



People's Democratic Republic of Algeria
Ministry of Higher Education and Scientific Research
University of Djelfa Ziane Achour
Faculty of Economic Sciences, Commercial Sciences
and Management Sciences
Common trunk department

Coursebook:

Economic terminology in English

**First year students
Common trunk department
Second semester**



Presented by :

Dr.Lahoual Fattoum

Assistant Professor (Class B)

Faculty of Economic Sciences, Commercial Sciences and

Management Sciences

University of Djelfa – Algeria

2026/2025



وزارة التعليم العالي والبحث العلمي
MINISTRE DE L'ENSEIGNEMENT SUPERIEUR ET DE LA
RECHERCHE SCIENTIFIQUE
جامعة زيان عاشور الجلفة
Université Ziane Achour DJELFA
كلية العلوم الاقتصادية والتجارية وعلوم التسيير

المصطلحات الاقتصادية بالإنجليزية

Economic terminology in English

مطبوعة بيداغوجية موجهة لطلبة السنة الاولى جذع مشترك

اعداد :
لحول فطوم
استاذ محاضر ب

الموسم الجامعي : 2026/2025

Table Of Cotents

List Of Figures	7
List Of Tables	8
Introduction	9
Objectives.....	9
Chapter01: Introduction to Economic Language	10
The concept of economics	10
The Relationship of Economics to Other Sciences	10
Economic Terms.....	11
Types of Economics	11
History of Economics.....	12
Economic Language	13
Language Skills as Capital	13
the relationship between being multilingual and acquiring economic success.	13
Importance of the study of economics.....	14
Exercises	16
Chapter 02: Basic Economic Concepts	17
Key concepts of economics	17
General terms in economics	17
Examples of the economic problem	22
Exercises	24
Chapter 03: Micro vs. macroeconomics	25
Difference Between Macroeconomics and Microeconomics	25
What is Macroeconomics	26
What is Microeconomics.....	27
Exercises	28
Chapter 04: Supply and Demand	29
Demand	29
Law of Demand.....	29
Factors Affecting Demand	29
Supply.....	29

Law of Supply	29
Factors Affecting Supply.....	29
Market Equilibrium	29
Exercises	30
Chapter 05: Market types.....	32
What is Market Structure?.....	32
Types of Market Structures	33
Market analysis by SWOT	34
Exercises	36
Chapter 06: National income and GDP and GNP	38
Gross Domestic Product (GDP)	38
Gross National Income (GNI)	38
Gross National Product (GNP).....	39
Difference between GNP, GDP and GNI.....	40
Algeria's Gross Domestic Product GDP (2025)	41
Exercises	42
Chapter 07: Inflation and deflation.....	43
Inflation	43
Causes of Inflation.....	43
Effects of Inflation.....	44
Deflation.....	45
Causes of Deflation	46
Effects of Deflation	46
Difference between Inflation and Deflation	47
Exercises	48
Chapter 08 Fiscal and monetary policy	50
Definition of Monetary Policy	50
Definition of Fiscal Policy	51
Key Differences Between Monetary Policy and Fiscal Policy.....	52
Exercises	53
Chapter 09: Banking terminology	54
Banking Terms	54
Examples	55

The concept of Islamic banking	56
Exercise:.....	57
Chapter:10 International trade.....	58
What is International Trade?	58
Imports and Exports	59
Types of Trade.....	60
Importance of Trade	60
What Are Common Barriers to International Trade?	61
Objectives of International trade	61
Algeria’s Foreign Trade	62
Exercises	63
Chapter:11 Case study economic news article	64
Case study01.....	64
Case study02.....	65
Case study03.....	66
Case study04.....	67
Exercises	69
Chapter 12 :Translation of economic texts.....	70
Translation of the economic and financial texts:.....	70
Characteristics of Economic Translation	70
Exercise	71
Key answer	73
Subject01 Answers	73
Subject02 Answers	74
Subject03 Answers	75
Subject04 Answers	76
Subject05Answers	77
Subject06Answers	78
Subject07Answers	79
Subject08Answers	81
Subject09Answers	82
Subject10Answers	83
Subject11Answers	84

Final exam	86
Glossary	88
Abbreviations meaning	98
Bibliography.....	99
Web bibliography	101

List Of Figures

Figure 1 Types of Economics.....	12
Figure 2 The Three Basic Economic Questions.....	19
Figure 3 Factors of production	22
Figure 4 Macroeconomics-Circular	27
Figure 5 the supply and demand curve.....	30
Figure 6 Market Structure	32
Figure 7 the types of market structures	33
Figure 8 Gross domestic product	38
Figure 9 Gross National Income	39
Figure 10 Gross National Product.....	39
Figure 11 Algeria's Gross Domestic Product (1985-2025).....	41
Figure 12 Inflation Work.....	43
Figure 13 Causes of Inflation	44
Figure 14 Effects of Inflation	45
Figure 15 Causes of Deflation.....	46
Figure 16 Monetary Policy.....	51
Figure 17 Fiscal Policy.....	52
Figure 18 Fundamentals-of-International-Trade.....	58
Figure 19 Figure19Example of international trade(coffee)	59
Figure 20 Imports and Exports.....	59
Figure 21 Types of Trade	60
Figure 22 The barriers to international trade.....	61
Figure 23 UK inflation	64
Figure 24 China's Share of U.S. Goods Imports has declined significantly	66

List Of Tables

Tableau 1 The difference between goods and services	20
Tableau 2 Difference Between Macroeconomics and Microeconomics	26
Tableau 3 the main points of comparison for different types of markets	34
Tableau 4 Two-by-Two Matrix: SWOT Analysis	35
Tableau 5 Difference between GNP, GDP and GNI.....	40
Tableau 6 Difference between Inflation and Deflation.....	47
Tableau 7 Differences Between Monetary Policy and Fiscal Policy.....	53
Tableau 8 Algeria's GDP forecast (International Monetary Fund).....	68

Introduction

This coursebook is designed for all first-year undergraduate students in the Common trunk in Economics, Business, and Management Sciences, as they are required to take it this semester. The primary objective of this course is to equip students with an understanding of globalization and market liberalization concepts. Economic terminology in English has become essential for comprehending international reports, financial studies, and commercial transactions. Assessment reports and faculty feedback indicate that students face significant challenges in reading and understanding economic texts in English and lack a sufficient terminological foundation to enable them to follow advanced courses or access foreign sources.

Furthermore, the demands of the job market require graduates to possess economic skills in English, particularly in the fields of management, international trade, banking, and accounting. Therefore, this course aims to bridge this gap by building a robust English economic vocabulary for students and enabling them to use it effectively in appropriate contexts.

Objectives

- Students learn common academic terms such as thesis, citation, and paraphrase. They memorize lists and perform matching exercises.
- Students interpret the difference between general and academic language and understand the structure of an academic essay. They read and summarize texts and discuss main ideas.
- Students write a simple academic paragraph using formal writing rules. They practice writing and paraphrasing texts.
- Students analyze the structure of a paragraph or essay and identify its components (topic sentences, supporting ideas, etc.). They analyze real texts and identify essay elements.
- Students evaluate the quality of an oral presentation or written passage according to specific criteria. They review and correct classmates' errors.
- Students write a short academic essay or give a presentation on an academic topic. They compose original texts and deliver oral presentations.

Chapter01: Introduction to Economic Language

The concept of economics

Adam Smith, in his book (**The Wealth of Nations**), defined economics as "the science that investigates how a nation becomes wealthy."

Alfred Marshall, in his book (**Principles of Economics**), defined it as "the science that studies human behavior in the business activities of daily life, that is, how a person acquires income and how they use that income."

Robbins defined it as "the science that studies human behavior as a relationship between ends and scarce means with multiple uses."

Samuelson indicated that economics is "the science that studies the process of production and exchange between individuals, the development of price levels, employment, and production, the sources and distribution of wealth, investment, interest rates, and how economic relations are organized between individuals and nations."

Finally, we can say that economics is "the science that studies how to achieve the optimal utilization of available economic resources in order to satisfy the greatest possible number of unlimited human needs."

The Relationship of Economics to Other Sciences

The Relationship Between Economics and Sociology:

Economics studies certain social phenomena that are intertwined with the economy. The goal of economic studies is to achieve social justice for individuals and society, and to ensure equitable distribution of income and wealth through the provision of services, projects, and government support. It is essential to study and understand population size, density, geographical distribution, prevailing customs and traditions, and unemployment and poverty rates throughout the country.

The Relationship Between Economics and Psychology:

Psychology studies human motivations and behavior, striving to understand these motivations and actions. This aspect is linked to economic research, as it also seeks to understand and analyze these motivations, including the volume and rate of consumption, investment, and savings, in order to predict potential economic outcomes and formulate future economic policies.

The Relationship Between Economics and Law:

Economics is based on buying, selling, investment, and the conclusion of contracts and transactions between countries, companies, and even individuals. All of this must be conducted within a legal framework that guarantees the

rights of all parties and reflects the strength of the law and the economic and social conditions of the state.

The relationship between economics and statistics:

It is difficult to study economics or formulate economic policies without relying on statistics and numerical data, because statistics examines methods of measuring and analyzing facts and presenting them in the form of numbers or graphs that are easy to use.

Economic Terms

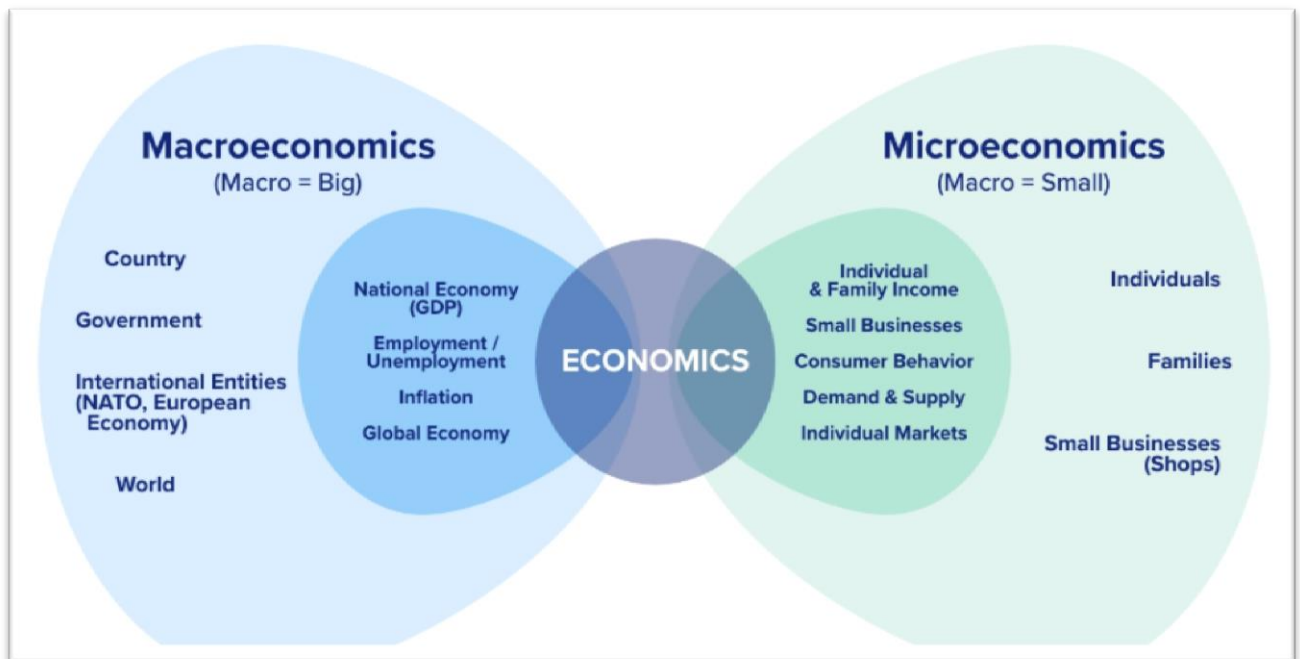
- **Economist**
A person who studies and analyzes how resources are produced, distributed, and consumed in an economy.
- **Economists**
The plural form of economist; people who study economic systems, markets, and financial behavior.
- **Economize**
To use money, time, or resources carefully and avoid waste.
- **Economics**
The social science that studies how individuals and societies use limited resources to satisfy unlimited wants.
- **Economic**
Related to the economy, production, trade, or the management of resources.
- **Economical**
Using resources, money, or time efficiently without waste; cost-saving.
- **Economy**
The system of production, distribution, and consumption of goods and services in a country or region.
- **Economies**
The plural form of economy; refers to the economic systems of different countries or regions.

Types of Economics

As we are more connected globally to one another, the study of economics becomes extremely important. While there are many subdivisions in the study of economics, two major ones are macroeconomics and microeconomics.

- Macroeconomics is the study of the entire system of economics.
- Microeconomics is the study of how the systems affect one business or parts of the economic system

Figure 1 Types of Economics



Source: Official Website

<https://collegerep.uworld.com/ap/macroeconomics-vs-microeconomics/>

- **Macroeconomics**

The most common metrics and topics in macroeconomics are economic growth, unemployment, inflation, fiscal policy, and monetary policy. Calculate these metrics using aggregate demand and supply analysis, fiscal policy, monetary policy, and macroeconomic models

- **Microeconomics**

Because microeconomics deals with specific economic units and how they interact in markets, the most common metrics used here are supply and demand, consumer behavior, production costs, and market structures. To evaluate and analyze these metrics, macroeconomists use marginal analysis, consumer theory, production theory, and market structures (perfect competition, monopoly, oligopoly).

History of Economics

The first writings on the subject of economics occurred in early Greek times as Plato, in *The Republic*, and Aristotle wrote on the topic. Later such Romans as Cicero and Virgil also wrote about economics. In medieval times the system of Feudalism dominated. With feudalism, there was a strict class system consisting of nobles, clergy, and peasants. In the system the king owned almost all the land and under him were a series of nobles that had the holdings of various sizes. On

these landholdings were a series of manors. These were akin to large farming tracts in which the peasants or serfs worked the land in exchange for protection by the nobles. Later the system of Mercantilism predominated. It was an economic system of the major trading nations during the 16th, 17th and 18th centuries, based on the idea that national wealth and power were best served by increasing exports and collecting precious metals in return.

Manufacturing and commerce became more important in this system.

In the mid 18th century, the Industrial Revolution ushered in an era in which machines rather than tools were used in the factory system. More workers were employed in factories in urban areas rather than on farms. The Industrial Revolution was fueled by great gains in technology and invention. This also made farms more efficient, although fewer people were working the farms.

During this time the idea of “laissez faire” became popular. This means that economies work best without lot of rules and regulations from the government. This philosophy of economics is a strong factor in Capitalism, which favors private ownership.

Economic Language

Economic language is a specialized, interdisciplinary field encompassing the terminology of business, finance, and economics, characterized by unique metaphors, acronyms (e.g., GDP, ROI), and precise terminology used to analyze resource distribution and financial behavior. It shapes economic consciousness and informs policy, often incorporating "anglicized" technical terms to communicate market trends, trade, and economic models globally.

