

Economics for the 21st Century
Some Introductory Perspectives

David Brown 2003

At the heart of it all...
Economics is choosing.
 How to use limited resources most effectively toward maximum achievement of human ends?

Economics is not only about \$\$ & getting rich

How best to reduce world hunger?

How to make optimal use of environmental cleanup funds?

What school teaching systems will be most cost-effective?

Who will gain & lose from trade?

Prevention vs. punishment in crime reduction

Will mega-mergers help consumers?

How to allocate my time as a ~~Student~~ student?

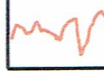
Four basic economic goals are...



1. Growth



2. Equity



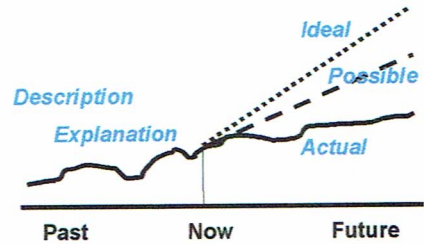
3. Less risk



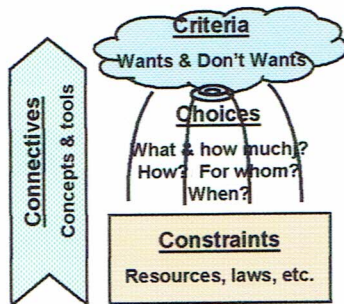
4. Sustainability

Much of our political debate seeks consensus on what blend of these four goals is "best."

Economics is forward-looking but it tries to learn from the past

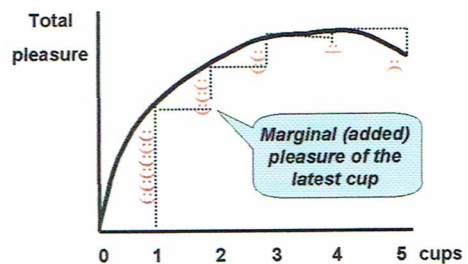


One framework that can be useful is to think of the 4 C's

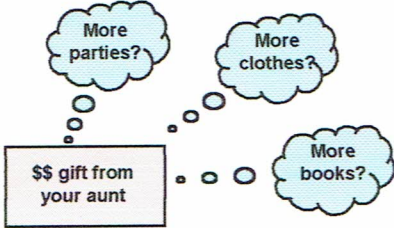


Marginal analysis helps to make efficient choices

How many cups of coffee for you?



It's important to ask
"what is the opportunity cost?"
What will we give up from other alternatives if we choose this one?



New settings in which to make economic choices may emerge
All will strive for efficiency

- | | |
|-----------------------|-------------------------|
| Shopkeepers | Global mega-mergers |
| Corporations & trusts | Independent experts |
| Cooperatives | Non-gov't organizations |
| Communes | Gov't-NGO partnerships |
| State enterprises | Others?? |

1900	2000	2100
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