjustment of the supply of goods and services
    b) any shift in the level of prices determines a quick adjustment of the labour demand

c) any shift in the level of prices determines the modification of the inflation rate
d) any shift in the level of prices determines the modification of the unemployment rate

16. The basic general equilibrium theory is specific to:
   a) economic classicism
   b) neoclassicism
   c) Keynesianism
   d) neo-Keynesianism

17. The initiator of the general equilibrium theory was:
   a) Thomas Malthus
   b) John Maynard Keynes
   c) Franco Modigliani
   d) Leon Walras

18. The neoclassical theory of value states that:
   a) the value of a product is given by the total amount of capital factor needed for its production
   b) the value of a product is given by the total amount of labour factor needed for its production
   c) the value of a product is given by the total amount of production factors needed for its production
   d) the value of a product is given by its utility for the target consumers

19. The neoclassical economists considered that:
   a) markets fail in self-adjusting
   b) markets self-adjust in the short run
   c) markets self-adjust in the long run
   d) markets are continuously self-adjusting

20. In opposition to the classical law of markets, the Keynesians suggests that:
    a) supply creates is own demand
    b) not everything produced in an economy will be sold
    c) demand creates its own supply
    d) none of the above-mentioned

II. Specify three economic classical theories contra-attacked by Keynesianism

III. Reveal the basic concept differentiating economic neoclassicism from economic classicism

IV. Explain in brief the classical quantitative theory of money

V. Identify the most prominent personalities of the economic neoclassicism

VI. Mention the main complex concept characteristic to the new classical economic theory

Keynesianism

I. Choose the right variant:

1. According to the Keynesian conception:
   a) markets adjust based on a consistent state intervention in economy
   b) markets self-adjust, without needing a consistent state intervention in economy
   c) markets self-adjust, based on a consistent monetary authority intervention in economy
   d) markets always fail in adjusting

2. The Keynesian perspective regarding the unemployment level on the equilibration of markets is as follows:
   a) the equilibration of markets occurs at full employment
   b) the equilibration of markets occurs at zero unemployment
   c) the equilibration of markets occurs at a natural rate of unemployment
   d) the equilibration of markets occurs at a certain level of involuntary unemployment