Language Skills as Capital

It is useful to think of language skills as a form of human capital. "Language capital" satisfies the three essential requirements of human capital:

- ✓ It is embodied in the person. It cannot be separated from the person, as could say a truck or a plow.
- ✓ It is costly to create. Time and often out-of-pocket costs are incurred by the individual and/or society in obtaining language skills. Even first language acquisition by children requires time inputs by adults for these first language spoken skills to be developed. This is the investment dimension of language capital.
- ✓ It is productive. It is hypothesized that language skills enhance productivity in the labor market (e.g., earnings), in the quality of life (e.g., consumption activities) outside the labor market, and in the degree of participation in the civic life of the country.

the relationship between being multilingual and acquiring economic success.

The literature about the economics of language can be broken down in four main categories:

1. **Language and labour income:** A first generation of studies looks at language as an ethnic attribute. One's mother tongue ascribes a person to a particular group and this language-based ascription may have an effect on that person's socio-economic status and his or her earnings. This is for example applied for immigrants in the US by comparison with the 'white' workforce, anglophones and francophones in Canada, between 'Gastarbeiter' and native Germans in Germany and between three language communities in Switzerland.
2. **Language dynamics:** A second generation of studies focuses on language as a source of economic advantage. Language skills can be seen as an area in which individuals and societies can profitably invest.
3. **Language and economic activity:** A third generation of studies looks at both dimensions at the same time. Languages are not only seen as elements of identity or potentially valuable skills, but are more a set of linguistic attributes which together influence a person's socio-economic status. Some work has looked into language use in advertising and consumer relations. Studies have shown, for example, that there is a general preference by bilingual customers in Catalonia or Québec for being offered goods and services in their own language (even if they perfectly understand the other, dominant, language).
4. **The economics of language policy:** Economics can help to look at different choices about language policy in terms of advantages and drawbacks. Society is confronted with choices regarding language. This line of work identifies the main sources of benefits and costs, from the perspective of individuals and society. As education is the most important channel of government intervention in the sphere of language, education economics provides an important input in such work.

Importance of the study of economics

In modern times the importance of the study of economics is infinite. It is not only provides us knowledge, but also helps to solve the different problems in real life. The importance of economics in different areas of human life is discussed below:

In the daily life of people: People are confronted with manifold wants in their daily life. But the resources to satisfy those wants are limited. By studying economics we can know the use of limited resources to satisfy alternative wants on the basis of priority.

In the proper use of resources: We can learn about the use of resources with the knowledge of economics. Study of economics helps us to understand about how to produce the maximum output by the proper use of limited resources.

In state management: The knowledge of economics is indispensable to manage the economic and development activities of a state. For this reason the politicians and the govt. officers need to have proper knowledge of the currency system, banking system, tax system, industrial and trade policy, budgeting etc. The knowledge of economics helps in managing the state affairs.

To social workers: Economic causes lie at the roots of maximum social problems. The social workers need to have knowledge of economics to diagnose and solve the problems of poverty, unemployment, illiteracy, excessive growth of population, lack of housing and medical facilities etc.

To the labor leaders: The leaders of the workers should have the knowledge of economics for improving their bargaining capacity in respect of the formation of trade unions, the increase of wage and other benefits, the improvement of their working conditions etc. In economic planning: It is necessary to have sound knowledge of the economic problems and the available resources for the formulation and implementation of economic plans for the country. For this reason the knowledge of economics is indispensable.

Acquisition of knowledge of international issues: The knowledge of economics is necessary to know and understand the socio economic events of different countries, international relationship, commerce etc.

Exercises

Exercise01: Comprehension questions.

- 1) What is meant by economics?
- 2) How many types of economics is divided?
- 3) What are the consequences of the Industrial Revolution?
- 4) What is the concept of “Laissez-faire”?

Exercise02: Match the words with their definition.

- | | |
|-------------------|--|
| 1/ Mercantilism | A/ favors private ownership |
| 2/ Macroeconomics | B/ increasing exports and collecting precious metals |
| 3/ Feudalism | C/ the study a part of the economic system |
| 4/ Capitalism | D/ a strict class system |
| 5/ Microeconomics | E/ the study of the entire system of economics |

Exercise03: Answer the questions below according to your opinion

- What effect does English have on our lives in the future?
- Are you interested in working for a company that makes English the main requirement that you must master? Why? Why not?
- Based on your opinion, do you think that working with companies from foreign countries can have a really good effect on economic growth in our country?

Chapter 02: Basic Economic Concepts

Key concepts of economics

When it comes to measuring and defining economic activity, there are a few crucial concepts to be aware of:

- **Gross domestic product (GDP).** Arguably one of the most important economic indicators. GDP measures the performance of economic activity over time and helps assess a country's economic health.
- **Inflation.** The increase of prices over time and, consequently, the decline in consumer's purchasing power. Inflation is usually measured as a percentage.
- **Monetary policy.** The policy or actions taken by a country's central bank to promote economic growth and support economic goals laid out by the government.
- **Fiscal policy.** Fiscal policy refers to changes made by governments in relation to a country's finances, usually in an attempt to stabilise a nation's economy.
- **International trade.** The exchange of goods, services and capital across international borders or territories.

General terms in economics

Needs:

Are goods or services that you must have. This would include basic requirements for survival like the needs for food, clothing, shelter and health care. In recent years we have seen a perceived shift of certain items from wants to needs such as: Internet and telephone service, to many, are needs.

Wants:

Are goods or services that are not necessary but that we desire or wish for, wants are broader than needs. For example, one needs clothes, but one may not need designers clothes. One does not need toys, entertainment, games...etc. One needs food, but does not have to have a steak or dessert. One does not need glamorous trips, mall shopping...etc.

Value :

For something to have monetary value, economists decided, it must be scarce and have utility. This is the solution to the paradox of value. Diamonds are scarce and have utility, thus they possess a value that can be stated in monetary terms. Water has utility but is not scarce enough in most places to give it much value. Therefore, water is less expensive, or has less monetary value, than diamonds. The emphasis on monetary value is important to economists. Unlike moral or social value, which is the topic of other social sciences, the value of something in terms of dollars and cents is a concept that everyone can easily understand.

Economy:

Is the relationship between production, trade and the supply of money in a particular country or region.

Economics:

Is a science that studies economies and develops possible models for their functioning. It is also the study of human efforts to satisfy unlimited wants with limited resources.

Basic Economic Problem:

- The fundamental economic problem is the issue of scarcity and how best to produce and distribute these **scarce resources**.
- Scarcity means there is a **finite** supply of goods and raw materials.
- Finite resources mean they are limited and can run out.
- **Unlimited wants** mean that there is no end to the quantity of goods and services people would like to consume.
- Because of unlimited wants – People would like to consume more than it is possible to produce (scarcity)

Scarcity:

The fundamental economic problem facing all societies is the situation where you don't have enough of something. Essentially it is how to satisfy unlimited wants with limited resources. This is the issue that plagues all government and peoples. How do we conquer the issue of scarcity? Many people have thought they had the answer (see Marx, Smith, Keynes, etc.) but the issue of scarcity still exists.

Market:

A place or an area where the forces of supply and demand meet.

Competition: describes the activity of trying to sell more and be more successful. When competition is strong, you can say that it is intense, stiff, fierce or tough. If not, it may be described as low-key.

Marketing:

in its classical and digital modalities, constitutes the lifeblood of entrepreneurial sustainability. Conceptually, marketing involves the strategic orchestration of product and service flows from producers to end-users, effectuating value realization through exchange.

E-marketing:

conversely, denotes the digitized instantiation of these exchanges via virtual interfaces .

Factors of production/resources:

These are those elements that a nation has at its disposal to deal with the issue of scarcity. How efficiently these are used determines the measure of success a nation has. They are

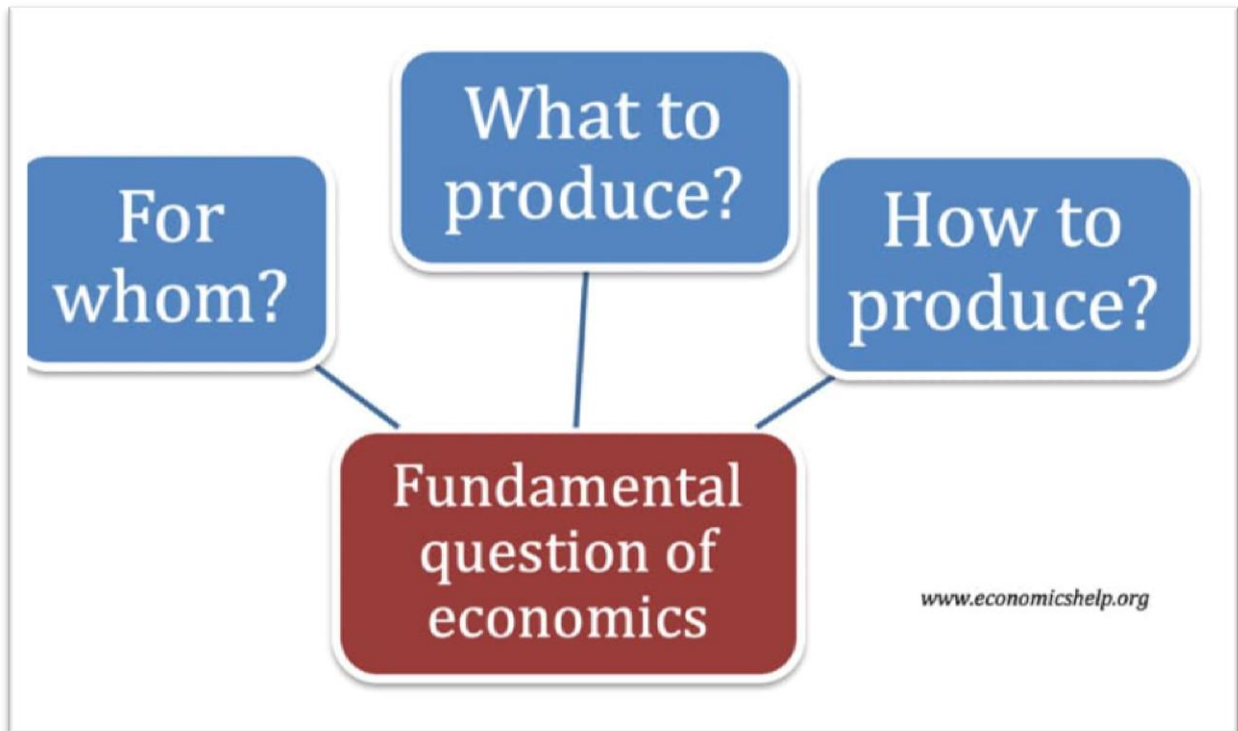
- Land-natural resources, etc.
- Capital-investment money.
- Labor - the work force, size, education, quality, work ethic.
- Entrepreneurs - inventive and risk taking spirit

The "Three Basic Economic Questions"

these are the questions all nations must ask when dealing with scarcity and efficiently allocating their resources.

- What to produce?
- How to produce?
- For whom to produce?

Figure 2 The Three Basic Economic Questions



Source: Official Website

<https://www.economicshelp.org/blog/glossary/basic-economic-problem/>

Opportunity cost:

The cost of an economic decision. The classic example is "guns or butter." What should a nation produce; butter, a need, or guns, a want? What is the cost of either decision?

If we choose the guns the cost is the butter. If we choose butter, the cost is the guns.

Free products:

Air, sunshine are and other items so plentiful no one could own them. Economists are interested in "economic products scarce and transferable. goods and services that are useful, relatively

Good:

Tangible commodity. These are bought, sold, traded and produced.

Services:

Work that is performed for someone. Service cannot be touched or felt.

Tableau 1 The difference between goods and services

Goods	Services
Goods are tangible, and their value lies in the fact that they can be owned; that is, ownership is transferred to the customer.	Services are often intangible, consisting of activities, actions, or efforts. Most services cannot be owned; their value or the essence of the benefit derived from them lies in the customer's experience. A service does not typically involve the transfer of ownership.
Goods can be stored; surplus goods can be stored until demand arises.	Services are not storable. Unused energy in the service sector cannot be stored and therefore cannot be transferred from time to time.
There is a separation between the producer and the customer, and communication between them is mediated by intermediaries. Therefore, there is a time gap between production and consumption, during which goods are transported and stored.	Services are inseparable from their providers. The service provider produces and delivers the service simultaneously, and the service is produced and consumed concurrently.
Goods can be standardized to a great extent, allowing for mass production and the easy application of quality control methods.	Services vary in quality over time, and therefore, consistency in service quality cannot be guaranteed due to the service's dependence on its provider.

Source: James Teboul, Service Management, Eyrlles, France, 2006

Consumer goods:

Goods that are intended for final use by the consumer.

Capital goods:

Items used in the creation of other goods: Factory, machinery, trucks, etc.

Durable goods: Any good that lasts more than three years when used on a regular basis.

Non durable goods:

Any item that lasts less than 3 years when used on a regular basis.

Consumer:

Is the one who is the end user who consumes goods or services.

Customer/client:

Is the one who is purchasing the goods or services for several time, the client has the notion of loyalty.

Consumption: The using up of goods and services having an exchangeable value.

Utility:

capacity to be useful.

Wealth:

the sum collection of those economic products those are tangible, scarce and useful.

Entrepreneur :

An entrepreneur is defined as someone who possesses the will and ability to transform a new idea or invention into a successful innovation. Therefore, the presence of "constructive destruction" forces in various markets and industries creates new products and business models. Consequently, the entrepreneur is strongly linked to industrial development and long-term economic growth.

economic company:

An economic company is an economic unit composed of a group of individuals bound by specific relationships to achieve a particular goal. It can also be considered a group of individuals and capital with a distinct, independent legal entity, comprised of various elements designated to achieve the company's objectives

Strategic planning:

Strategic planning is a management approach that differs from other effective methods in the formation of its basic principles, methods, and theories, which have been developed through a combination of field experience and specialized, systematic academic thought.

Marketing plan:

A marketing plan is a document that includes an analysis of the current marketing situation, threats and opportunities in the market, the organization's strengths and weaknesses and objectives, marketing strategy and activities, planning, budget, and authority.

