

الجمهورية الجزائرية الديمقراطية الشعبية
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وزارة التعليم العالي والبحث العلمي

MINISTRE DE L'ENSEIGNEMENT SUPERIEUR ET DE LA RECHERCHE SCIENTIFIQUE

UNIVERSITE MOHAMED BOUDIAF - M'SILA
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جامعة محمد بوضياف – المسيلة
كلية العلوم الاقتصادية والتجارية
وعلوم التسيير
قسم العلوم المالية والمحاسبة

ENGLISH FOR BUSINESS

Licence (1)

Course for the Bachelor students

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Chapter 1

ECONOMICS

➤ **Economics**

Economics is defined as the best use of resources to achieve the maximum satisfaction of human needs and wants.

Economics is a social science that focuses on the production, distribution, and consumption of goods and services, and analyses the choices that individuals, businesses, governments, and nations make to allocate resources. Economics focuses on efficiency in production and exchange.


Economics is a social science concerned with the production, distribution, and consumption of goods and services. It's comprised of broader macroeconomics and consumer-centric microeconomics.

Thus, microeconomics and macroeconomics are the two branches of economics; where the study of microeconomics focuses on the choices of individuals and businesses, and macroeconomics concentrates on the behaviour of the economy as a whole, on an aggregate level.

➤ **Microeconomics**

Microeconomics studies the decisions of individuals and firms to allocate resources of production, exchange, and consumption.

Microeconomics deals with prices and production in single markets and the interaction between different markets.



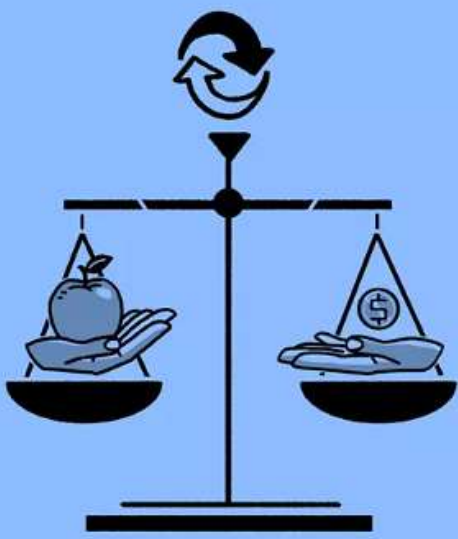
Microeconomics

[mī-krō-,e-kə-'nä-miks]

The study of how individual actors make choices in response to changes in incentives, prices, resources, and/or methods of production.

Microeconomics is the social science that studies the implications of incentives and decisions, specifically how those affect the utilization and distribution of resources.

Microeconomic groups create the demand and supply for resources.



Law of Supply and Demand

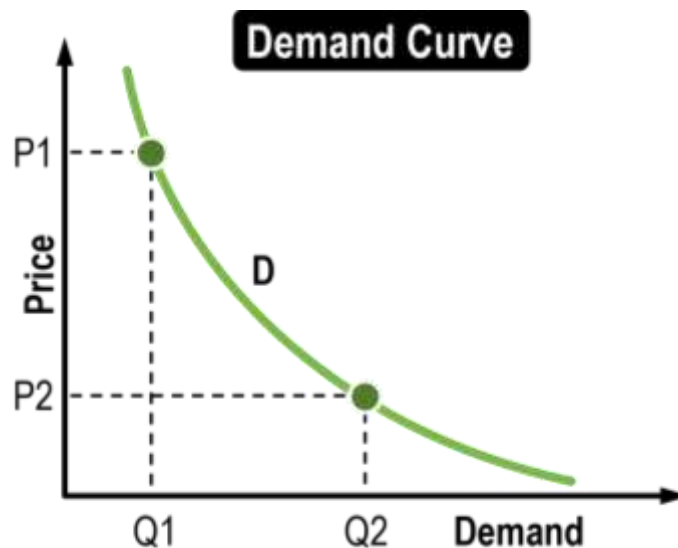
[ˈlɒ əv sə-'plī ən(d) di-'mænd]

A theory that explains the interaction between the sellers of a resource and the buyers for that resource.

➤ Demand

The law of demand holds that demand for a product changes inversely to its price, all else being equal. The higher the price, the lower the level of demand.

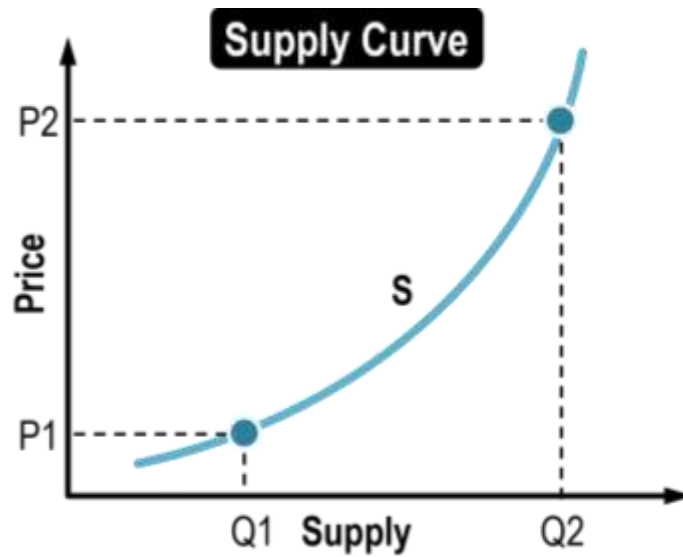
As the price of a commodity increases, its quantity demanded decreases (vice versa).



➤ Supply

The law of supply relates price changes for a product with the quantity supplied. The higher the price, the higher the quantity supplied.

As the price of a commodity increases, its quantity demanded increases (vice versa).



➤ **Macroeconomics**

Macroeconomics is a branch of economics that studies how the overall economy behaves. The overall economy is the markets, businesses, consumers, and governments).

Macroeconomics examines economy-wide phenomena such as inflation, price levels, rate of economic growth, national income, gross domestic product (GDP), and changes in unemployment.

Macroeconomics is the branch of economics that deals with the structure, performance, behavior, and decision-making of the whole, or aggregate, economy.

The two main areas of macroeconomic research are long-term economic growth and shorter-term business cycles.

A graphic on a light blue background. It features a central globe with a large black dollar sign (\$) overlaid on it. The globe is surrounded by several vertical bar charts of varying heights, some with upward-pointing arrows, suggesting economic data or market trends. Below the globe, there is a black line graph with an upward-pointing arrow, and a black shadow is cast beneath the globe.

Macroeconomics
[ma-krō-e-kə-nä-miks]

A branch of economics that studies how an overall economy behaves.