

Economics of Money and banking

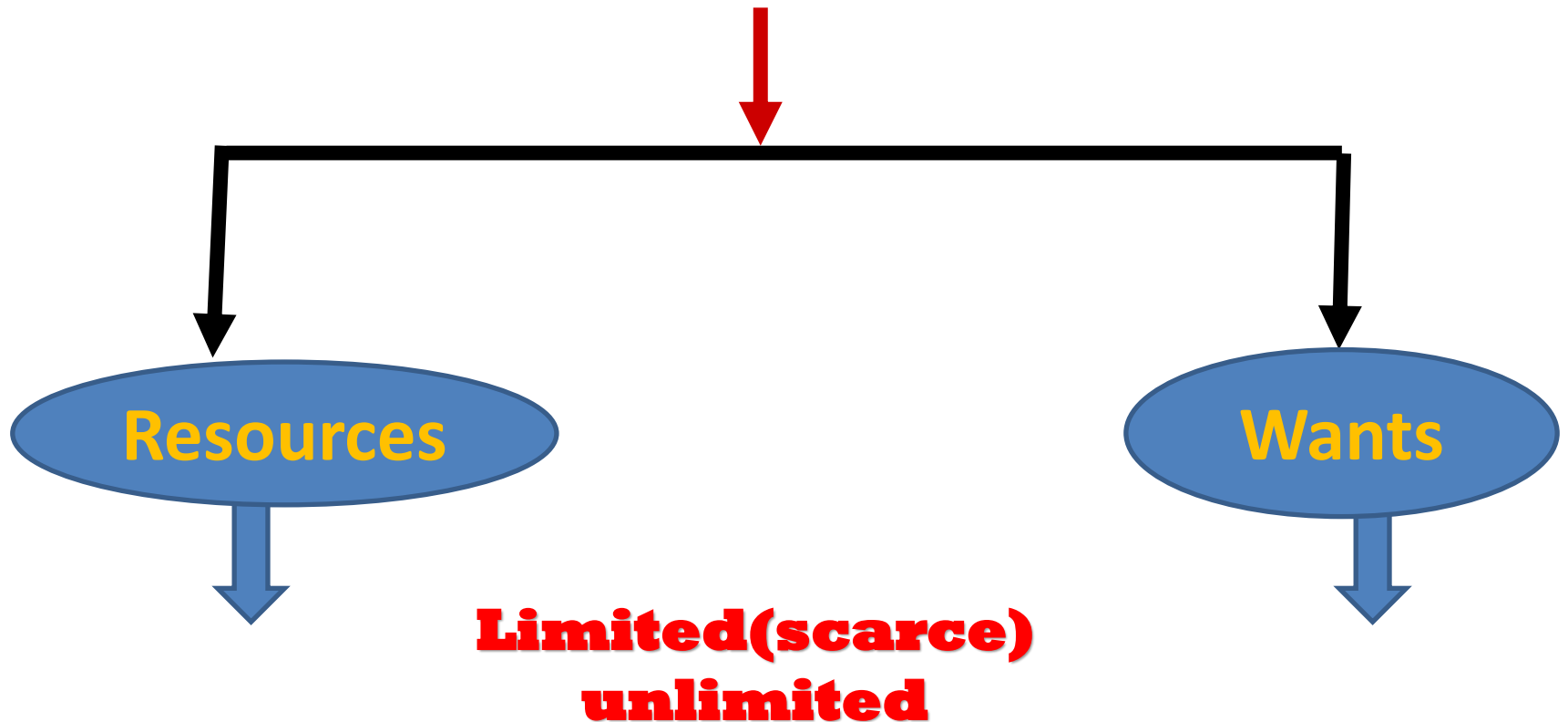
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Economic science

