

Study program: Road Traffic			
Subject name: Basics of Economics			
Teacher: dr Gordana M. Mrdak			
Subject status: Compulsory			
Number of ECTS: 4			
Conditions: None			
Subject objective Acquiring knowledge of macro and microeconomics and introducing students to economic laws and their impact on modern companies in market conditions.			
Subject outcome Recognizing and solving specific tasks in practice.			
Subject content			
<i>Theory classes</i>			
Fundamental economic issues. General economic issues. Property, company, market, state. Demand and supply, consumer behavior. Production theory, cost analysis, equilibrium in different market conditions. Expressing the results of social production. Aggregate demand. Money, inflation. Unemployment, economic growth, economic cycles. Distribution - general principles for analysis. Modern labor market. Capital, interest and profit, share capital, land rent. The economic role of the state. Economics of transition. International exchange and world economy.			
<i>Practice classes</i>			
Subject and method of political economy, economic phenomena and laws. Needs, rarity, choice, opportunity costs, production capacity curve, law of diminishing returns, institutional frameworks of economic activities. Property, company, market, state. Demand law, demand elasticity, supply law, equilibrium price, declining marginal utility law, consumer equilibrium, consumer surplus, indifference curve, budget constraint. Production function, production costs, balance in different market conditions. Circular flow of economic activity, social product, national income. Consumption and savings, investments, multiplier and accelerator, government consumption, foreign trade, aggregate supply and demand. Evolution of money, inflation. Types of unemployment, unemployment costs, sources of economic growth, quality economic growth, cyclical economic trends, economic cycle theories. Supply and demand for factors of production, income distribution. Labor demand and supply, wage and equilibrium pricing, wage differentiation, collective agreements. Forms of capital, present value of capital, interest, profit, capital market. The role of the state, income redistribution, state failures. Macroeconomic stabilization, structural reforms, institutional changes, transition policy and development strategies. World market and world economy, economic globalization, global issues. Acquainting students with practical examples of modern economic developments, as well as through subject practice in a company (education in action), seminar papers on micro and macroeconomics.			
Literature:			
1. Д. Момировић, Г. Мрдак, „Основи економије“, Висока школа примењених струковних студија, Врање, 2015.			
2. Б. Стојановић, Г. Мрдак, „Тржишна економија“, Виша техничко технолошка школа, Врање, 2006.			
3. Г. Мрдак, „Економија“, Скрипта, Виша техничко технолошка школа, Врање, 2005.			
Number of active classes		Theory classes: 30	Practice classes: 30
Teaching methods Oral presentation method, conversation method and demonstration method.			
Knowledge assessment (maximum number of points 100)			
Pre-exam obligations	points	Final exam	points
activity during the lectures	10	written exam	30
practice classes	5	oral exam	-
colloquium/s	40		
seminar/s	15		