Quality:

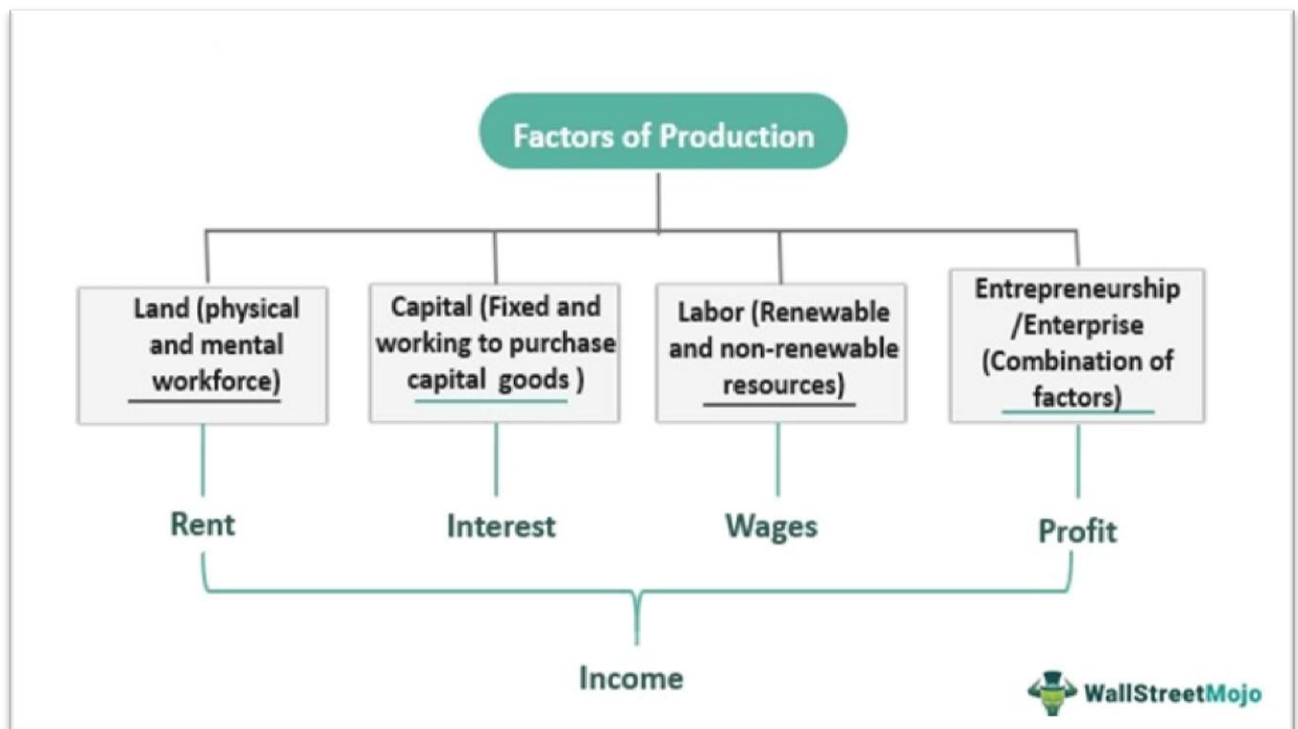
Quality from a Japanese perspective: "It is a system of means aimed at producing goods and services that suit the buyer."

Productivity:

the ability to produce vast amounts of goods (economic products) in an efficient manner. The American capitalist economy is productive because:

- It uses its resource efficiently.
- It specializes to increase efficiency and productivity.
- It invests in Human Capital

Figure 3 Factors of production



Source: Official Website

<https://www.wallstreetmojo.com/factors-of-production/>

What Are Factors Of Production?

Factors of production define resources used to produce or create finished goods and services, the sale and purchase of which keeps the market economy afloat. Determining these factors ensures efficient production and successful completion of projects and purchase orders.

The four factors of production in economics include land, capital, labor, and entrepreneurship or enterprise. Modern economics considers time and information also part of these factors. These factors comprise various resources or inputs needed to generate outputs, measured by the gross domestic product. They are building blocks of an economy, and their ownership varies with the society, industry, and types of economic system (capitalism and socialism).

Examples of the economic problem

Consumers:

Households have limited income and they need to decide how to spend their finite income. For example, with an annual income of £20,000, a household may need to spend £10,000 a year on rent, council tax and utility bills. This leaves £10,000 for deciding which other food, clothes, transport and other goods to purchase.

Workers:

Householders will also face decisions on how much to work. For example, working overtime at the weekend will give them extra income to spend, but less leisure time to enjoy it. A worker may also wish to spend more time in learning new skills and qualifications. This may limit their earning power in the short-term, but enable a greater earning power in the long-term. For example, at 18 a student could go straight into work or they could go to university where they will hope to gain a degree and more earning power in the long-term.

Producers:

A producer needs to remain profitable (revenue higher than costs). So it will need to produce the goods which are in high demand and respond to changing demands and buying habits of consumers – for example, switching to online sales as the high street declines. Producers will need to constantly ask the best way of producing goods. For example, purchasing new machines can increase productivity and enable the firms to produce goods at a lower cost. This is important for fast-changing industries where new technology is frequently reducing costs of production. Without firms adapting to how they produce, they can become unprofitable.

Firms may also need to make long-term investment decisions to invest in new products and new means of production.

Government:

The government has finite resources and its spending power is limited by the amount of tax that they can collect. The government needs to decide how they collect tax and then they need to decide whom they spend money on. For example, the government may wish to cut benefits to those on low income to increase incentives to work. However, cutting benefits will increase inequality and relative poverty.

Exercises

Exercise 01: Answer the following questions

- What are needs? Give two examples.
- What is the difference between needs and wants?
- What does the term economy mean?
- Define economics.
- What is scarcity in economics?
- What is a market?
- What does competition describe in an economic system?
- What are the four factors of production?
- What are the three basic economic questions?

Exercise 02: Match the antonyms of the words in the left

- | | |
|---------------|---------------|
| ✓ Advantage | unskillful |
| ✓ Improvement | inaccessible |
| ✓ Available | output |
| ✓ Effective | disadvantage |
| ✓ Advancement | deterioration |
| ✓ Input | unavailable |
| ✓ Accessible | recession |
| ✓ Skillful | ineffective |

Chapter 03: Micro vs. macroeconomics

There are many subdivisions in the study of economics, two major ones are macroeconomics and microeconomics.

- Macroeconomics is the study of the entire system of economics.
- Microeconomics is the study of how the systems affect one business or parts of the

Difference Between Macroeconomics and Microeconomics

The main difference between macroeconomics and microeconomics is that macroeconomics focuses on the overall functioning and performance of the entire economy, while microeconomics focuses on the behavior of individual consumers, firms, and industries.

Difference Between Macroeconomics and Microeconomics

Definition

Macroeconomics is the branch of economics that studies the behavior and performance of the entire economy. In contrast, microeconomics is the branch of economics that examines how incentives and decisions influence the use and distribution of resources.

Scope

While macroeconomics is concerned with the overall functioning and performance of the entire economy, microeconomics focuses on the behavior of individual consumers, firms, and industries.

Aggregation

Macroeconomics uses aggregated data to analyze the economy as a whole, such as GDP, inflation, and unemployment rates. Microeconomics, on the other hand, uses individual-level data to study the behavior of consumers and firms.

Variables

Macroeconomics focuses on variables that affect the entire economy, such as fiscal and monetary policy, international trade, and economic growth.

Microeconomics, on the contrary, looks at variables that affect individual decision-making, such as prices, supply and demand, and consumer behavior.

Goals

Furthermore, the goal of macroeconomics is to achieve stable economic growth, full employment, and price stability. But microeconomics aims to understand and explain individual behaviors and decisions in the market.

Conclusion

In brief, macroeconomics and microeconomics are two different branches of economics that study different aspects of the economy. The main difference between macroeconomics and microeconomics is that macroeconomics focuses on the overall functioning and performance of the entire economy, while microeconomics focuses on the behavior of individual consumers, firms, and industries.[What is the Difference Between Macroeconomics and Microeconomics]

Tableau 2 Difference Between Macroeconomics and Microeconomics

Macroeconomics	Microeconomics
Deals with the economy as a whole	Deals with individual units within the economy
Focuses on aggregate economic variables like GDP, inflation, unemployment, and interest rates	Focuses on specific economic units such as households, firms, and industries
Analyzes the behaviour of large-scale economic systems	Analyzes the behaviour of small-scale economic systems
Examines the economy at a national and international level	Examines the economy at a local and regional level
Concerned with government policies that impact the economy	Concerned with how individual economic agents make decisions and how markets operate
Studies the interactions between different sectors of the economy, such as the financial sector, the labour market, and the international trade sector	Studies how prices, supply and demand, and market structures impact the decisions of individual economic agents
Examples include inflation, economic growth, fiscal and monetary policy, and international trade	Examples include consumer behaviour, production costs, market competition, and labour economics

Source: Official Website

<https://pediaa.com/what-is-the-difference-between-economy-and-economics/>

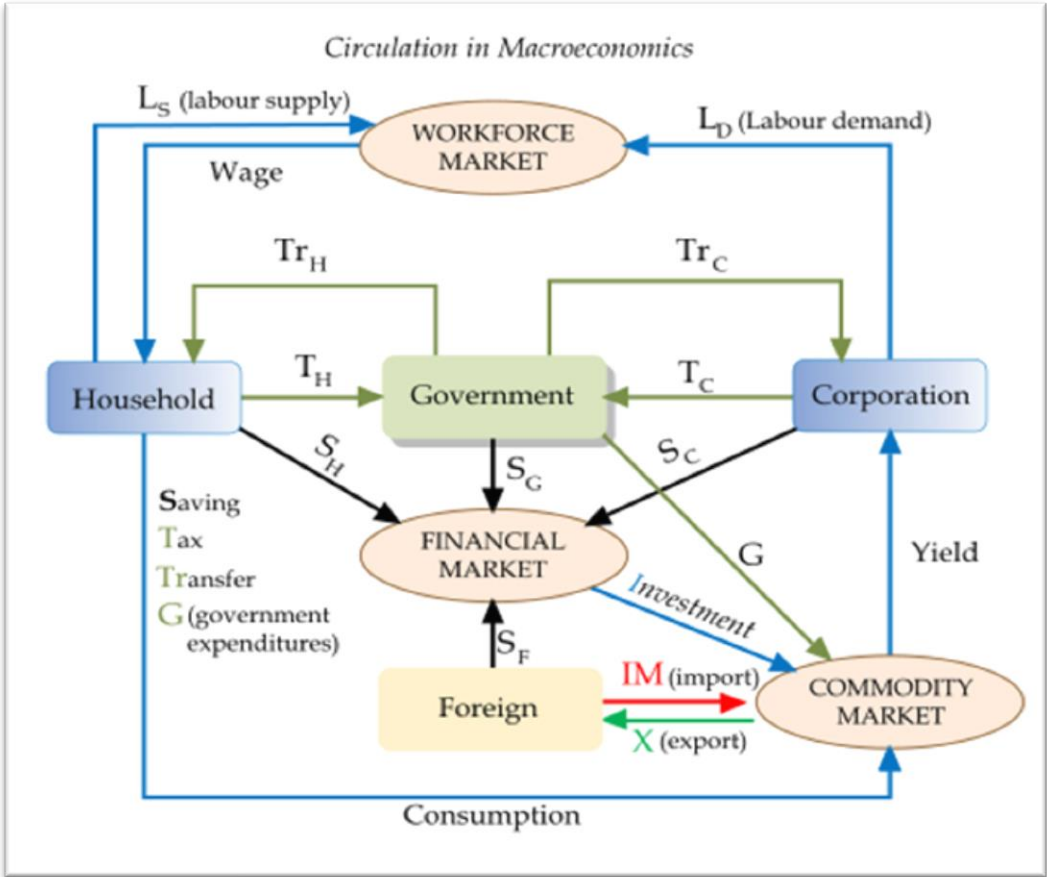
What is Macroeconomics

Macroeconomics is the field of economics that examines the behavior and performance of the entire economy. It focuses on the analysis of large-scale economic factors, such as national income, gross domestic product (GDP), inflation, unemployment, and economic growth. Macroeconomics examines the relationships between these factors and how they are affected by government policies and other external factors, such as international trade and financial markets. The primary goal of macroeconomics is to understand and explain the overall functioning of the economy and to develop policies that can help achieve full employment, price stability, and sustainable economic growth.

Macroeconomics encompasses a wide range of topics, but it primarily focuses on two main areas of research. The first area concerns the factors that contribute to long-term economic growth. This focuses on the sustained increase in the

national income over time. On the other hand, the second area examines the causes and effects of short-term fluctuations in national income and employment. We call this the business cycle.

Figure 4 Macroeconomics-Circular



Source: Official Website
https://www.researchgate.net/figure/Macroeconomics-Circular-Flow-of-the-Economy-Macroeconomics-simplifies-the-complexities_fig1_359861864

What is Microeconomics

Microeconomics is the area of economics that examines how incentives and decisions influence the use and distribution of resources. The focus of microeconomics is on the behavior of individuals, households, and firms when making decisions about how to allocate resources. It explores the reasons behind the varying values of goods, how individuals and businesses can efficiently produce and exchange goods to reap benefits, and how people can work together effectively.

Microeconomics encompasses a range of essential concepts, which may include: Incentives and behaviors: Examining how individuals and firms respond to various situations they encounter.

Utility theory: Analyzing how consumers select a combination of goods to maximize their satisfaction or “utility” while considering their budget constraints.

Production theory: Studying the process of converting inputs into outputs and how producers choose input combinations and methods to minimize costs and maximize profits.

Price theory: The interaction between utility and production theory leads to the theory of supply and demand, which determines prices in a competitive market. Moreover, perfect competition results in economic equilibrium, where the price demanded by consumers equals the price supplied by producers.

Exercises

Exercise01: Comprehension Questions

1. What is the main focus of macroeconomics?
2. What does microeconomics study?
3. What are some examples of aggregate economic variables?
4. At what level does macroeconomics examine the economy?
5. How does microeconomics differ from macroeconomics in terms of scale?

Exercise02: True / False

1. Macroeconomics studies consumer behaviour.
2. Microeconomics focuses on government fiscal policy.
3. GDP is studied in macroeconomics.
4. Microeconomics examines supply and demand.
5. Inflation is a microeconomic issue.

Exercise 03: Answer these questions

- Who is the father of macroeconomics?
- What is the major difference between macro and micro?
- Who is the father of microeconomics?

Chapter 04: Supply and Demand

Supply and Demand is one of the most important concepts in economics. It explains how prices are determined in a market economy.

- Demand refers to the quantity of a good or service that consumers are willing and able to buy at different prices.
- Supply refers to the quantity of a good or service that producers are willing and able to sell at different prices.

Demand

Demand is the relationship between the price of a product and the quantity demanded

Law of Demand

Law of Demand :The Law of Demand states that:

When the price increases, quantity demanded decreases.

When the price decreases, quantity demanded increases.

There is an inverse relationship between price and quantity demanded.

Factors Affecting Demand

1. Price of the product
2. Consumer income
3. Prices of related goods (substitutes and complements)
4. Tastes and preferences
5. Expectations about the future.

Supply

Supply is the relationship between the price of a product and the quantity supplied.

Law of Supply

Law of Supply : The Law of Supply states that:

When the price increases, quantity supplied increases.

When the price decreases, quantity supplied decreases.

There is a direct relationship between price and quantity supplied.

