# Difference Between Economics and Engineering Economics

Economics is a social science that studies the production, distribution, demand principles, and consumption of commodities and services. <imp.>. Utilization of economic principles is done both consciously and subconsciously, for individual as well as communal benefit, ubiquitously.

Engineering economics, in contrast, is a subset of economics that refers to product design and production procedures that maximize revenue while <cost effective bla bla>. It is the study of diverse financial and economic concerns that affect the very way engineers proceed and obtain solutions to distinct problems, whilst also providing aid in choosing the optimal alternative in engineering projects. <comp. of engineers>.

An engineer's employment of economic principles while designing a product is influenced by the notion that, in addition to being able to execute a unique technological solution, an engineer must also be able to satisfy the product's social demands. <eng. duty>.

Utilization of economic principles in all domains of engineering is of vital importance as a point of balance must be struck between the limitless human wants and the inevitable resource constraints of the real-world. <comp. of scarce resources>. Theories of economics underlying and revolving all of engineering domain, when utilized effectively, can yield the following benefits,

* <KPs>

A prime example of well-thought-out engineering process is the <example>