

# Economics

- The study of scarcity and choice.
- The study of how people seek to satisfy their needs and wants by making choices.
- The study of how society manages its scarce resources.

# Microeconomics vs. Macroeconomics

- The **difference between** micro and macro economics is simple.
  - **Microeconomics** is the study of economics at an individual, group or company level – focuses on issues that affect individuals and companies or individual industries.
  - **Macroeconomics**, on the other hand, is the study of a national economy as a whole..

# Microeconomics vs. Macroeconomics

## Microeconomics

- Should I go to college or get a job after high school?
- What determines the salary that Citibank offers to a new college graduate?
- What determines whether a new car dealer opens a second business?
- What government policies should be adopted to make it easier to low-income students to go to college?
- What determines the number of iPhones exported to France?

## Macroeconomics

- How many people are employed in the economy as a whole this year?
- What determines the overall salary levels paid to workers in a given year?
- What determines the overall level of prices in the economy as a whole?
- What government policies should be adopted to promote employment and growth in the economy as a whole?
- What determines the overall trade in goods, services, and the financial assets between the U.S. and the rest of the world?
- What determines whether to buy or sell bonds in the open market?