Factors Affecting Supply

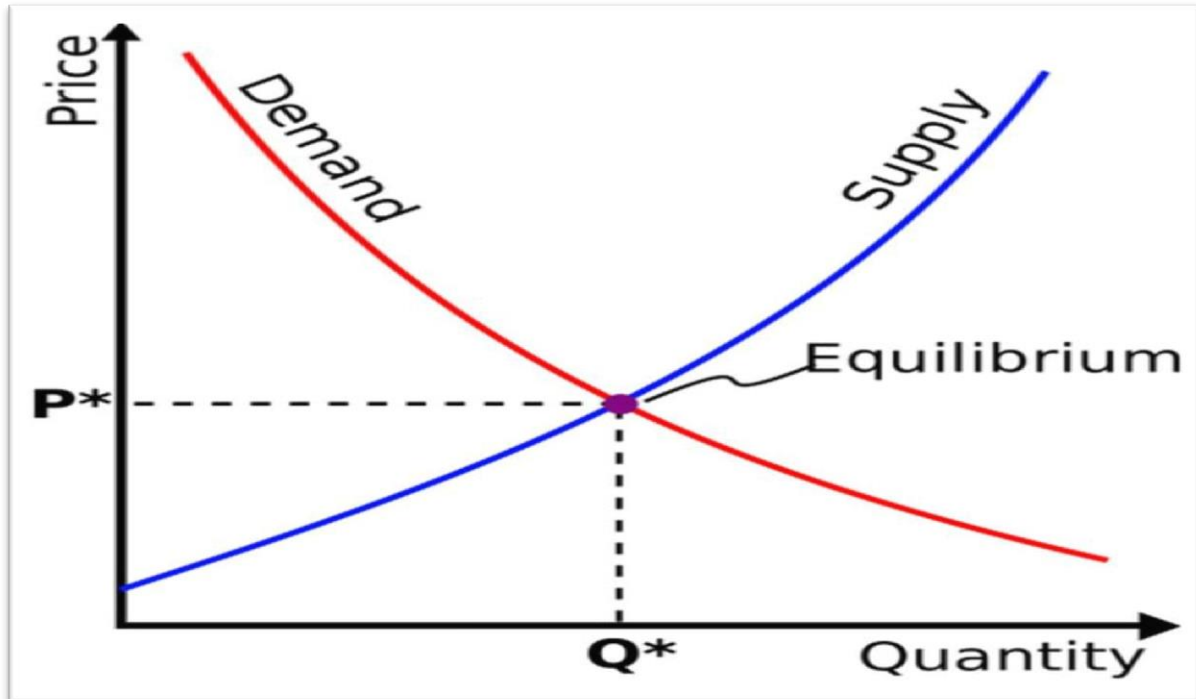
1. Production costs
2. Technology
3. Taxes and subsidies
4. Number of sellers
5. Expectations.

Market Equilibrium

Market equilibrium occurs when: $\text{Quantity demanded} = \text{Quantity supplied}$ At this point, the market price is called the equilibrium price.If:

- Demand > Supply → Shortage (price rises)
- Supply > Demand → Surplus (price falls).

Figure 5 the supply and demand curve



Source: Official Website

<https://www.hisetpracticetest.org/hiset-study-guide/social-studies/economics/>

- **Definition of market equilibrium** – A situation where for a particular good supply = demand. When the market is in equilibrium, there is no tendency for prices to change. We say the market-clearing price has been achieved.
- A market occurs where buyers and sellers meet to exchange money for goods.
- The price mechanism refers to how supply and demand interact to set the market price and amount of goods sold.
- At most prices, planned demand does not equal planned supply. This is a state of disequilibrium because there is either a shortage or surplus and firms have an incentive to change the price

Exercises

Exercise01: True or False

1. When price increases, demand increases.
2. Supply has a direct relationship with price.
3. Equilibrium occurs when demand equals supply.

4. A decrease in income always increases demand.
5. If supply is greater than demand, there is a surplus.

Exercise02: Multiple Choice

1. The Law of Demand shows a:
 - a) Direct relationship
 - b) Inverse relationship
 - c) Equal relationship
2. When price increases, supply will:
 - a) Decrease
 - b) Increase
 - c) Stay the same
3. Market equilibrium occurs when:
 - a) Price is high
 - b) Quantity demanded equals quantity supplied
 - c) There is shortage

Exercise03: Short Questions

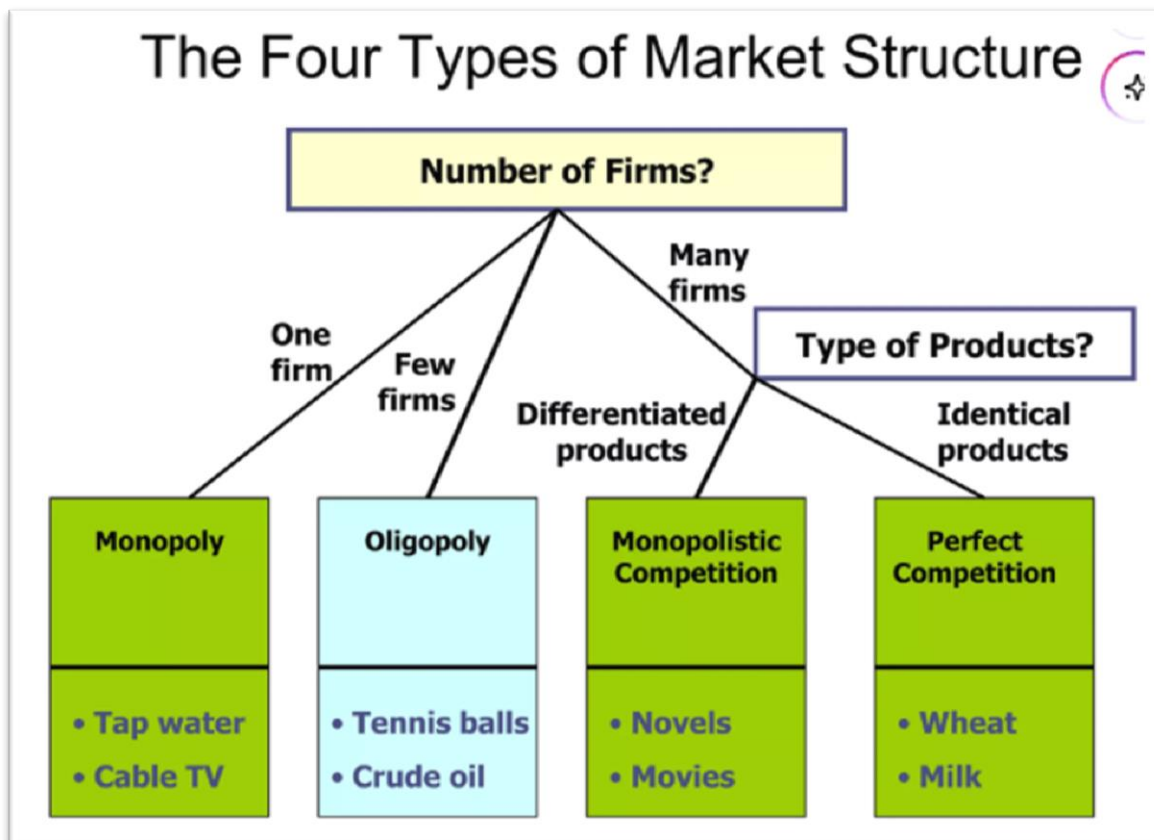
1. Define demand.
2. What is equilibrium price?
3. Mention two factors affecting supply.
4. Draw the supply and demand curve Model Answers
 1. Demand is the quantity of a good or service that consumers are willing and able to buy at different prices.
 2. Equilibrium price is the price at which quantity demanded equals quantity supplied.
 3. Two factors affecting supply are production costs and technology.

Chapter 05: Market types

What is Market Structure?

Market structure, in economics, refers to how different industries are classified and differentiated based on their degree and nature of competition for goods and services. It is based on the characteristics that influence the behavior and outcomes of companies working in a specific market.

Figure 6 Market Structure



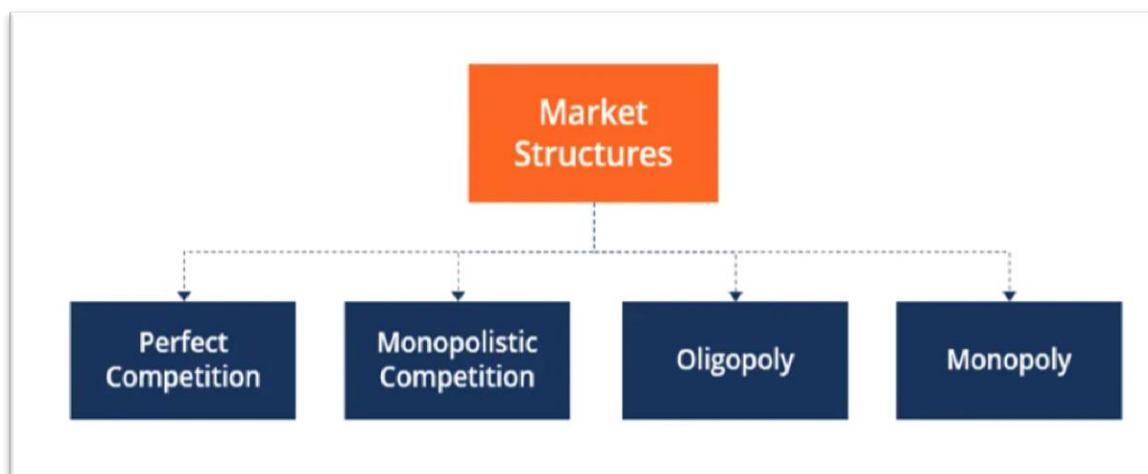
Source: Official Website

<https://fr.slideshare.net/slideshow/the-four-types-of-market-structure/78069867>

Types of Market Structures

there are the four main types of market structures.

Figure 7 the types of market structures



Source: Official Website

<https://www.thehumancapitalhub.com/articles/understanding-market-competition-part-1>

C. Perfect Competition

Perfect competition occurs when there is a large number of small companies competing against each other. They sell similar products (homogeneous), lack price influence over the commodities, and are free to enter or exit the market.

D. Monopolistic Competition

Monopolistic competition refers to an imperfectly competitive market with the traits of both the monopoly and competitive market. Sellers compete among themselves and can differentiate their goods in terms of quality and branding to look different. In this type of competition, sellers consider the price charged by their competitors and ignore the impact of their own prices on their competition.

E. Oligopoly

An oligopoly market consists of a small number of large companies that sell differentiated or identical products. Since there are few players in the market, their competitive strategies are dependent on each other.

F. Monopoly

In a monopoly market, a single company represents the whole industry. It has no competitor, and it is the sole seller of products in the entire market. This type of market is characterized by factors such as the sole claim to ownership of resources, patent and copyright, licenses issued by the government, or high initial setup costs.

Tableau 3 the main points of comparison for different types of markets

Features	Perfect Competition	Monopolistic Competition	Oligopoly	Monopoly
Number of Firms	Many	Many	Few	One
Product Differentiation	Homogeneous	Differentiated	Homogeneous or Differentiated	Unique
Entry and Exit	Free	Relatively Easy	Restricted	Blocked
Price Setting Power	None	Limited	Limited	Significant
Influence on Price	Price Taker	Price Maker	Price Setter	Price Maker
Advertising	None	Substantial	Moderate	Variable
Examples	Agricultural markets, stock exchanges	Fast food chains, clothing brands	Automobile industry, soft drinks	Local utility companies, Microsoft (historically)

Source: Official Website

<https://www.economicsonline.co.uk/definitions/market-structure.html/>

Market analysis by SWOT

A SWOT analysis is a technique for assessing the performance, competition, risk, and potential of a business. It can also be applied to part of a business, such as a product line, department, an industry, or other entity.

Using internal and external data, the technique can guide businesses toward strategies more likely to succeed and away from those that have been (or are more likely to be) less successful. Independent SWOT analysts, investors, or competitors can also guide them on whether a company, product line, or in This matrix is called a SWOT analysis, an acronym derived from the first letter of each of its elements. It is sometimes referred to simply as a SWOT analysis. The meaning of these elements and their implications can be defined as follows:

- **Strengths:**

These are the tangible and intangible assets that an organization possesses and can use effectively to achieve its goals, setting it apart from competitors in the same industry.

• **Weaknesses:**

These are the deficiencies in capabilities and resources that enable an organization to achieve its objectives compared to its competitors, thus impacting its performance level.

• **Opportunities:**

These are potential areas or events in the market, either currently or in the future, that an organization can leverage to achieve its goals through a strategic plan. Opportunities are often measured by realized cash flow, added value, or market share.

• **Threats:**

Those factors or events that prevent the organization from achieving its goals in the way it seeks and have a negative impact on the organization, and are measured by the amount of cash it has lost or the decline in its market share. Industry might be strong or weak and why.

Tableau 4 Two-by-Two Matrix: SWOT Analysis

	Strengths	Weaknesses
Opportunities	Achieve opportunities that greatly match the organization's strengths	Overcome weaknesses to attain opportunities.
Threats	Use strengths to reduce the organization's vulnerability to threats.	Prevent weaknesses to avoid making the organization more susceptible to threats.

Source: Emet GÜREL . Merba TAT. The Journal of International Social Research. Vol 10. Issue 51. 2017. p1003.

- SWOT Analysis forms a thinking model for organizational managements as an approach and analysis technique. This model gives one the opportunity to limit the agenda in the steps of information gathering and interpretation, and

shows the points that the decisions are based on. In other words, SWOT Analysis prepares the substructure for strategic decisions

- SWOT Analysis fits other theories and strategic decision tools. For example, SWOT encompasses a number of different forms of analysis, such as Porter's Five Forces Model, Delphi Panel, Norton Balanced Score Card etc.
- SWOT Analysis promotes group discussion about strategic issues and strategy development. By using creative participatory techniques such as brain storming, group meetings, it enables the pool knowledge. • SWOT Analysis helps organizational managements to start a discussion for the future and goals of the organization by moving beyond daily problems and the current situation.
- SWOT Analysis can be applied at different analytical levels -individual level, organizational level, national level, international level-. It can be used by educational institutes, non-profit organizations, countries, governments, projects on multiculturalism etc.

Exercises

Exercise 01: Write True (T) or False (F) and correct the false statements.

1. Market structure is based on the level of competition in a market.
2. In perfect competition, firms can control prices.
3. In monopolistic competition, products are identical.
4. In an oligopoly, companies depend on each other's decisions.
5. A monopoly has many sellers in the market.
6. High barriers to entry may create a monopoly.

Exercise 02 Choose the correct answer:

In perfect competition, products are:

- a) Differentiated
- b) Homogeneous
- c) Unique
- d) Branded

Which market structure has only one seller?

- a) Oligopoly
- b) Monopolistic competition
- c) Monopoly
- d) Perfect competition

In an oligopoly, firms:

- a) Ignore competitors
- b) Act independently
- c) Depend on competitors' strategies
- d) Sell completely different products

Free entry and exit is a feature of:

- a) Monopoly
- b) Oligopoly
- c) Perfect competition
- d) State market

Exercise 03 Read the situation and identify the market structure:

- 1. A market with many farmers selling identical wheat.
- 2. Only one electricity company operates in the country.....
- 3. Three large car manufacturers dominate the market.....
- 4. Many restaurants compete using different menus and brands.

Exercise 04: Short Answer Questions


- 1. What is market structure?
- 2. Why can't firms influence prices in perfect competition?
- 3. How do firms differentiate their products in monopolistic competition?
- 4. Why are firms interdependent in an oligopoly?
- 5. Mention two barriers to entry in a monopoly

Chapter 06: National income and GDP and GNP

Gross Domestic Product (GDP)

Gross domestic product (GDP) is a metric that measures the production level of a country's economy, commonly defined as the total annual value of the goods and services produced in that country. GDP is an economic indicator used by both investors and market analysts.

Figure 8 Gross domestic product



WHAT IS GDP?

Gross Domestic Product (GDP) is a country's financial report card. It measures the total value of all goods and services produced within the country's borders during a specific time, usually a year.

It's a way to figure out how well or poorly an economy is doing. When **GDP** goes up, it generally means the country is growing economically. When it goes down, it might indicate a slowdown.

Governments, businesses, and economists closely watch **GDP** to understand *the overall health and performance of a country's economy*.

