

# PRINCIPLES OF ECONOMICS

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# Basic Economic Principles

## Principle 1: We Have Unlimited Wants

- **Wants** — desires that can be met by consuming products
- Wants are unlimited and ever changing





# Basic Economic Principles

## Principle 2: Scarce Resources/Mean

- **Resources**- Limited & having Alternate Uses
- **Scarcity** — lack of resources available to meet all human wants, *not a temporary shortage*



# Basic Economic Principles

## Principle 3: Problem of Choice

- People make choices about all their needs and wants



# Video Clip: Scarcity & Choice

[VIDEOS\Scarcity and Choice.flv](#)



# THANK YOU