



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

Report



DEFINITION OF ECONOMICS

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

PRODUCTION



Economic resources

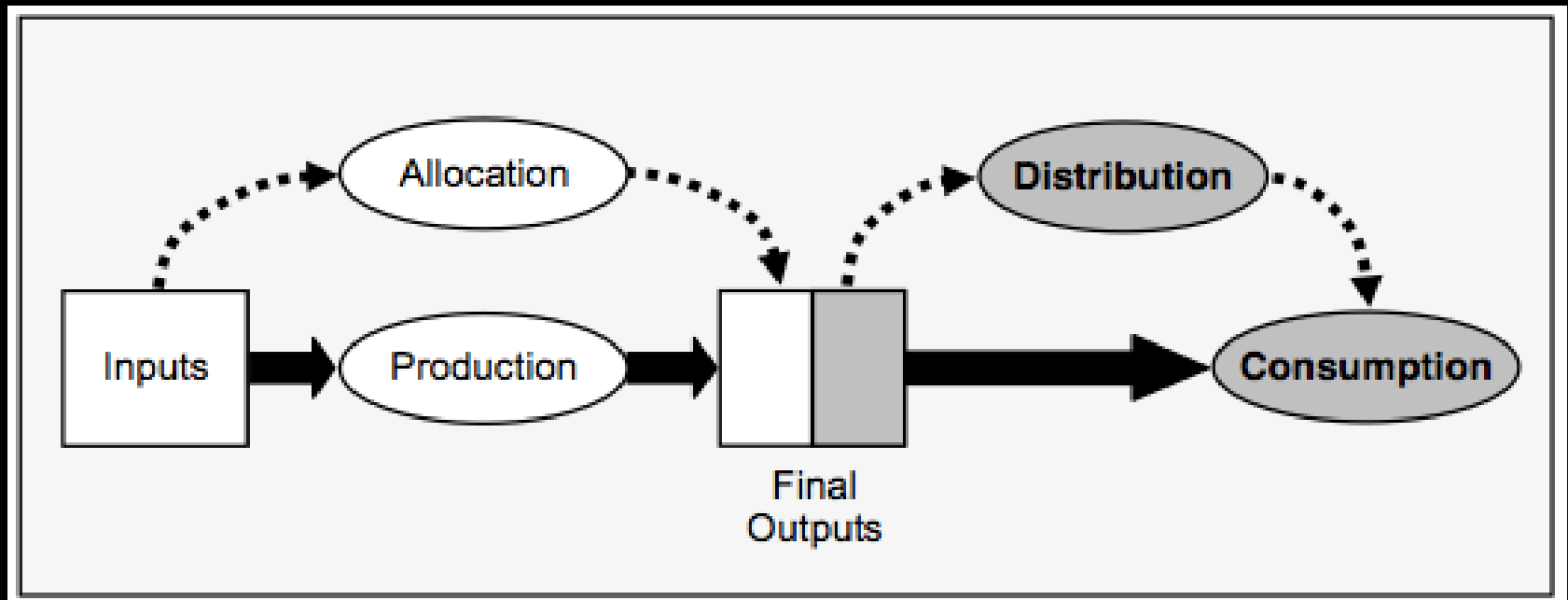
- land
 - natural resources, the “free gifts of nature”
- labor
 - the contribution of human beings
- capital
 - plant and equipment
 - this differs from “financial capital”
- entrepreneurial ability

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).



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.



NEEDS

- **Basic Needs**
- **1 Food**
- **2 Shelter**
- **3 Cloth**

UNLIMITED WANTS

- “**Unlimited wants** essentially mean that people never get enough, that there is always something else that they would like to have.” “When combined with limited resources, **unlimited wants** result in the fundamental problem of scarcity.”