Glossary of terms | © www.WorksheetsPlanet.com | All rights reserved

Worksheets PLANET

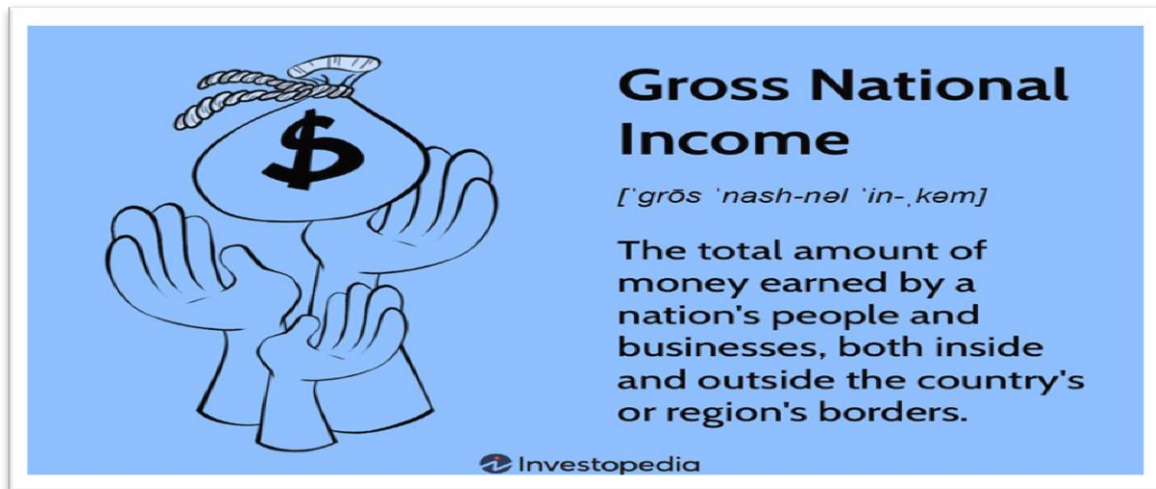
<https://www.worksheetsplanet.com/what-is-gdp/>

Gross National Income (GNI)

Gross National Income (GNI) is the total amount of income a country's people and businesses earn. It includes an amount for GDP and income that comes from foreign investment income and aid.

The major strength of GNI as an economic metric is it recognizes all income that goes into a national economy, regardless of whether it is earned within the country or overseas.

Figure 9 Gross National Income



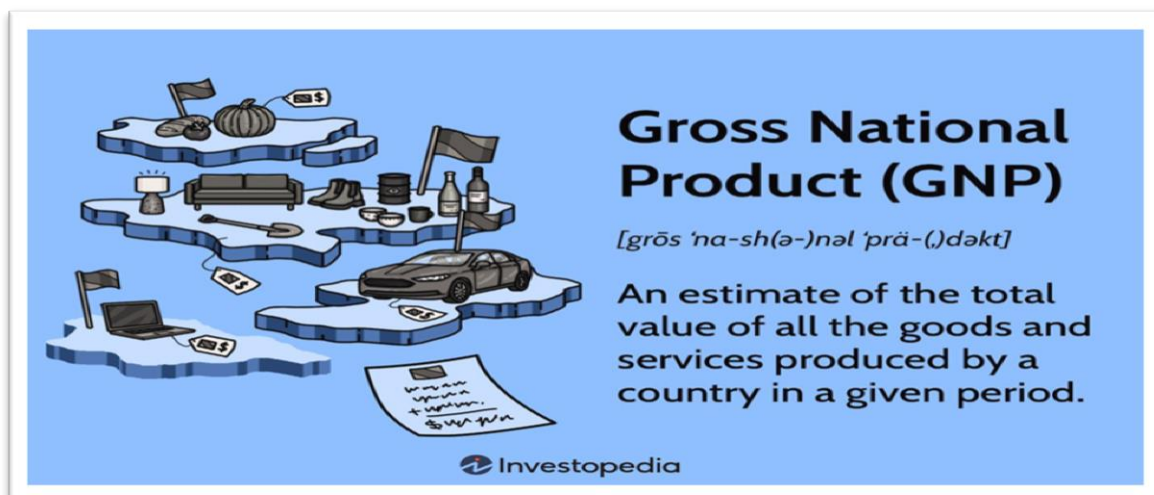
Source: Official Website

<https://www.investopedia.com/terms/g/gross-national-income-gni.asp>

Gross National Product (GNP)

Gross National Product (GNP) is a development of GNP, incorporating the value of products and services created by a country's citizens regardless of the fact that production may take place within or outside of the country. It includes income earned within foreign borders and excludes income generated by foreign citizens within the country, thereby becoming a good determinant of national economic power.

Figure 10 Gross National Product



Source: Official Website

<https://www.investopedia.com/terms/g/gnp.asp>

Difference between GNP, GDP and GNI

GNP and GDP both reflect the national output and income of an economy. The main difference is that GNP (Gross National Product) takes into account net income receipts from abroad.

- GDP (Gross Domestic Product) is a measure of (national income = national output = national expenditure) produced in a particular country.
- GNP (Gross National Product) = GDP + net property income from abroad. This net income from abroad includes dividends, interest and profit.
- GNI (Gross National Income) = (similar to GNP) includes the value of all goods and services produced by nationals – whether in the country or not.

Tableau 5 Difference between GNP, GDP and GNI

GDP	GNP	GNI
Gross Domestic Product	Gross National Product	Gross National Income
Value of national output produced in a country.	$GNP = GDP + \text{net property income from abroad.}$	Sum value of output by resident producers + net receipts of primary income from abroad + any product taxes (less subsidies) not included in the valuation of output
National income National output National expenditure Includes income of foreign multinationals	Excludes income earned by multinational when profit is sent back to other country	A country which earns positive net income on FDI will include in GNI, but not GDP

Source: Official Website

<https://www.economicshelp.org/wp-content/uploads/2017/07/gdp-gnp-gni.png>

Algeria's Gross Domestic Product GDP (2025)

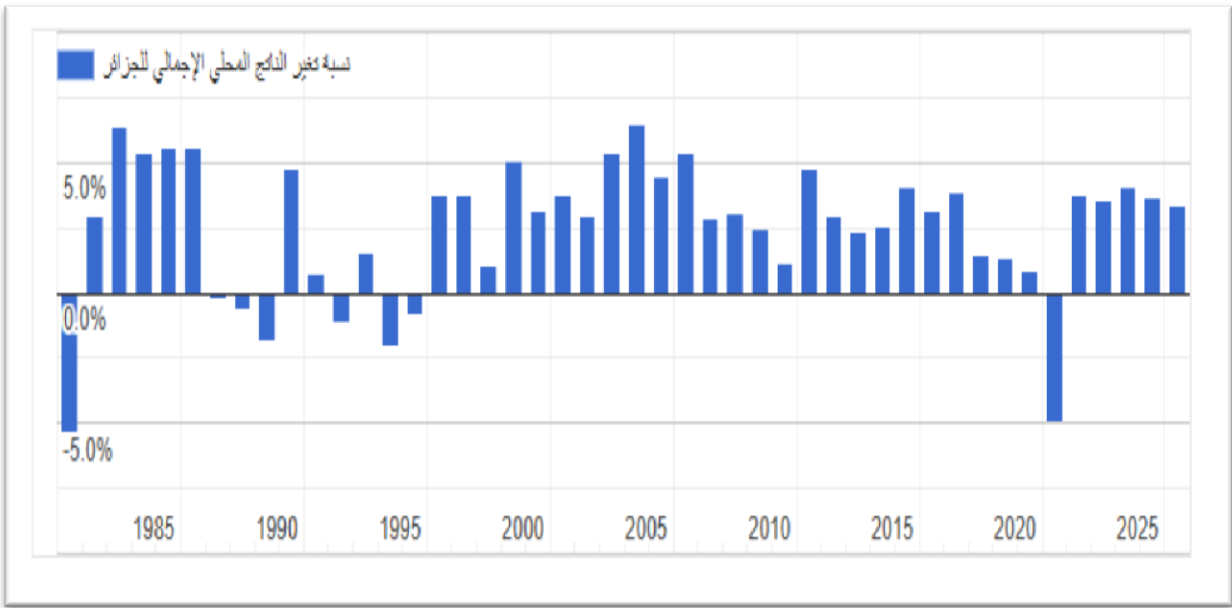
International Monetary Fund (IMF) (2025)

Algeria's nominal GDP (at current prices) is projected to reach \$288.01 billion (\$288,013,000,000) as of 2025, according to the International Monetary Fund (IMF).

The GDP growth rate in 2025 was 3.4%, according to the IMF.

Algeria's GDP per capita (population 47,435,312) was \$6,095 in 2025, an increase of \$323 from \$5,772 in 2024; this represents a 5.6% change in GDP per capita.

Figure 11 Algeria's Gross Domestic Product (1985-2025)



Source: Official Website
<https://www.imf.org/ar/home>

Exercises

Exercise 01: Reading comprehension questions

- What does GDP measure?
- How is GDP commonly defined?
- Who uses GDP as an economic indicator?
- What does GNI represent?
- Does GNI include income from foreign investment?
- What is the main strength of GNI?
- What does GNP include?
- Does GNP include income earned abroad by citizens?
- Does GNP include income earned by foreign citizens inside the country?
- What is the main difference between GDP and GNP?

Exercise 02 True or False

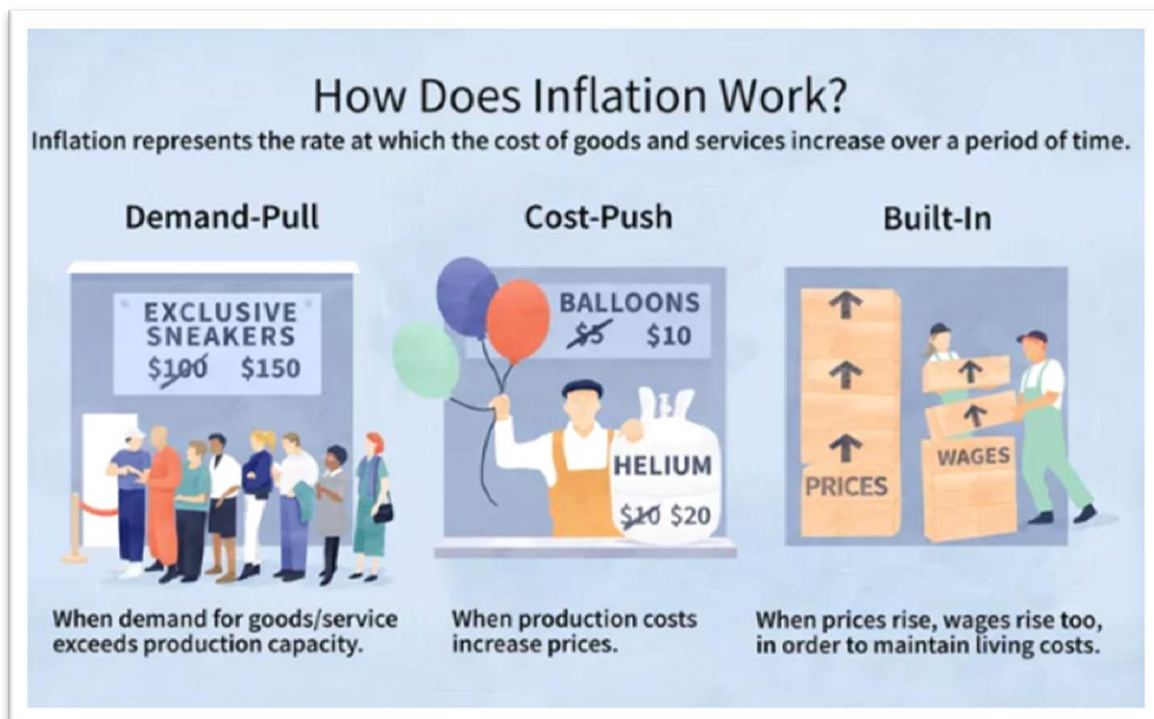
1. GDP measures the total value of goods and services produced in a country.
2. GNI includes only income earned inside the country.
3. GNP includes income earned by citizens abroad.
4. GDP includes foreign income earned outside the country.
5. GNI is similar to GNP.

Chapter 07: Inflation and deflation

Inflation

Inflation is the rate at which the prices of goods and services of daily use, such as food, housing, clothing, transport, recreation, consumer staples, etc., increase. It's measured by tracking the average change in a selected basket of commodities and services prices. Most central banks try to limit inflation to ensure their economies function efficiently.

Figure 12 Inflation Work



Source: Official Website

<https://medium.com/@ushahzada27/inflation-causes-effects-and-point-of-view-553d98372d61>

Causes of Inflation

Inflation is caused by multiple factors, here are a few:

- **Money Supply**

Excess currency (money) supply in an economy is one of the primary cause of inflation. This happens when the money supply/circulation in a nation grows above the economic growth, therefore reducing the value of the currency.

- **National Debt**

There are a number of factors that influence national debt, which include the nations borrowing and spending. In a situation where a country's debt increases, the respective country is left with two options:

- Taxes can be raised internally.

- Additional money can be printed to pay off the debt.

- **Demand-Pull Effect**

The demand-pull effect states that in a growing economy as wages increase within an economy, people will have more money to spend on goods and services. The increase in demand for goods and services will result in companies raising prices that the consumers will bear in order to balance supply and demand.

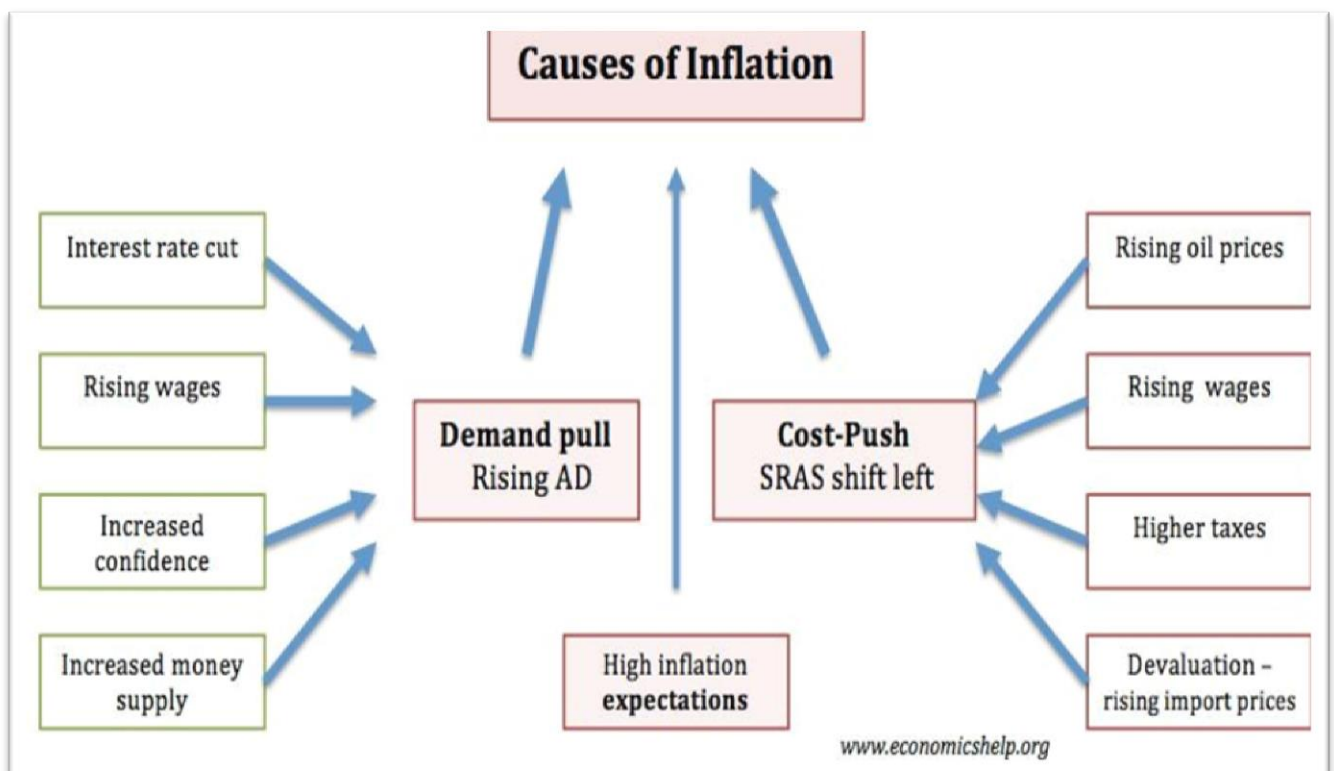
- **Cost-Push Effect**

This theory states that when companies face increased input cost on raw materials and wages for manufacturing consumer goods, they will preserve their profitability by passing the increased production cost to the end consumer in the form of increased prices.

