

Economics: Overview

- The youngest social science (named in 1770s)
- The most mathematical social science
 - Uses computer modeling & statistics
- A Style of Thought/Problem Solving
 - Making Decisions: Cost/Benefit Analysis
 - Incentives/Disincentives: Promoting or Discouraging Human Behavior
 - Why do people behave as they do?

Economics Defined

- Etymology (Greek)
Oikos (“house”) + Neimen (“manager”) =
Oikonomos (“household manager”).
- Definitions:
 1. Websters:
“A social science concerned chiefly with the description and analysis of the production, distribution, and consumption of goods and services.”

2. Samuelson (modified):

“The study of how people and society choose, with or without the use of money, to employ scarce or limited resources to produce various commodities and distribute them to various members of society. It is also the study of how to improve society.”

4 Key Components:

- a. Law of Scarcity: Resources are limited and require people to make choices.
- b. Production: How are things made?
- c. Commodities: What things will be produced?
- d. Distribution: For whom are things produced and how are they distributed?

The Great Recession

What is GDP?

- Gross Domestic Product (“GDP”) is the total market value of all goods and services produced within a nation's borders during a given time period (usually 1 year).
- A nation's economy is considered healthy if its GDP grows at the rate of 3% per year.

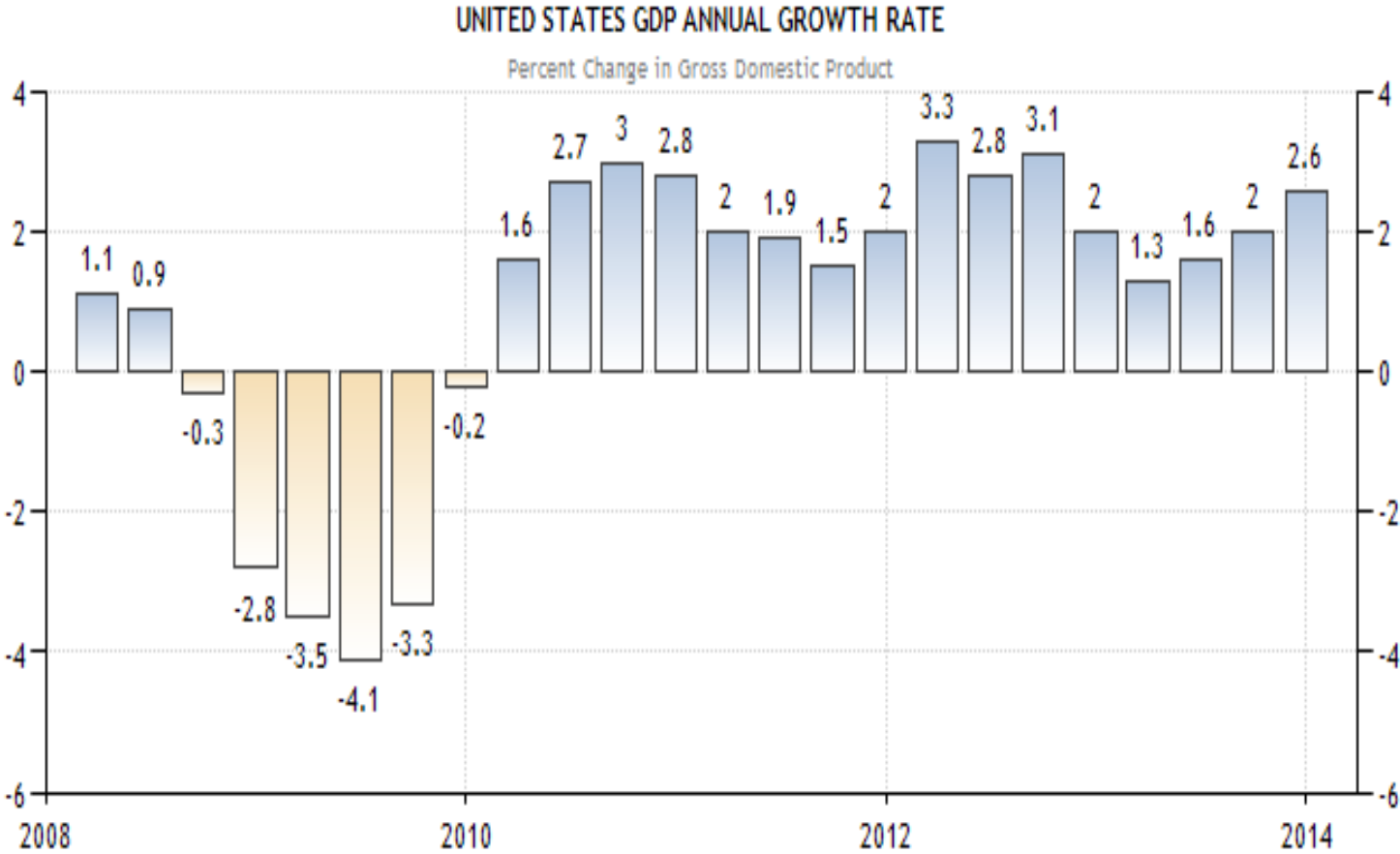
What is a Recession?

