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**Master one : Economy and enterprise management**

**First Lecture : Economy and enterprise management**

1. **Definition of Economy**
2. **Characteristics of Economy**
3. **Why do we study Economy ?**
4. **Definition of Economy:**

\_The structure or conditions of [economic](https://www.merriam-webster.com/dictionary/economic) life in a country, area, or period *also* **:**an economic system

**\_** The arrangement or mode of operation of something **:**[ORGANIZATION](https://www.merriam-webster.com/dictionary/organization)

An economy is the large set of inter-related production, consumption, and exchange activities that aid in determining how scarce resources are allocated. The production, consumption, and distribution of goods and services are used to fulfil the needs of those living and operating within the economy, which is also referred to as an economic system.

1. **The main Characteristics of Economy**:

The five characteristics of an inclusive economy are defined by the Foundation as the following:

1. **Participation**– People are able to participate fully in economic life and have greater say over their future. People are able to access and participate in markets as workers, consumers and business owners. Transparency around and common knowledge of rules and norms allow people to start a business, find a job, or engage in markets. Technology is more widely distributed and promotes greater individual and community well-being.

**2.Equity-**More opportunities are available to enable upward mobility for more people. All segments of society, especially poor or socially disadvantaged groups, are able to take advantage of these opportunities. Inequality is declining rather than increasing. People have equal access to a more solid economic foundation, including equal access to adequate public goods, services and infrastructure, such as public transit, education, clean air and water.

**3.Growth**– An economy is increasingly producing enough goods and services to enable broad gains in well-being and greater opportunity. Good job and work opportunities are growing and incomes are increasing, especially for the poor. Economic systems are transforming for the betterment of all, including and especially poor and excluded communities. Economic growth and transformation is not only captured by aggregate measures of economic output (such as GD), but must include and be measured by other outcomes that capture overall well-being.

**4.Stability-** Individuals, communities, businesses and governments have a sufficient degree of confidence in their future and an increased ability to predict the outcome of their economic decisions. Individuals, households, communities and enterprises are secure enough to invest in their future. Economic systems are increasingly resilient to shocks and stresses, especially to disruptions with a disproportionate impact on poor or vulnerable communities.

**5.Sustainability**– **Economic** and social wealth is sustained over time, thus maintaining inter-generational well-being. Economic and social wealth is the social worth of the entire set of assets that contribute to human well-being, including human produced (manufactured, financial, human, social) and natural capital. In the case of natural capital, human use must preserve or restore nature’s ability to produce the ecosystem of goods and services that contribute to human well-being. Decision-making must thus incorporate the long-term costs and benefits, and not merely the short-term gains, of human use of our full asset base.

**The reasons behind studying Economy (The importance ):**

***Should I study Economics? Here are 10 absolutely foolproof reasons for studying economics***.

1. **Economic Forecaster**
2. **You can always give advice.**
3. **Diminishing Returns.**
4. **Rational Behaviour**
5. **Economics is a very humorous subject**

**6 .Economics gets you a high paid job**

**7. It's better than studying Geography**

**8. Economies of Scale**

**9. However - On the Other Hand**

**10. You will Know Why you are Unemployed**