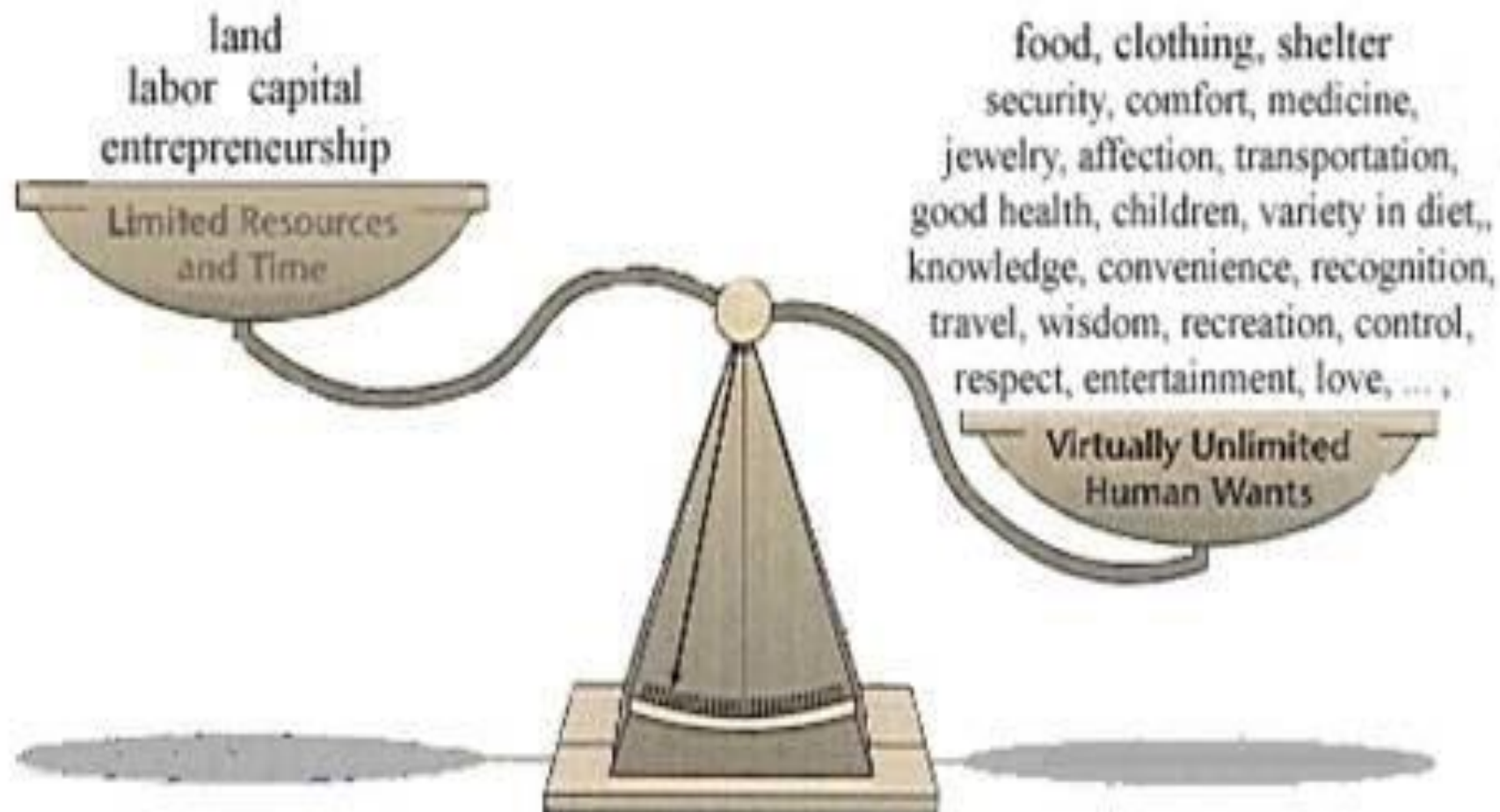


LIMITED RESOURCES

- Income (money) is a **limited Resources** for all people because money spent on one item can not be used to buy something else at the same time. There is a finite amount of money that people have or earn, **meaning** that even the rich can not have everything they want.



SCARCITY



SCARCITY AND CHOICE

- The resources for satisfying human wants are *limited*
- Collectively we want more than we can produce with our **limited resources**
- Economists help to determine the use of scarce resources to satisfy the “*most important*” wants.
- Because resources are desirable and **scarce**, we must make *choices* for the use of these resources
- ECONOMICS is the study of “*choice*”.



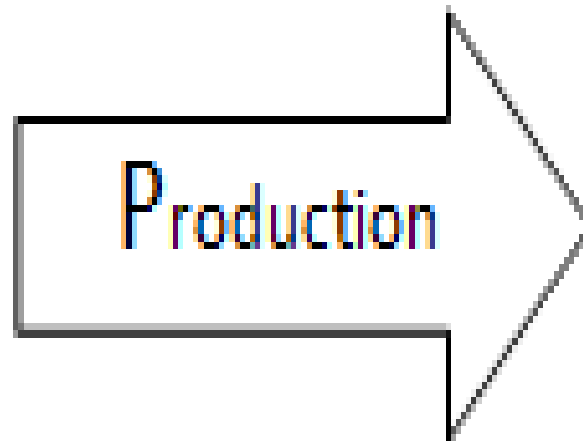
The Economic Problem

- * *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



ECONOMIC PROBLEMS

- **Needs**
- **Unlimited Wants**
- **Limited Resources**
- **Scarcity**
- **Unemployment**
- **Poor living Standard**




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



CLOSURE

Key points:

- Production
- Factors of Production
- Needs
- Unlimited 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 Resource

A natural resource is something found in nature that people can use to meet their needs.