- In macroeconomics, a recession is generally associated with a decline in a country's real gross domestic product (GDP), or negative real economic growth. Generally, a recession occurs when real growth is negative for two or more successive quarters (3 month periods) of a year.

What is the Difference Between a Recession and a Depression?

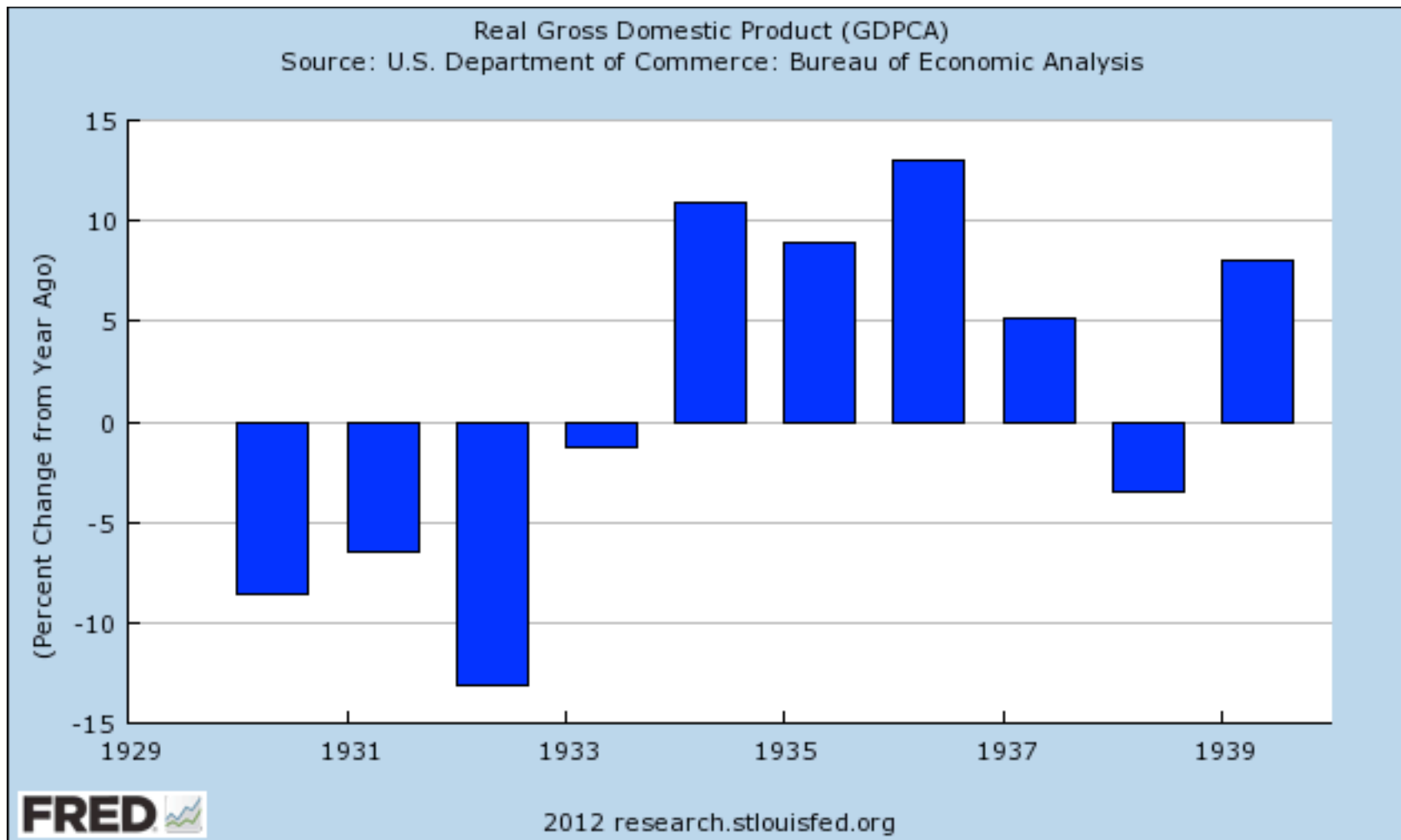
A depression is a severe and prolonged recession. It is a period of profound and extended economic contraction.