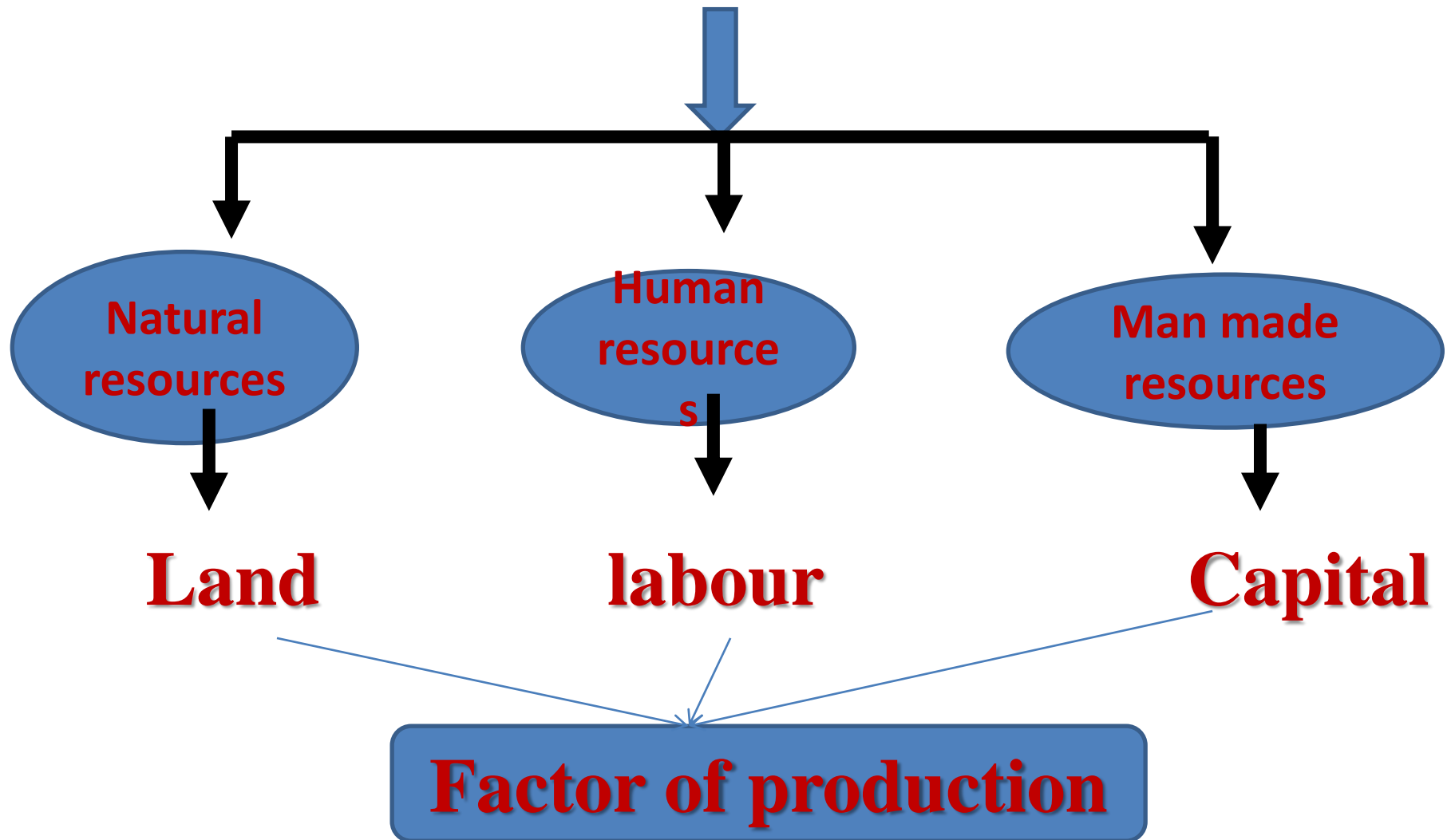
Economics aims to study the economic problem and provide appropriate solutions to it.

What is the economic problem?

