economics.

Date: 12/9/25 Mohammad amin Mohagh Subject:

the contorol Problem of economics is Scarcity. limited resources vereus unlimited wents. Because resources are scarce. People and societies face opportunity costs meaning every choice involves giving up the next best alternative.

basic questions: 1 what to Produce? societies must decide which goods and servies to Prioritize.
2 How to Produce? Choices involve methods of Production - labor vs. machines natural vs Private Production.
3 for whom to Produce? Distribution Can be equal based on ability to Pay or through special Privileges.

microeconomics: studies individual decisions. Prices and markets (sometimes called Price theory)
Positive analysis: explains cause and effect relationships and Predicts out comes fact-based if then.
Normative analysis: evaluates outcomes based on value judgments and recommends what should be done