Annual GDP Growth Rate: The Great Recession



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

GDP Growth Rates During the Great Depression

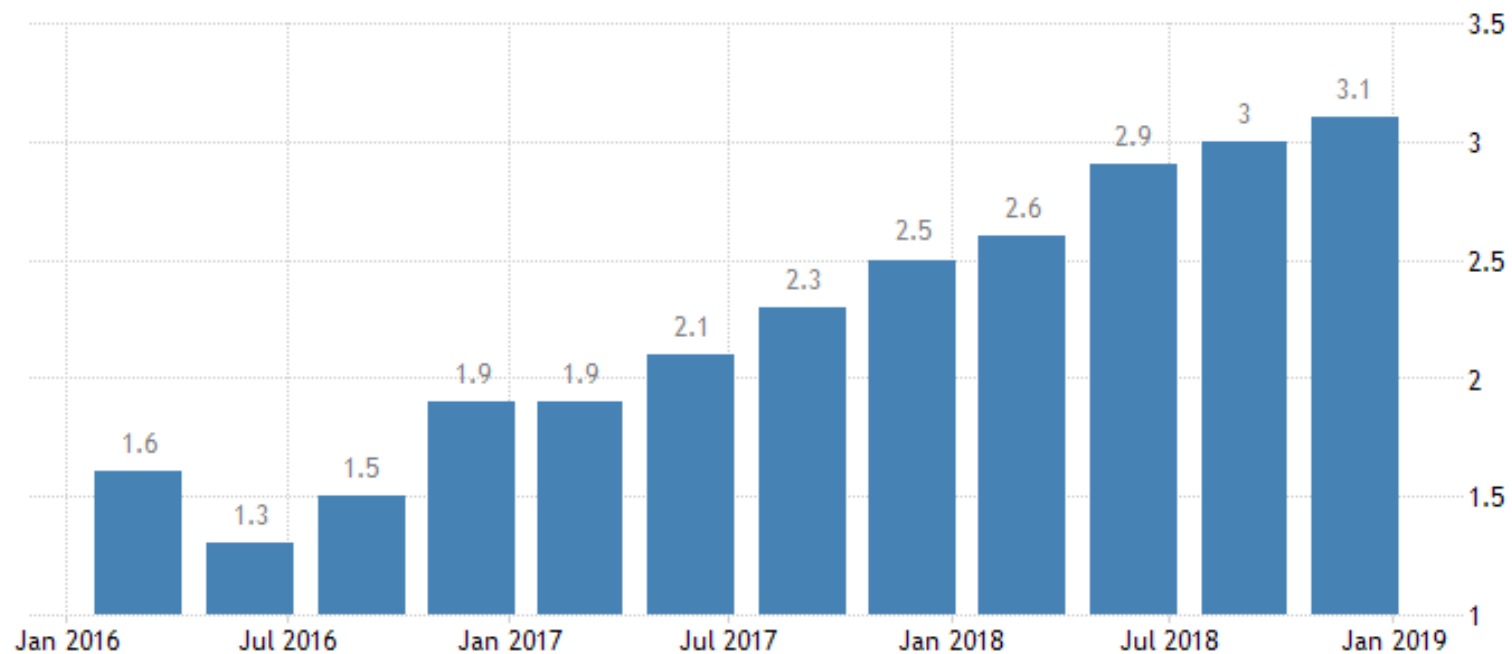


Annual GDP Growth Rate: The Obama Era



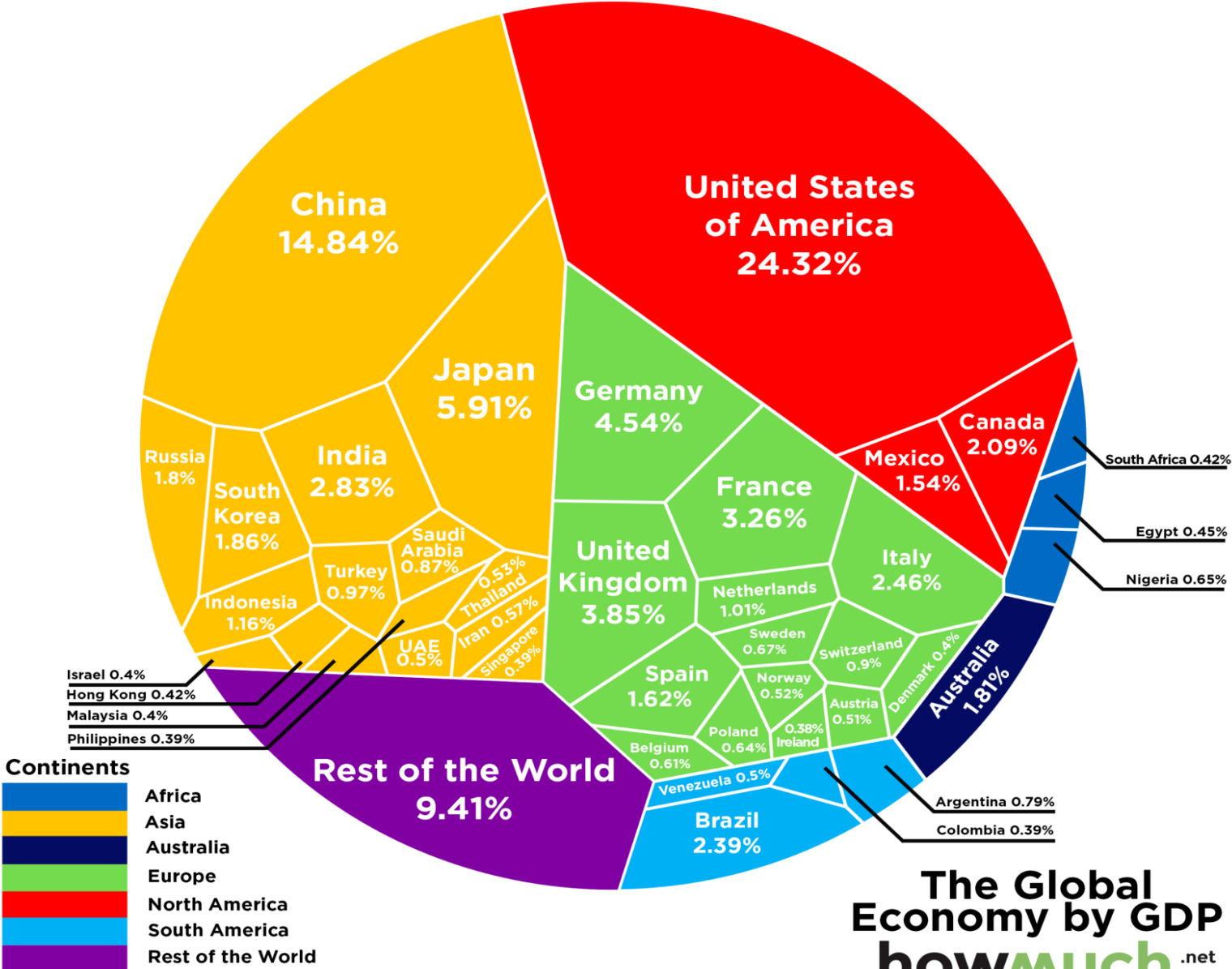
SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