- **Exchange Rates**

An economy with exposure to foreign markets mostly functions on the basis of the dollar value. In a trading global economy, exchange rates play an important factor in determining the rate of inflation.

Figure 13 Causes of Inflation



Source: Official Website

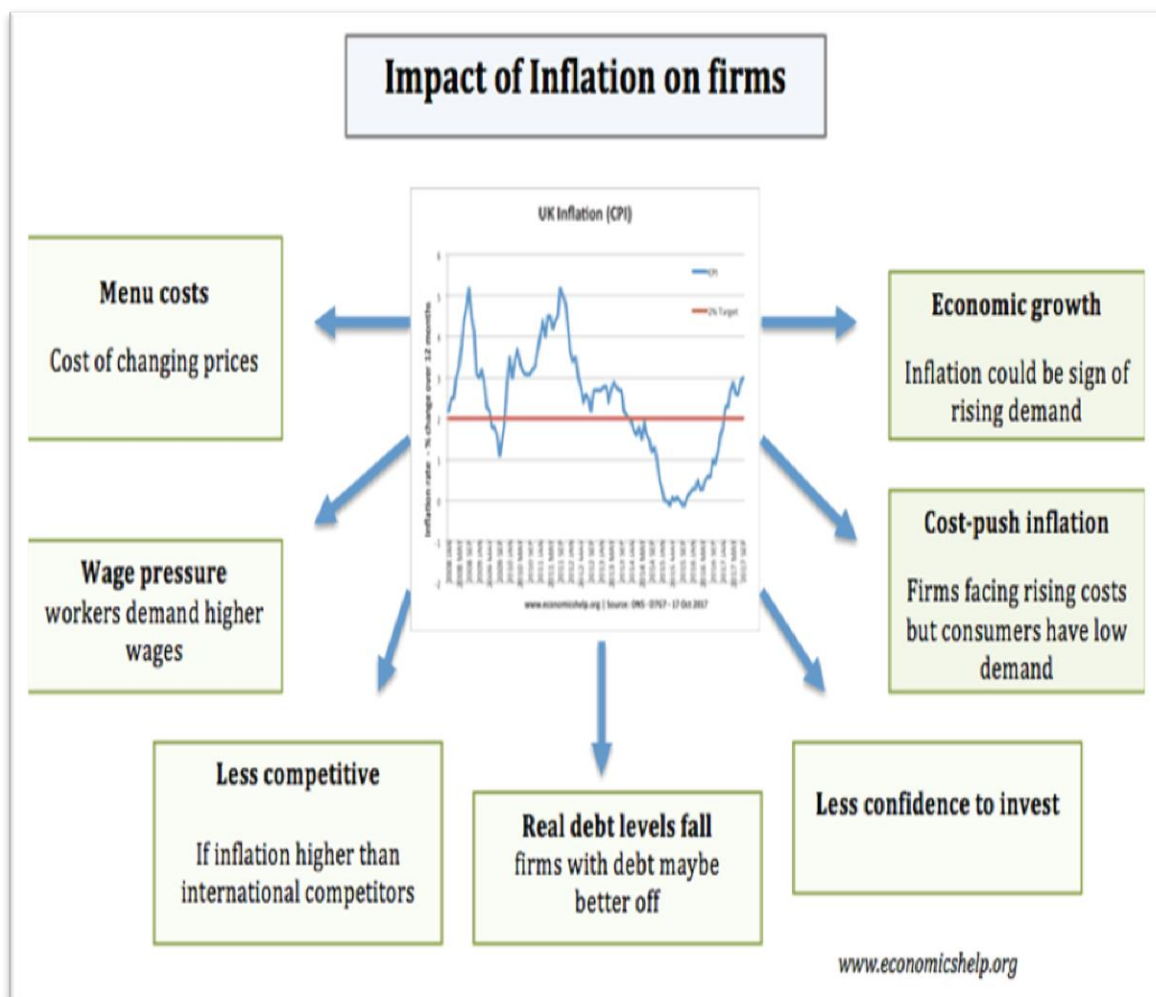
<https://www.economicshelp.org/macroeconomics/inflation/>

Effects of Inflation

- **Reduced Purchasing Power:** As prices rise, the same amount of money buys fewer goods and services, decreasing people's purchasing power.

- **Currency Value Declines:** The value of each currency unit falls, making everyday expenses costlier and impacting the overall cost of living.
- **Higher Cost of Living:** A high inflation rate increases living expenses, which can slow down economic growth.
- **Positive Side of Moderate Inflation:** A controlled inflation rate (around 2–3%) is generally healthy—it can lead to higher wages, improved corporate profits, and sustained economic momentum.

Figure 14 Effects of Inflation



Source: Official Website

<https://www.economicshelp.org/blog/140824/economics/what-are-the-effects-of-a-rise-in-the-inflation-rate/>

Deflation

Deflation is the decline in the prices of goods and services, occurring when the rate of inflation falls below 0%. It is measured by tracking the average change in the prices of a selected basket of commodities and services over time. Deflation often happens naturally when the money supply in an economy is limited. This

decrease in prices can signal weakening demand and deteriorating economic conditions. Deflation is also normally linked with significant unemployment and low productivity levels of goods and services.

Causes of Deflation

Deflation is caused by multiple factors, here are a few:

• **Structural Changes in Capital Markets:**

When companies selling similar products compete, they often lower prices to gain an advantage, which can contribute to deflation.

• **Increased Productivity:**

Advances in technology and innovation boost production efficiency, reducing the cost of goods and services and sometimes leading to lower prices across the economy.

• **Decrease in Currency Supply:**

A reduction in the amount of money circulating in the economy can lower prices, making goods and services more affordable but also signaling reduced spending power.

Effects of Deflation

Deflation may have the following impacts on an economy:

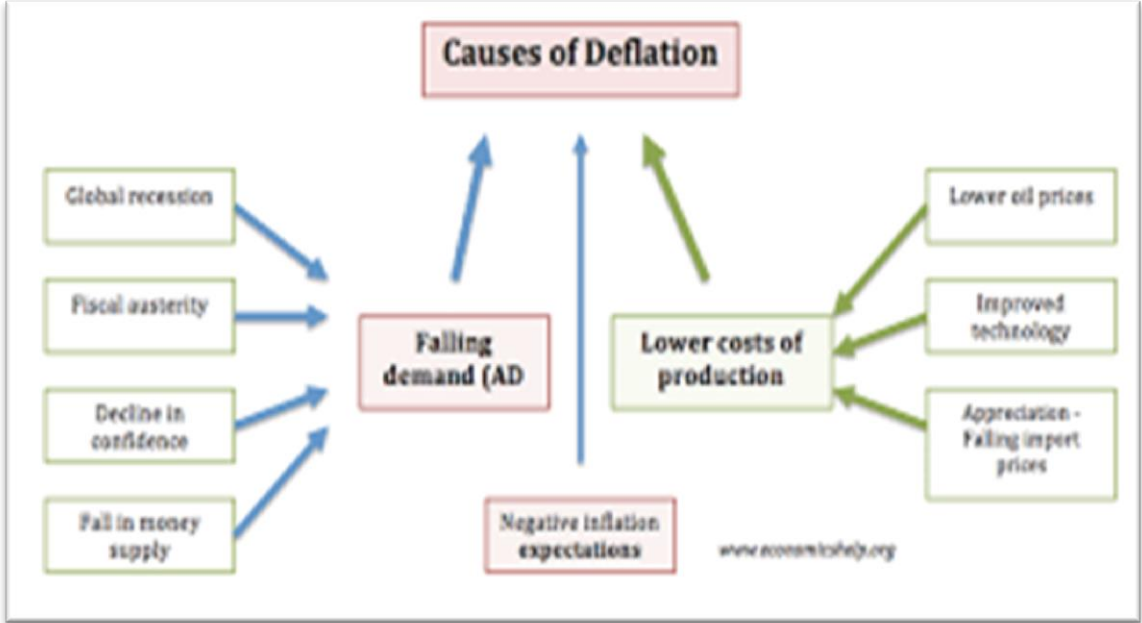
• **Reduction in Business Revenues:**

During deflation, businesses often have to lower their product or service prices to stay competitive, which causes their revenues to decline.

• **Lowered Wages and Layoffs:**

Companies may cut wages and lay off employees to manage falling revenues. This reduces consumers' spending power, further slowing the economy.

Figure 15 Causes of Deflation



Source: Official Website

<https://www.economicshelp.org/blog/8968/uncategorized/cause-deflation/>

Difference between Inflation and Deflation

The following table contains the main points of difference between deflation and disinflation.

Tableau 6 Difference between Inflation and Deflation

Inflation	Deflation
Prices of goods and services rise over time, reducing the purchasing power of money.	Prices of goods and services decrease over time, increasing the purchasing power of money.
Effects on Borrowers	Effects on Borrowers
Inflation erodes the value of money, making it easier for borrowers to repay debts.	Deflation increases the value of money, making it harder for borrowers to repay debts.
Effects on Savers	Effects on Savers
Inflation reduces the purchasing power of money, negatively impacting savers.	Deflation increases the purchasing power of money, benefiting savers.
Economic Impact	Economic Impact
Inflation can stimulate economic growth, but high inflation can lead to instability.	Deflation can discourage spending and investment, potentially causing economic contraction.
Central Bank Response	Central Bank Response
Central banks aim to manage inflation by adjusting interest rates and implementing monetary policies.	During deflation, central banks may use expansionary policies to stimulate spending.
Asset Prices	Asset Prices
Inflation can inflate the value of assets like real estate and stocks.	Deflation can lead to a decrease in asset prices.

Source: Official Website

<https://www.economicsonline.co.uk/content/images/2023/11/Disinflation-3.webp>

Exercises

Exercise01 Translate this paragraph and Find the economic terms in the text

Inflation happens when prices rise and purchasing power falls, while deflation occurs when prices drop and purchasing power increases. Both can strain an economy if they move too far in either direction, making it harder for consumers and businesses to plan and spend.

1/ Understanding Inflation: Causes and Effects

Inflation is a quantitative measure of how quickly the prices of goods in an economy are increasing. Inflation occurs when goods and services are in high demand, thus creating a drop in availability (supply) and a consequential raising of prices.

Supply can decrease for many reasons. For example, a natural disaster can wipe out a food crop, a housing boom can exhaust building supplies, or aggregate demand may overwhelm inventories. Whatever the reason, consumers are willing to pay more for the items they want, causing manufacturers and service providers to charge more.

The most common measure of inflation is the rate of increase in the consumer price index (CPI).

2/ Deflation Explained: Consequences and Challenges

Deflation occurs when too many goods are available or when there is not enough money circulating to purchase those goods. As a result, the price of goods and services drops.

For instance, if a particular type of car becomes highly popular, other manufacturers start to make a similar vehicle to compete. Soon, car companies have more of that vehicle style than they can sell, so they must drop the price to attract buyers.

Companies that find themselves stuck with too much inventory must cut costs, which often leads to layoffs. Unemployed individuals do not have enough money available to purchase items. So, to coax them into buying, companies lower prices more, which continues the downward trend.

Exercise02 Reading Comprehension

1. What is inflation?
2. How is inflation usually measured?
3. What is one of the main causes of inflation related to money supply?
4. Explain the demand-pull effect.
5. What happens in the cost-push effect?
6. How do exchange rates influence inflation?
7. What is deflation?
8. What are two causes of deflation?

9. Mention two effects of inflation on the economy.
10. How can deflation affect businesses and workers?

EX03: True or False

1. Inflation means a decrease in the prices of goods and services.
2. Central banks try to control inflation to maintain economic stability.
3. Excess money supply can cause inflation.
4. Demand-pull inflation happens when demand is lower than supply.
5. Cost-push inflation occurs when production costs increase.
6. Deflation occurs when the inflation rate is below zero.
7. Deflation always improves economic growth.
8. Increased productivity can sometimes lead to deflation.

EXO04 Read the statement and answer:

“When wages increase, people have more money to spend. As a result, demand for goods and services increases and companies raise prices.”

Questions:

- What type of inflation is described in this situation?
- Why do companies increase prices?
- How does this situation affect consumers?

EX05: Fill in the blanks

Use the following words:

(inflation – demand – supply – prices – productivity – currency)

..... is the continuous rise in the general level of prices.
 When the money increases too much, inflation may occur.
 Demand-pull inflation happens when is higher than supply.
 Deflation is a fall in of goods and services.
 Higher can reduce production costs.
 When inflation rises, the value of the declines.

Chapter 08 Fiscal and monetary policy

When discussing what shapes a nation's economic growth and stability, monetary policy and fiscal policy may often come to mind. This is because these two types of policies wield significant influence over a nation's economic landscape and despite their differences, both play a substantial role in economic growth.

