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Scarcity and opportunity cost and the basic tasks of an Economy

The economy is a dynamic, constantly changing mechanism. The natural resources, workers, managers, innovators, equipment, structures and technical know-how available to produce useful goods and services are all in some way limited. The wants we seek to satisfy, however, are seemingly unlimited. We all have biological needs for minimum amounts of these items. We want amenities, comfort, and luxuries.
The fundamental economic problem is scarcity, the imbalance between our desires and the means of satisfying these desires. It is a problem faced by rich as well as poor societies - even the vast wealth of satisfying those desires.

Opportunity

When scarcity exists, we know we must sacrifice something of value to obtain more of any scarce good or service. The limited availability of resources such as land, skilled labor, structures, and equipment means that the more resarces are used for one purpose, the less will be available fer other purposes.