



Pakistan School
Kingdom of Bahrain

**A warm welcome to all
the students to our virtual
class.**

WELCOME



When You
Enter this Room
Learning is Fun and
Cooperation is Expected
Our positive Attitude and
Mutual Respect are part of
Everything we do and say



WE ARE GOING TO START OUR FIRST
ONLINE ECONOMICS CLASS TODAY. I
HOPE WE ALL WILL ENJOY AND LEARN.

❖ Rules for class:

- 1) Be on time for all your classes.
- 2) Respect all the participants of the class.
- 3) Do not create any disturbance.
- 4) Pay attention to your teacher.
- 5) Raise hand if you have a question.
- 6) Enter the class with your actual name to mark your attendance.
- 7) Ask only relevant questions to topic taught.



CHAPTER 3

Subject Matter of Economics

BRAIN STORMING

Needs and Wants

Car 	Dog 	Computer 	Television 
Swimming Pool 	Candy 	Video Games 	Toy 
Shirt 	House 	Dinner 	Pants 
House 	Apple 	Shoe 	Fruit and Vegetables 
Needs	Wants		



LESSON OBJECTIVES:

- At the end of this part of lesson, students will be able to:
 1. Define Economics.
 2. Determine the nature of Economic Problems.
 3. Determine the resources to solve our economic problems



BUDGET

Economics

18.6% +0.0% 1.0

Aggregate

Depression

Inflation

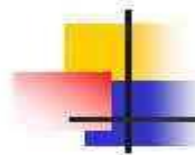
Report



DEFINITION OF ECONOMICS

- the branch of knowledge concerned with the production, Distribution and consumption.
- Production
- Distribution
- Consumption

PRODUCTION



Economic resources

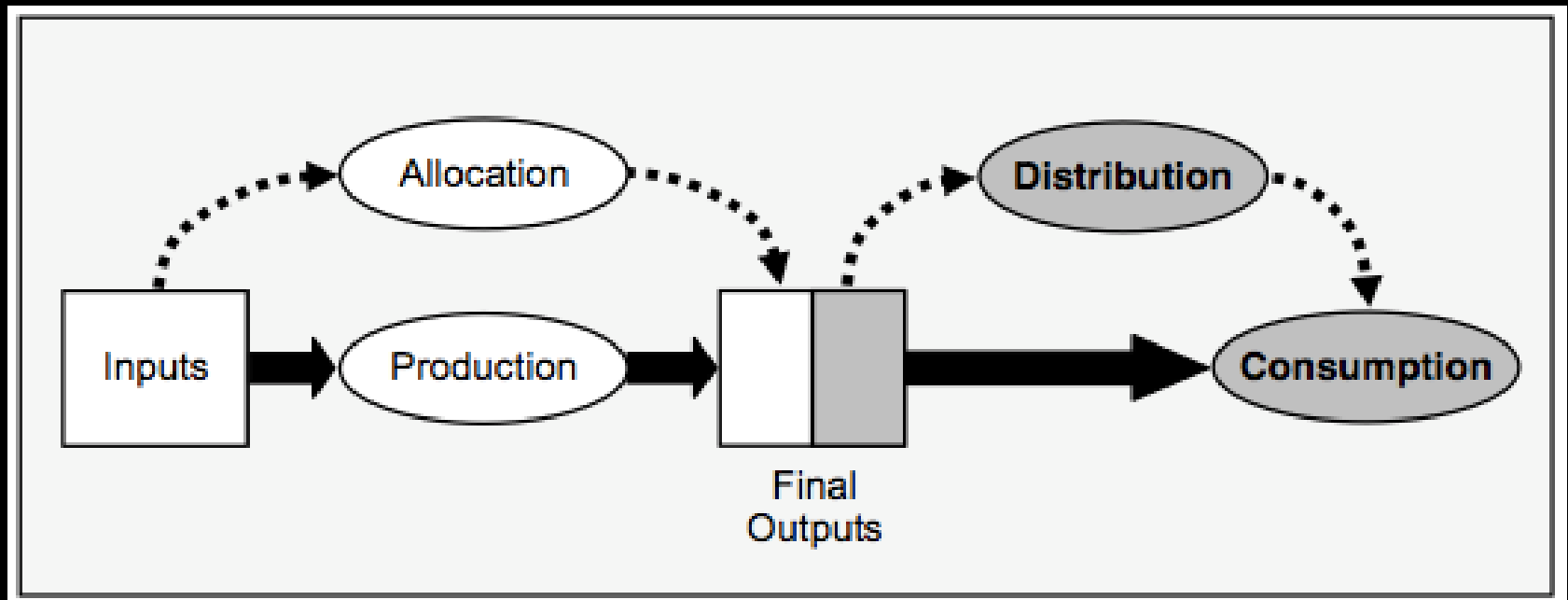
- land
 - natural resources, the “free gifts of nature”
- labor
 - the contribution of human beings
- capital
 - plant and equipment
 - this differs from “financial capital”
- entrepreneurial ability

The Production Process



DISTRIBUTION

- In economics, **distribution** is the way total output, income, or wealth is distributed among individuals or among the factors of **production** (such as labour, land, and capital).



- 
- Producers
 - Wholesalers
 - Retailers
 - Consumers

- 
- Cloth
 - Producer
 - Whole salers
 - Retailers

CONSUMPTION

- **Consumption, in economics**, the use of goods and services by households. **Consumption** is distinct from **consumption** expenditure, which is the purchase of goods and services for use by households.
- An **example of consumption** is eating a snack and some cookies. An **example of consumption** is when a person consumes 2 bushels vegetables per day.

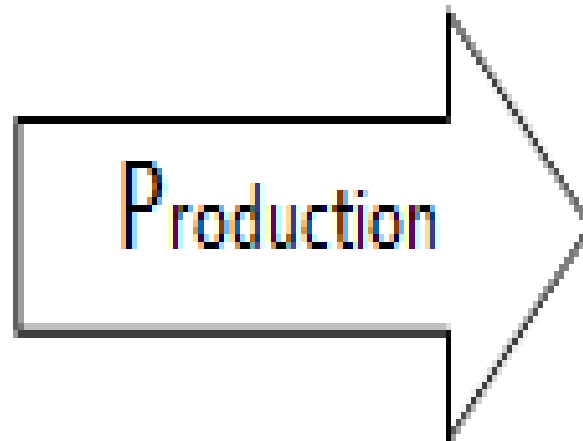


THE NATURE OF ECONOMIC PROBLEMS

- Mankind has to face uncountable economic problems.
- Our wants are unlimited
- The means to satisfy wants, are scarce.
- How the means can be assessed to solve the economic problems.

The Economic Problem

- * *Needs* – the essentials of life, such as food and shelter
- * *Wants* – desires for non-essential items
- * *Economic Problem* – the problem of having unlimited wants, but limited resources to satisfy them
- * *Scarcity* – the limited nature of resources, which underlies the basic economic problem
- * *Economic Resources* – basic items that are used in all types of production, including natural, capital, and human resources




The economic problem is to match limited resources to unlimited wants and needs



CLOSURE

Key points:

- Production
- Factors of Production
- Needs
- Wants
- Limited resources



Thank you.
See you in the
next lesson.



RESOURCES TO SOLVE OUR ECONOMIC PROBLEMS

- (i) Natural Resources
- (ii) Artificial Resources
- (iii) Human Resources



NATURAL RESOURCES

- Land
- Water
- Minerals
- Forests
- Seas
- Ocean etc.