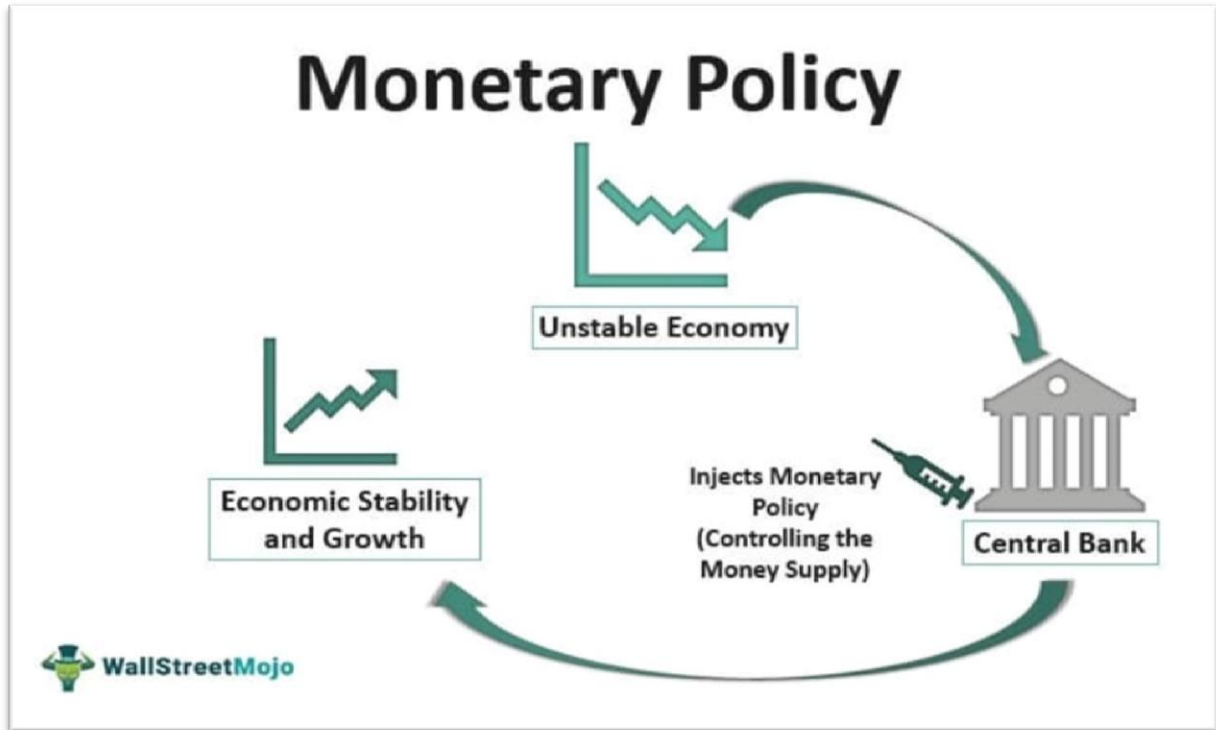
So what is the difference between monetary and fiscal policy, and how do these two function? Here's what might help you to understand monetary and fiscal policy:

- ✓ **Monetary Policy:** Controlled by central banks (e.g., the Federal Reserve), aims to regulate money supply and interest rates and maintain financial stability. It influences inflation and economic growth through tools like open market operations, discount rates, and reserve requirements.
- ✓ **Fiscal Policy:** Managed by governments, focuses on taxation and government spending to influence the economy. It impacts aggregate demand, inflation, and resource allocation. It includes tools like taxes and spending decisions.
- ✓ **Key Differences:** Monetary policy is executed by central banks, while fiscal policy is set by governments. The tools and approaches of the two differ—monetary uses financial instruments like interest rates, while fiscal involves tax and spending decisions.
- ✓ **Interaction:** The combination of both policies can stimulate economic growth and stabilize the economy, although coordination between central banks and governments is necessary

Definition of Monetary Policy

In short, monetary policy encompasses the strategies and steps implemented by a central bank like the Federal Reserve or another monetary authority with the aim of regulating and influencing the money supply, interest rates, and the general financial landscape within a nation's economy. In other words, its fundamental goals include ensuring price stability, fostering economic growth, and safeguarding financial stability.

Figure 16 Monetary Policy



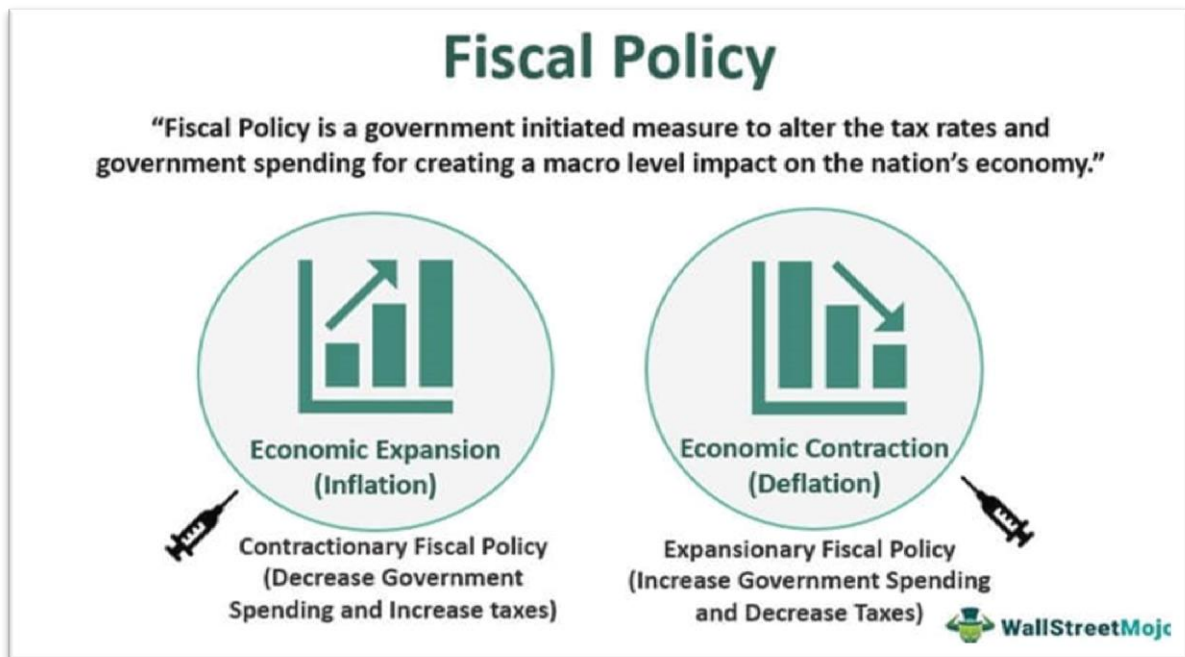
Source: Official Website

<https://www.wallstreetmojo.com/monetary-policy/>

Definition of Fiscal Policy

While monetary policy usually hails back to central banks, fiscal policy relates to governments. Accordingly, a fiscal policy refers to the strategic approaches and the use of government spending and taxation with the goal of shaping, enhancing, and stabilizing the economy. To do so, a fiscal policy targets an economy's overall spending level, overall spending composition, or both.

Figure 17 Fiscal Policy



Source: Official Website

<https://www.wallstreetmojo.com/fiscal-policy>.

Key Differences Between Monetary Policy and Fiscal Policy

Both monetary and fiscal policy aim to influence the economy's trajectory, however, there are key differences that should be kept in mind in order to get a better grasp of how the economy works. Here is a brief comparison between monetary and fiscal policies:

- The responsible entities: one of the main differences between the types of policies is the parties involved in their making. Whereas monetary policy is executed by a central bank, fiscal policy is executed through a nation's government.
- Tools and methodology: the tools and approach used to set each policy differ. While monetary policy uses open market operations, adjustments, discount rates, and reserve requirements, fiscal policy uses government spending and changes in taxation.

Tableau 7 Differences Between Monetary Policy and Fiscal Policy

	MONETARY POLICY	FISCAL POLICY
TOOL	Interest rates and money supply	Tax and government spending
RESPONSIBLE	Set by Central Banks	Set by Government
TARGET	Impact inflation	Healthy economic growth
HOW	Change the cost of borrowing	Change the amount of spending and tax rates
SIDE EFFECT	Impacts exchange rate and housing/property market	Impacts government budget and national debt
POLITICAL	Largely independent Strongly	Strongly Political

Source: Official Website

<https://www.wealthify.com/blog/monetary-vs-fiscal-policy>.

Exercises

Exercise 01: Answer the Questions

1. What is monetary policy?
2. What are the main goals of monetary policy?
3. What is fiscal policy?
4. Who is responsible for fiscal policy?
5. What tools are used in fiscal policy?

Exercise 02: True or False

1. Monetary policy is implemented by the government.
2. Fiscal policy uses taxation and government spending.
3. Both policies aim to influence the economy.
4. Monetary policy controls money supply and interest rates.

Exercise 03:

Show the main differences between Monetary Policy and Fiscal Policy in a table

Chapter 09: Banking terminology

Banking Terms

Allowance – an amount of money parents give children, often in exchange for completing chores around the house

Annual Percentage Rate – the rate of interest being charged for a loan over a year's time

ATM (automated teller machine) – machine that accepts deposits and withdrawals, as long as there is money in the account associated with the card

Balance – the total amount of money you have in your bank account

Bank – a business that keeps money for customers, makes loans and provides other money-related services

Bank account – a safe place to keep your money, where it will earn extra money

Bank statement – a monthly summary of the deposits and withdrawals associated with a customer's bank account

Budget – a plan you create to control spending and manage your personal finances

Certificate of Deposit (CD) – a type of investment that requires you to invest your money for a certain length of time and guarantees the same rate of return (interest) for that entire time. CDs usually require a minimum deposit and they pay an interest rate slightly higher than a savings account. If you withdraw your money early, you pay a penalty.

Check – a method of payment in which money is drawn from an account

Checking account – a bank account that account holders can write checks or use debit cards against the balance to pay merchants

Collateral – a condition of some loans. A banker may require you to back up a loan with something of value. If you are purchasing a car, the car itself is collateral.

Compound Interest – interest that is calculated not only on the money you originally invested, but also on any interest the investment has already earned

Credit – money loaned, usually for a fee that must be paid back

Credit Card – a plastic card used to make purchases up to the credit limit, interest on the balance will be calculated from an annual percentage rate (APR). Credit card loans are not free money, but an unsecured loan.

Credit History – a record of your borrowing and paying habits

Debit card – a plastic card that works just like a check, only the processing time is usually faster. Money spent is automatically taken out of the linked account, usually a checking account. If the account does not have adequate funds for the transaction, the purchase can be denied or accepted with an understanding that there will be overdraft fees.

Debt – money owed to others

Deposit – adding money to your bank account

Down payment – a deposit you make on a large purchase. The down payment reduces the amount you need to borrow.

Expense – money a person pays to buy something or pay for services

Income – money a person earns or receives

Interest – the money a bank pays depositors for using their money, or the money a person pays when borrowing money

Invest – to put your money into CDs, money market accounts, mutual funds, savings accounts, bonds or stocks to help your money grow in value and earn a profit

Money – paper and coins that are used to buy things

Need – something you must have in order to live

Price – the amount of money required to purchase something

Principal – the amount you are borrowing on a loan or the original amount of money invested.

Product – Toys, clothes, games and anything you purchase

Risk – the chance of losing your money

Saving – keeping your money for a future goal instead of using it to buy products or services

Services – People or companies who perform tasks for others. Example – water company providing you with water in exchange for money

Secured loan – a loan that is backed up with collateral, such as a home or a car

Share – a unit of ownership in an investment or company

Spending – using your money to buy products or services

Stock – A certificate representing a share of ownership in a company

Unauthorized purchases – those purchases made by someone other than you, but with your debit or credit card, or stolen checks. If you can prove that you did not approve the purchases, the bank will refund your money.

Unsecured loan – a loan not backed by collateral. A credit card is an unsecured loan.

Want – something you would like to have, but do not need in order to live

Withdrawal – taking money out of a bank account

Examples

1. Bank account:

Example: I need to open a bank account to receive my salary.

2. Deposit:

Example: I made a deposit of \$500 into my savings account.

3. Cash withdrawal:

Example: I need to make a cash withdrawal from my checking account.

4. ATM card:

Example: I lost my ATM card and need to request a new one from the bank.

5. Credit:

Example: I applied for a credit card to help me build my credit history.

6. Interest:

Example: My savings account earns interest at a rate of 2% per year.

7. Bank transfer:

Example: I need to transfer money from my checking account to my savings account.

8. Check:

Example: I wrote a check to pay my rent this month.

9. Balance:

Example: I need to check my account balance before I can make a withdrawal.

10. Bank branch:

Example: I need to go to the bank branch to deposit a check.

11. Commission:

Example: The bank charged me a commission for transferring money to a different bank.

11. Loan:

Example: I applied for a personal loan to pay for a new car.

13. Online banking:

Example: I use online banking to check my account balance and pay my bills.

14. Current account:

Example: I use a current account for my day-to-day transactions.

15. Savings account:

Example: I opened a savings account to save money for a down payment on a house.

16. Electronic transactions:

Example: I prefer to make electronic transactions because they are more convenient and faster than going to the bank.

The concept of Islamic banking

An Islamic bank constitutes a financial and fiduciary intermediary that mobilizes surplus funds from depositors toward deficit units (investors or entrepreneurs) within the prescriptive framework of Shariah law.

Functionally, it embodies an ethical-financial architecture that eschews ribā (interest) and speculative uncertainty (gharar), while upholding distributive justice, transparency, and shared risk–return parity. Islamic banking thus articulates a paradigm of faith-based intermediation, integrating economic functionality with moral teleology.

In contrast to conventional banking which remunerates capital through predetermined interest Islamic banking predicates income generation on profit-and-loss sharing (PLS) mechanisms and asset-backed transactions,

ensuring a tight nexus between finance and the real economy. Its raison d'être lies in providing an autonomous, justice-oriented economic alternative congruent with Islamic ontological and jurisprudential principles. The institution, therefore, pursues not mere profit maximization, but a triple bottom line encompassing ethical, socio-economic, and spiritual dimensions.

The salient foundations of an Islamic bank are :

- Shariah conformity across all operations, products, and contracts, ensuring the permissibility (ḥalāl) of returns.
- Use of approved investment modes, including murābaḥah (cost-plus sale), ijārah (leasing), mushārakah (partnership), muḍārabah (trust-based investment), and ṣukūk (Islamic investment certificates).
- Developmental intentionality, with funds deployed to promote social welfare, financial inclusion, and productive enterprise, rather than speculative or interest-based accumulation.

Exercise: Find the banking terms in the text

The main function of banks is to keep their depositors' money safe and readily available. A depositor's money may be paid into a bank on deposit account or on drawing account also named "current account".

A "deposit account" is made for a fixed period and is allowed a low rate of interest. A "drawing account" does not bear any interest but the customer may draw on his money at anytime and he is given a cheque book for his transactions and payments.

All business transacted through the Bank is recorded in the "Pass book" so that the customer may have a statement of his account whenever he requires it. In addition, banks collect their depositors' accounts, discounting them if required. They can transfer money abroad by delivering letters of credit or travellers' cheques.

Letters of credit are documents requesting the banks' agents abroad to advance the bearer any sums up to a stipulated amount. Travellers' cheques are for fixed amounts which can be cashed anywhere against the customer's signature.

The Stock Exchange or Stock Market is a place where dealers in securities meet to transact business. Transactions are effected through stockbrokers, who help their customers to make investments by buying securities or to sell their shares, bonds or debentures when they want to transfer them. The prices of the funds admitted to an official quotation are recorded in the official list issued every afternoon.

Chapter:10 International trade

International trade is the purchase and sale of goods and services by companies in different countries. Consumer goods, raw materials, food, and machinery are all bought and sold in the international marketplace. International trade allows countries to expand their markets and access goods and services that otherwise may not have been available domestically. As a result of international trade, the market is more competitive. This can ultimately result in more competitive pricing and cheaper products. Some countries engage in national treatment of imported goods, treating them as equivalent to those same products produced domestically.

