



Module : English for Specific Purposes

Teacher :Manel.A

Level : 1st year Master/

Academic year :2024-2025

Monetary and Financial Economics

What is economic?

Economics is the study of production and consumption of goods and services, and the transfer of wealth to produce and obtain those goods, it is a social science that examines how people choose among the alternatives available to them. It is social because it involves people and their behavior, and it is a science because it uses, as much as possible, a scientific approach in its investigation of choices. Economics explains how people interact within markets to get what they want or accomplish certain goals.

Scarcity, Choice, and Cost

All choices mean that one alternative is selected over another. Selecting among alternatives involves three ideas central to economics: scarcity, choice, and opportunity cost.

Scarcity

Our resources are limited. At any one time, we have only so much land, so many factories, so much oil, so many people. But our wants, our desires for the things that we can produce with those resources, are unlimited. We would always like more and better housing, more and better education – more and better of practically everything.

If our resources were also unlimited, we could say yes to each of our wants – and there would be no economics. Because our resources are limited, we cannot say yes to everything. To say yes to one thing requires that we say no to another. Whether we like it or not, we must make choices.

Scarcity and the Fundamental Economic Questions

The choices we confront as a result of scarcity raise three sets of issues. Every economy must answer the following questions:

1. What should be produced? Using the economy's scarce resources to produce one thing requires giving up another. Producing better education, for example, may require cutting back on other services, such as health care. A decision to preserve a wilderness area requires giving up other uses of the land. Every society must decide what it will produce with its scarce resources.

2. How should goods and services be produced? There are all sorts of choices to be made in determining how goods and services should be produced. Should a firm employ a few skilled or a lot of unskilled workers? Should it produce in its own country or should it use foreign plants? Should manufacturing firms use new or recycled raw materials to make their products?

3. For whom should goods and services be produced? If a good or service is produced, a decision must be made about who will get it. A decision to have one person or group receive a good or service usually means it will not be available to someone else. So, every economy must determine what should be produced, how it should be produced, and for whom it should be produced.

❖ **Text based Activities**

1. Say if the sentences concerning the text are true or false.

- Economics is an exact science that deals with numbers and shapes.
- Economics does not involve people and their behaviour.
- Economics uses a scientific approach in its investigation of choices.
- We have so much land, so many factories, so much oil, so many people, – so our resources are unlimited.
- No matter whether we like it or not, we must make choices.
- The first question that economy must answer is ,Where can we get money for production?
- Every society must decide what it will produce with its scarce resources.
- It is not important for a producer to know who will get his products and services.
- A decision to have one person or group receive a good or service usually means it will not be available to someone else.

2. Match the words with their definitions.

Word	Definition
1. Economics	a. the process of growing or making food, goods or materials, especially large quantities.
2. Choice	b. a business whose work involves doing smth. for customers but not producing goods.
3. Scarcity	c. things that are produced to be sold.
4. Production	d. the study of how a society organizes its money, trade and industry.

5. Goods	e. shortage of something. and difficulty to obtain
6. Service	f. to make smb. do or have smth., especially because it is necessary according to a particular law or set of rules.
7. Resource	g. an act of choosing between two or more possibilities.
8. To require	h. to give smb. a job to do for payment.
9. To employ	i. the act of using energy, food or materials.
10. Consumption	j. a supply of smth. that a country, an organization or a person has and can use, especially to increase their wealth.

3. Fill in the gaps using the words below:

Fee, increased, decreased, price, value, purchase, consumption, spent, consume, require, resources, expected, economics, services, goods, production

1. She studied politics and _____ at Cambridge.
2. This car model went out of _____ in 2000.
3. The cargo delivered _____ in time.
4. The supply of water, gas, and electricity are essential _____.
5. Natural _____ in this region are quite diverse and rich.
6. She was advised to reduce her chocolate _____.
7. Little babies _____ a lot of love and attention.
8. Every year private property increases in _____.
9. He _____ a great amount of money on a new car.
10. Keep your receipt as proof of _____.
11. Children over seven must pay full _____ for the ticket.
12. House prices are _____ to rise sharply.
13. In winter people _____ large amounts of heat and electricity.
14. The rate of inflation has _____ by 6% since the beginning of the year.
15. The number of new students _____ from 180 to 150 this year.
16. Does the bank charge a _____ for setting up the account?