NATURAL RESOURCES

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

Types of Natural Resources

Vegetation

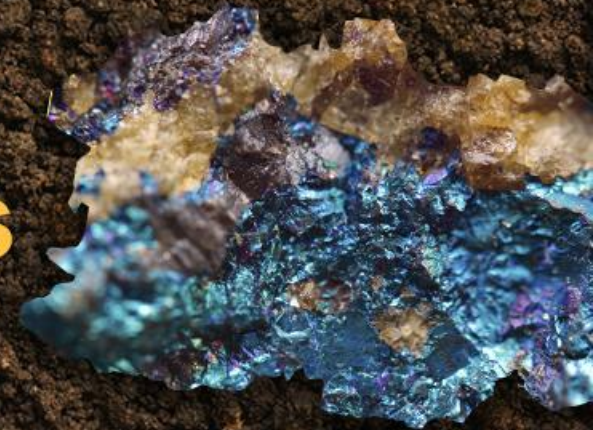


Animals



Soil

Minerals



Water

Man-made Resources





MAN-MADE RESOURCES

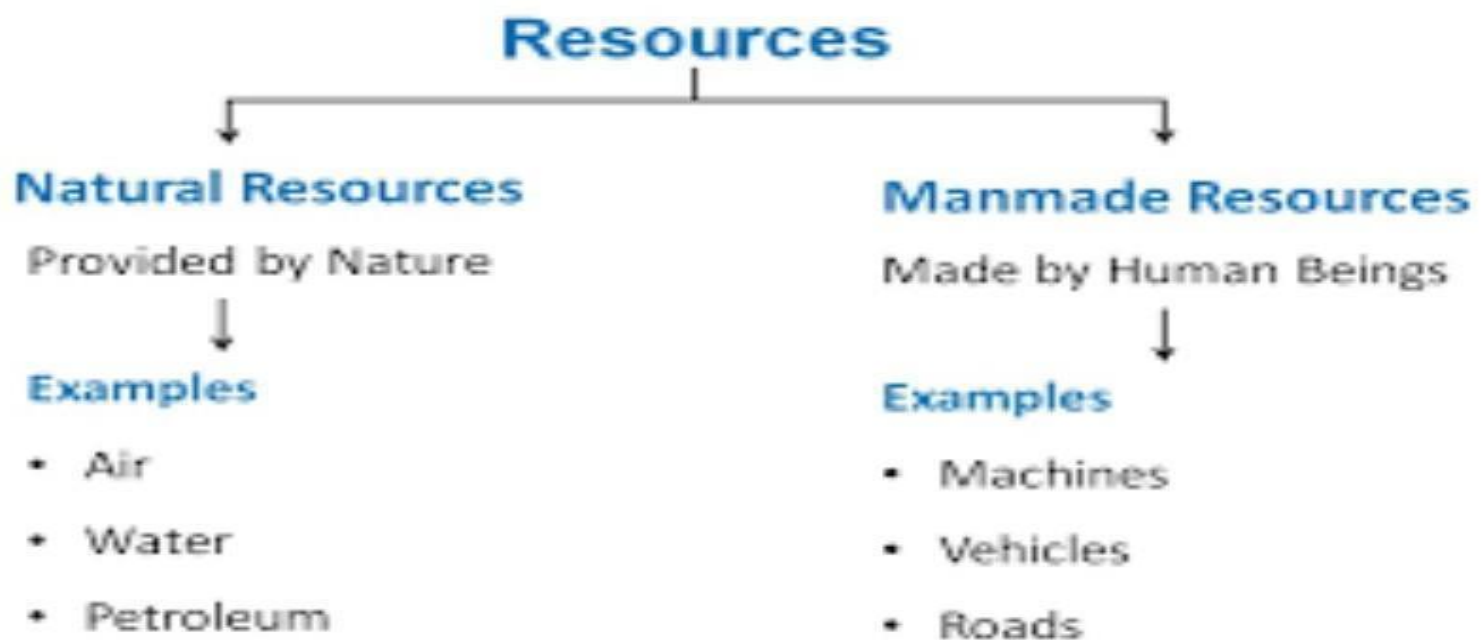
- The resources which are not made by nature but are made by human beings are called **MAN-MADE RESOURCES**.



Human Made Resources



Natural substances become resources only when their original form has been changed.



Man-made resources are items or substances that have value to **human** lives that do not occur in the **natural** world. ... These contrast with **natural resources**, such as water, crops, sunlight, crude oil, wood and gold.