The economic problem



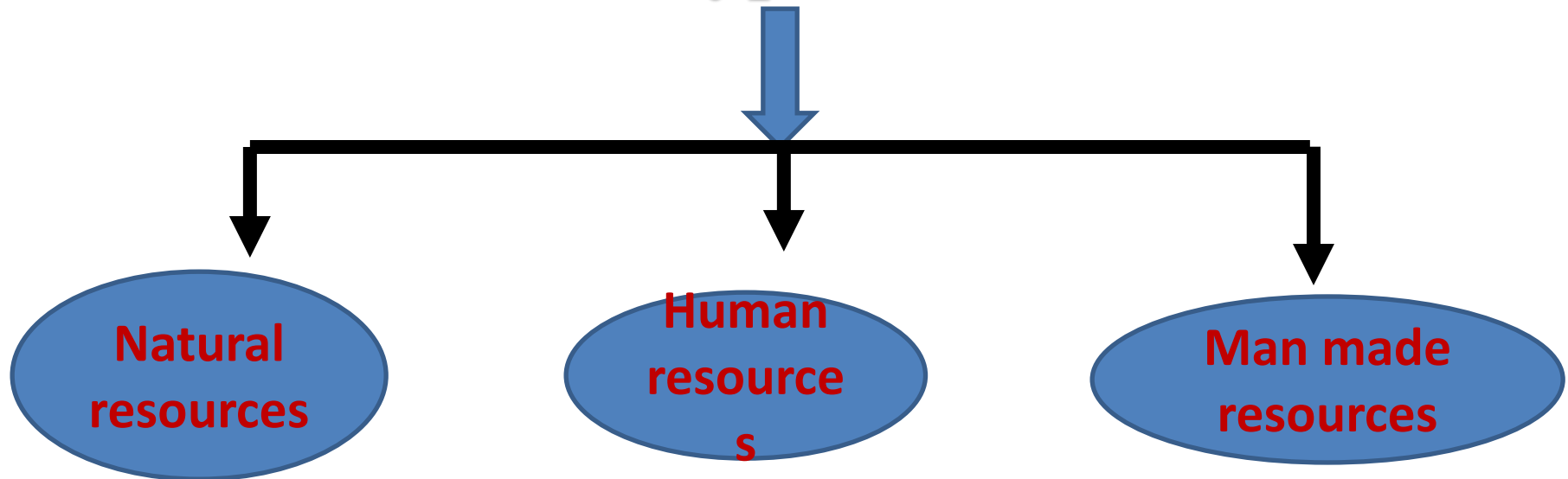
■ The three types of resources



Resources

A resource is anything that can be used to satisfy human needs or wants. Resources can be classified in many different ways, but some common categories include:

- **The three types of resources**



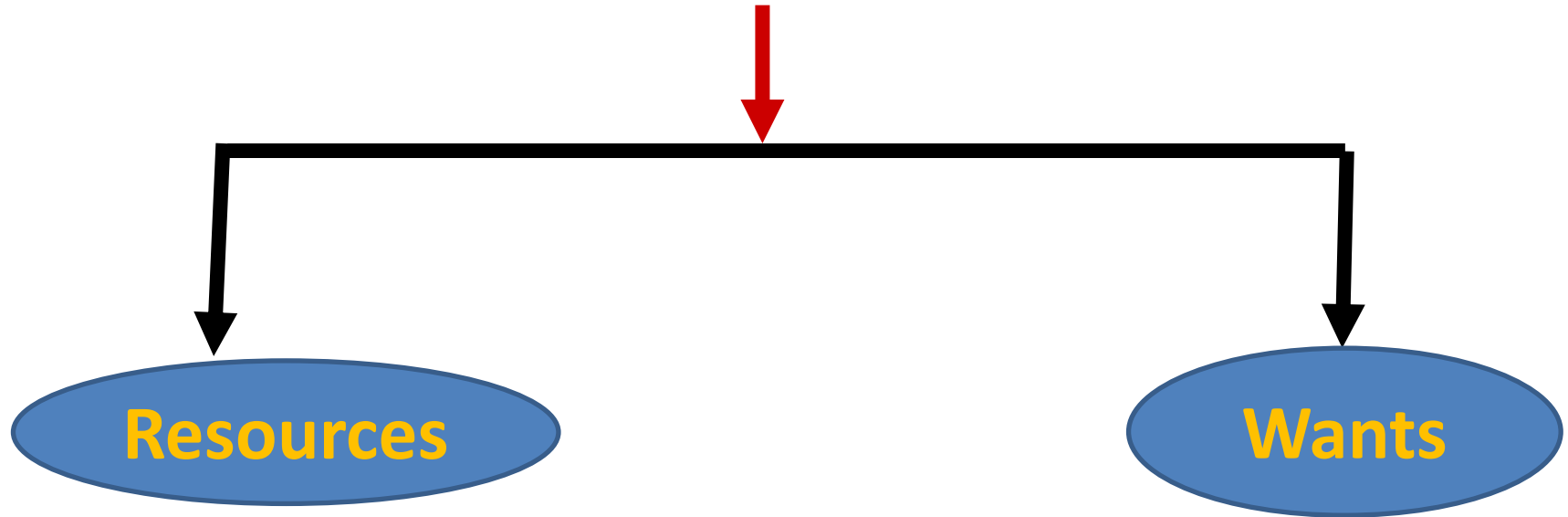
- There are other resources such as **financial resources** and **information resources**.
- **Natural resources:** These are resources that occur naturally, such as air, water, land, minerals, and forests.
- **Human resources:** These are the skills, knowledge, and abilities of people.

- **Capital resources:** These are resources that are created by humans, such as tools, machinery, and factories.
- **Financial resources:** These are resources that can be used to purchase other resources, such as money and credit.
- **Information resources:** These are resources that provide knowledge and information, such as books, libraries, and the internet.

Resources are important because they allow us to produce goods and services that meet our needs and wants. For example, we need **natural resources** to produce food, water, and energy. We need **human resources** to work in factories, offices, and hospitals.

.We need capital resources to produce goods and services efficiently. We need financial resources to purchase goods and services. And we need information resources to make informed decisions about how to use our resources.

The economic problem



The core of the economic problem is that economic resources do not satisfy all human needs.