Annual GDP Growth Rate: The Trump Era



SOURCE: TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

International GDP Comparisons



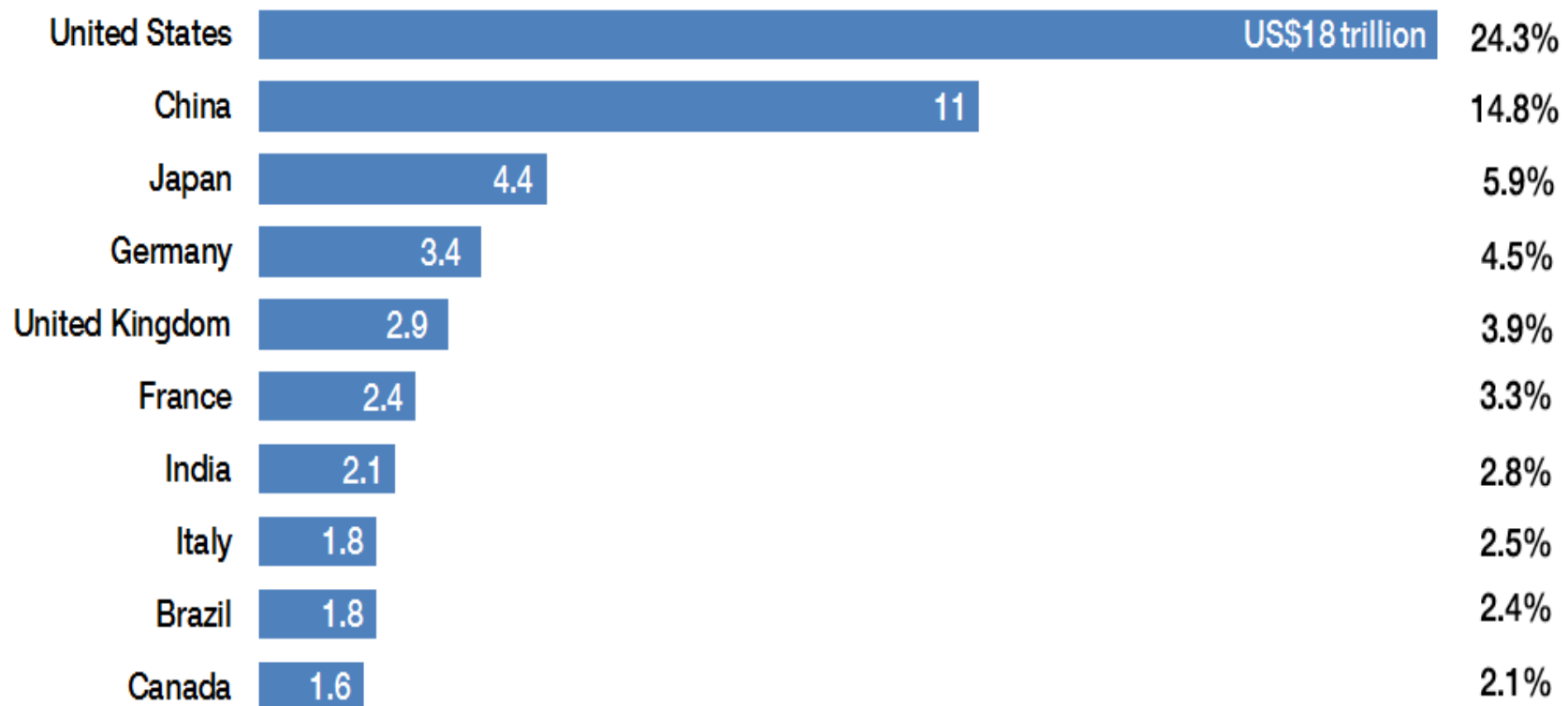
Sources: World Development Indicators database, World Bank, 1 February 2017