HUMAN RESOURCES

- Labour forces, Skilled Labour
- i.e.
- Engineers
- Doctors
- Professors
- Teachers
- Business man

SHRM: Definition and Purpose

**Human
Resources**

New Vision

Engagement

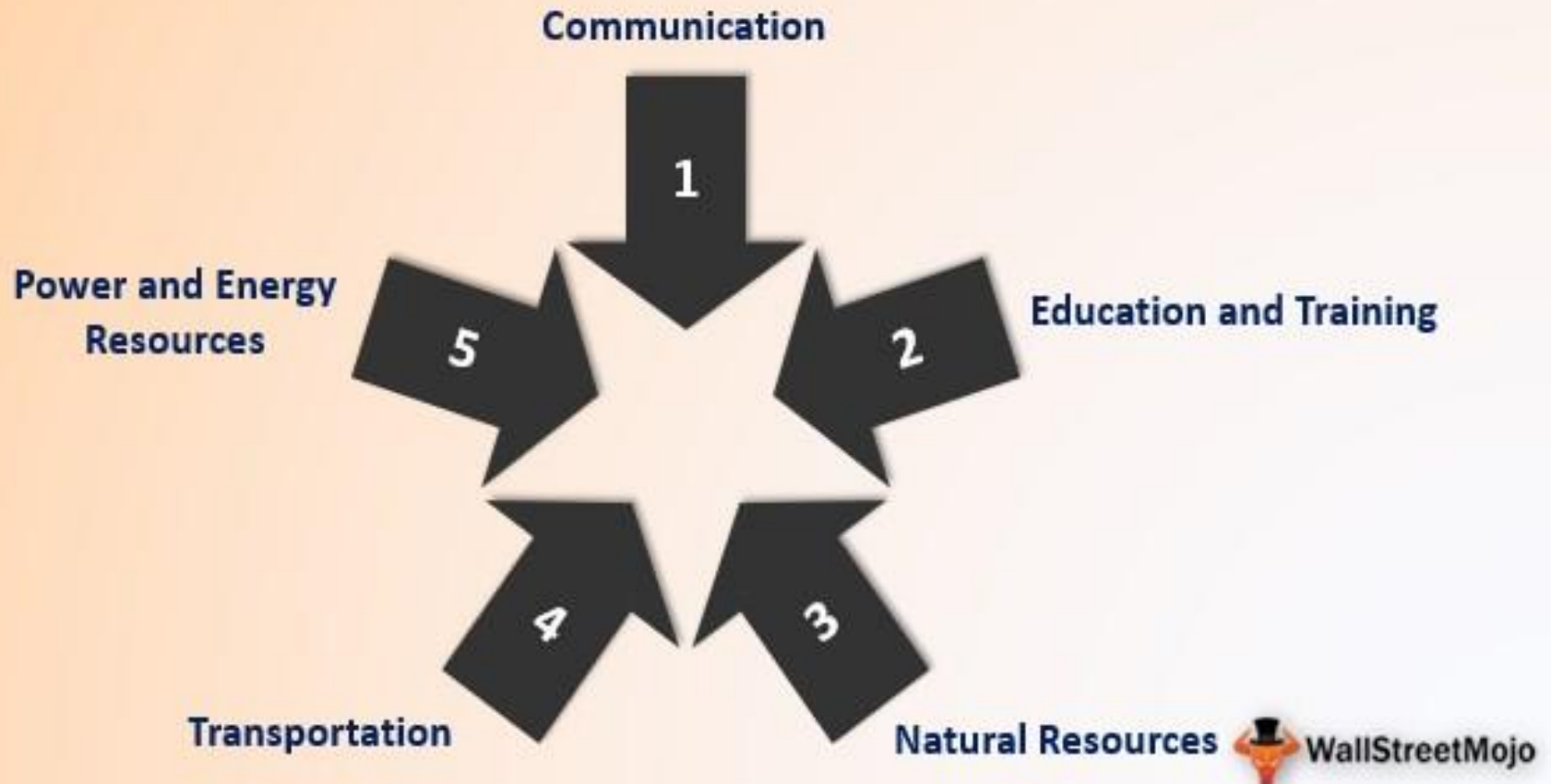
Alignment

**Strategic
Human
Resources
Management**

ASSESSMENT

- How utilize the resources to solve economic problems

Economic Factors



SOLUTION OF ECONOMIC PROBLEMS WITH DIFFERENT RESOURCES

- **More Income**
- **More Employment**
- **Education**
- **Training**
- **Use of Natural Resources**
- **Use of Technology**
- **Invention**
- **Agricultural Development**

ASSESSMENT

- **Identify the Resources**
- **1: Natural Resources**
- **2: Man made
Resources/Artificial resources**
- **3: Human Resources**



tree



bell



acorn



wheel



mushroom



rock



drum



rocket



flower



yarn



volcano



umbrella



tree



bell



acorn



wheel



mushroom



rock



drum



rocket



flower



yarn



volcano



umbrella




CLOSURE

Key points:

- Natural Resources
- Artificial Resources
- Human Resources
- Solve Economic problems with the use of Resources

HOME WORK

- **Make a List of Different types of Human Resources**
- **Or**
- **Why Man power is so Important for the growth of our Economy?**



Thank you.
See you in the
next lesson.