The economic problem is a problem of **scarcity (relative scarcity) that leads to a **choice**, and this choice leads to a **sacrifice**, and this sacrifice represents a cost called the **opportunity cost**.**

opportunity cost:

Is the sacrifice of one goods to get another goods.

scarcity

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graph TD; A[scarcity] --> B[choice]; B --> C[sacrifice]; C --> D[opportunity cost]; D --> E([Economic Problem]);
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choice

sacrifice

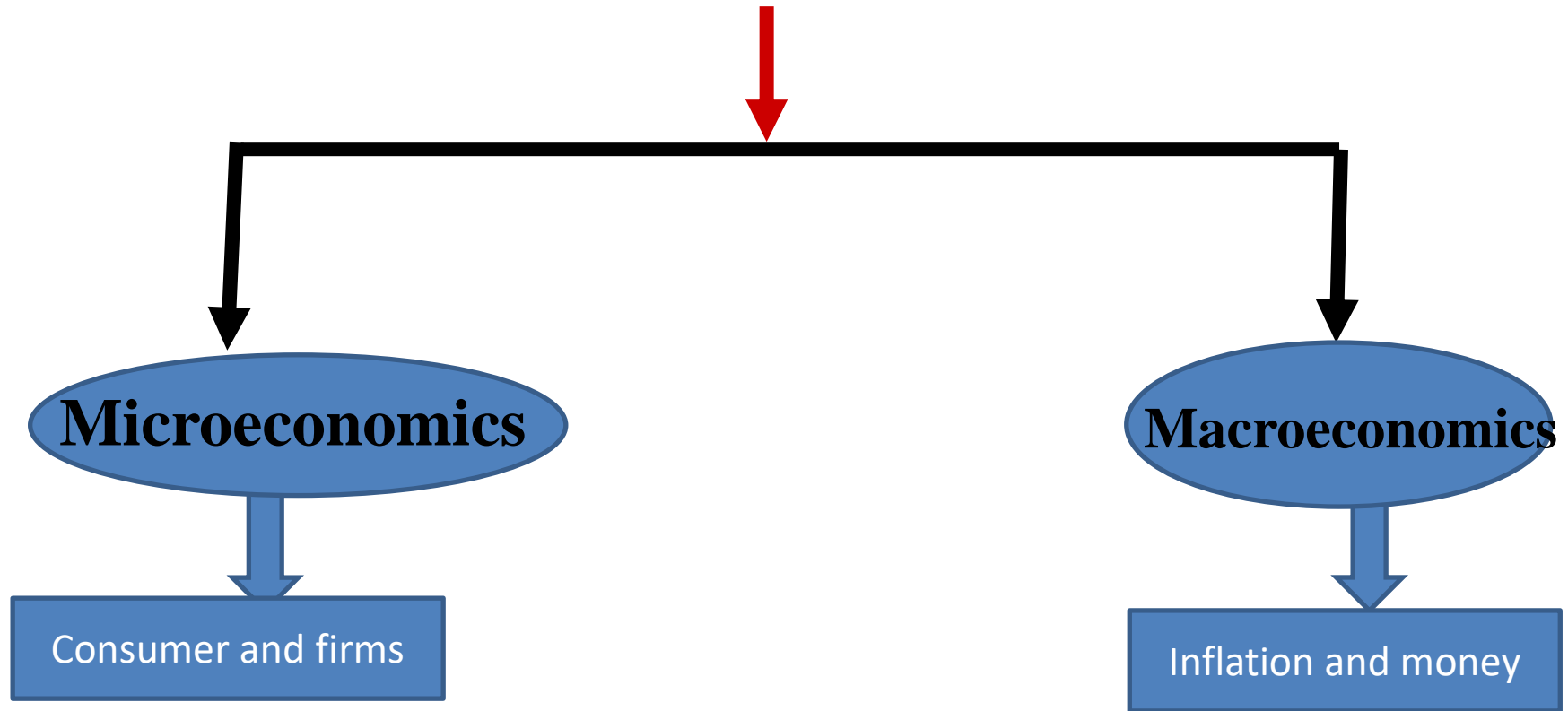
opportunity cost

**Economic
Problem**

what is the economics?

Economics is the study of how people make choices in the face of scarcity and how those choices motivate behavior. It is a **social science** that focuses on the production, distribution, and consumption of goods and services. Economics also **analyzes** the choices that individuals, businesses, governments, and nations make to allocate resources.

Economies are divided into two main branches?



- **Microeconomics:** Microeconomics studies the behavior of individual consumers and firms. It examines topics such as supply and demand, market structure, and pricing.
- **Macroeconomics:** Macroeconomics studies the behavior of the economy as a whole. It examines topics such as economic growth, inflation, Money, and unemployment.

thanks