International GDP Comparisons



The world's biggest economies

GDP in current USD and share of global total, latest World Bank data, 2015



Source: World Bank and Visual Capitalist

International GDP Comparisons

World's Fastest Growing Large Economies

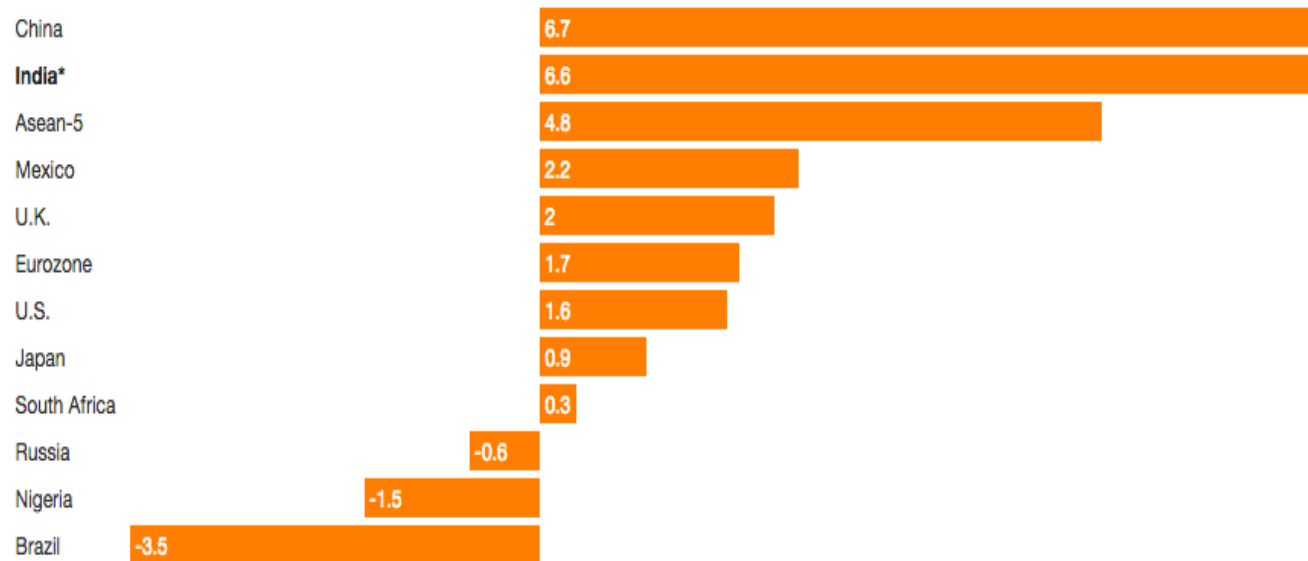
INDIA REAL TIME

India Is No Longer the World's Fastest-Growing Large Economy, IMF Says

China took back in the crown in 2016 thanks 'primarily' to Modi's cash cancellation

Watch the Throne

The International Monetary Fund estimates that India lost the mantle of fastest-growing large economy last year. Estimated output growth in 2016, percentage change from a year earlier.



India estimate is for the year that ends March 31, 2017. The Asean-5 countries are Indonesia, Malaysia, Philippines, Thailand and Vietnam.

Source: International Monetary Fund [Get the data](#)

International GDP Comparisons

World's Fastest Growing Economies

The top 10 fastest growing economies in 2018

Real GDP growth at market prices