Figure 18 Fundamentals-of-International-Trade



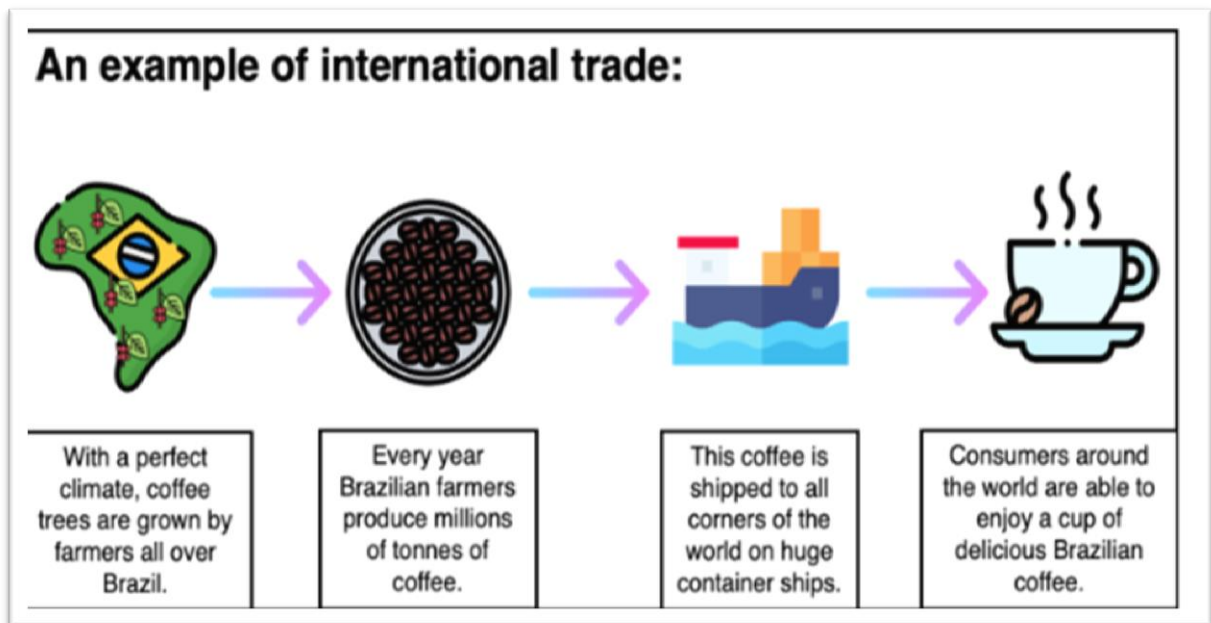
Source: Official Website

https://www.researchgate.net/figure/Fundamentals-of-International-Trade_fig1_335028898

What is International Trade?

At its core, international trade represents the exchange of goods or services between at least two different countries. These exchanges are divided into two main types of operations: exports and imports.

Figure 19 Example of international trade(coffee)



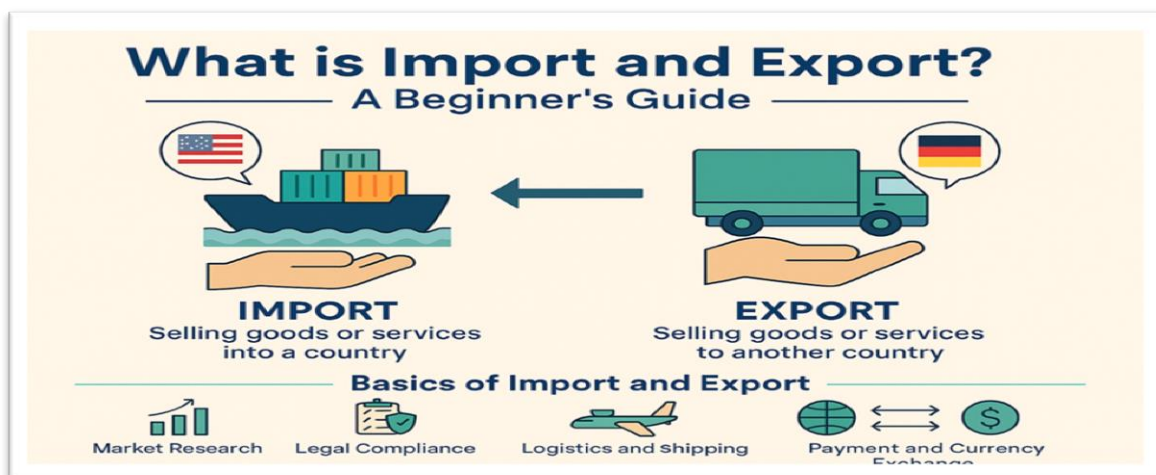
Source: Official Website

<https://thecurioseconomist.com/macro-economics-what-is/what-is-international-trade/>

Imports and Exports

- **Exports** refer to the exit of products from a country through their sale to the foreign market.
- **Imports** refer to the entry of foreign products into the country through their acquisition or purchase.

Figure 20 Imports and Exports



Source: Official Website

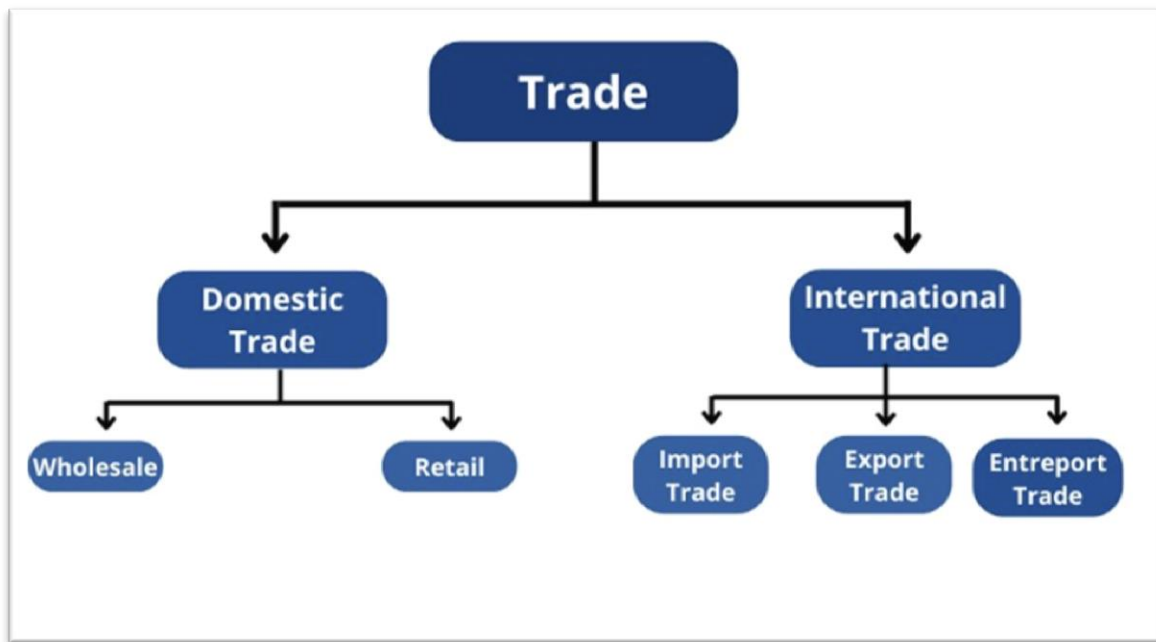
<https://www.naviexports.com/blog/what-is-import-and-export-a-beginners-guide/>

Types of Trade

- **Domestic Trade:** Trade that occurs within a country's borders.
- **International Trade:** Trade between different countries.
- **Wholesale Trade:** Buying goods in large quantities and selling them to retailers.
- **Retail Trade:** Selling goods directly to consumers

Figure21

Figure 21 Types of Trade



Source: Official Website

<https://easycommerceguide.com/what-is-trade-types-of-trade-and-examples/>

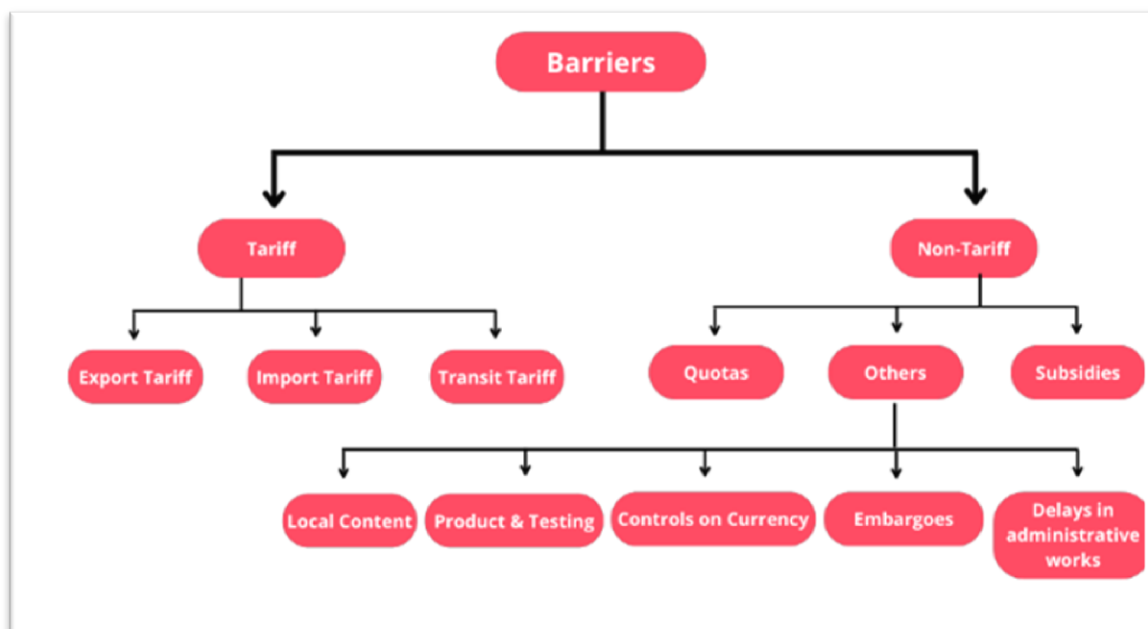
Importance of Trade

- Facilitates economic growth.
- Promotes specialization and efficiency.
- Encourages international relations
- Opening opportunities for Foreign Direct Investment (FDI), which can bring foreign currency and expertise, raise employment levels, and contribute to GDP growth.
- Increased sales and government revenue.
- Strengthening the economy.
- Reduced risks of activities by diversifying markets.

What Are Common Barriers to International Trade?

The barriers to international trade are policies that governments implement to prevent international trade and protect domestic markets. These include subsidies, tariffs, quotas, import and export licenses, and standardization.

Figure 22 The barriers to international trade



Source: Official Website

<https://www.vedantu.com/commerce/trade-barrier>

Objectives of International trade

International trade arises for a variety of economic and developmental reasons, several of which are highlighted in the classical literature and remain valid

today :

- Enhancing economic growth and welfare: By expanding exports, countries increase the value of their Gross Domestic Product and generate foreign exchange revenues, which can raise income levels and improve living standards.
- Access to technology and know-how: Trade in capital goods, intermediate inputs and services enables importing economies to acquire modern technologies and organisational practices, and to benefit from the expertise of more advanced exporting countries.
- Integration into regional and global value chains: Foreign trade contributes to building relationships within regional and international

economic blocs, thus deepening economic integration and enabling participation in global value chains.

- Mutual interdependence and cooperation: No country is self-sufficient in all products; foreign trade helps to “build bridges” between economies by allowing each to specialise and to rely on partners for goods it cannot efficiently produce.
- Market diversification for surplus production: Exporting provides an outlet for domestic surpluses, reducing pressure on local markets and smoothing business cycles.
- Reducing unit production costs: By exploiting economies of scale—producing large volumes for international markets—firms can lower average costs and increase competitiveness

Algeria’s Foreign Trade

the Algerian state has been actively striving to revitalise and diversify foreign trade outside the hydrocarbon sector. During the first eight months of 2020, non-hydrocarbon exports amounted to approximately 1.34 billion US dollars, while for the same period in 2021 they reached nearly 2.9 billion US dollars, representing a substantial increase of about 118 % and accounting for roughly 12.3 % of total exports. Among the most dynamic export items, when comparing early 2020 and 2021, are mineral and chemical nitrogenous fertilisers (886 million versus 524 million US dollars, an increase of 69.1 %), iron and steel (595.78 million versus 28.76 million US dollars, an increase of 1 971 %), inorganic chemicals (501.8 million versus 150.1 million US dollars, an increase of 234 %), sugar, sugar preparations and honey (288 million versus 173 million US dollars, an increase of 66 %), and manufactured metal products (190.81 million US dollars, representing 6.54 % of total non-hydrocarbon exports) (commerce, 2021). More recent analyses by the World Bank indicate that non-hydrocarbon exports have continued to expand over the medium term: they have approximately tripled since 2017 and reached about 5.1 billion US dollars in 2023, although this still corresponds to only around 2 % of GDP, which underscores both the progress achieved and the persistence of structural constraints. These exports increasingly comprise semi-finished products (e.g. steel, cement) and selected agri-food items, signalling a gradual move up the value chain and a slow reconfiguration of Algeria’s export profile. Algeria’s trade openness, measured as total trade as a share of GDP, stood at around 45 % in 2020, underlining the centrality of foreign trade to the national economy.

In line with global trends and the literature on commodities and development, international organisations such as UNCTAD emphasise that commodity-dependent economies like Algeria need to diversify both their production base and export basket in order to reduce vulnerability to terms-of-trade shocks and to support inclusive, low-carbon growth. Within this broader diversification strategy, the development of exports of recyclable materials and secondary raw materials—including specific categories of waste—can be interpreted as part of a gradual transition towards a more circular trade model. This is consistent with emerging agendas on circular-economy and trade alignment, which stress the role of international trade in facilitating cross-border flows of secondary materials, recycling technologies and environmental goods .

Exercises

Exercise 01: Answer the Questions

1. What is international trade?
2. What is the difference between imports and exports?
3. Name two types of trade.
4. Mention two benefits of international trade.
5. Give two examples of trade barriers.

Exercise 02 Match the Terms with their Definitions

- | | |
|--------------------|---------------------------------------|
| 1. Exports A. | Selling goods directly to consumers |
| 2. Imports B. | Taxes imposed on imported goods |
| 3. Retail trade C. | Products sold to foreign markets |
| 4. Tariffs D. | Entry of foreign goods into a country |

Exercise03: True or False

1. International trade is the exchange of goods and services between countries.
2. Imports are goods sold to foreign markets.
3. Exports refer to the sale of products to other countries.
4. Domestic trade occurs between different countries.
5. Retail trade means selling goods directly to consumers.
6. International trade can promote economic growth.
7. Tariffs are taxes imposed on imported goods.
8. Trade barriers are used to protect domestic markets.

Chapter:11 Case study economic news article

Case study01

UK inflation rate stays at 3% before Iran war hits oil prices

The UK inflation rate stayed at 3% in the year to February as lower fuel prices were offset by a rise in the price of clothing.

However, these official figures were gathered before the US-Israel war with Iran began – when data suggests the price of petrol was at its lowest since June 2021.

Pump prices for petrol and diesel have since soared following a surge in wholesale oil prices following the outbreak of the conflict.

This is expected to have a knock-on effect for energy prices and other things such as leisure and food costs as manufacturers and firms pass on costs, meaning that predicted falls in inflation this year are now not likely to happen.

The Office for National Statistics' (ONS) inflation figure for February, which measures the rate of price increases over a year, remained the same as it was in January after months of steady falls.

Although the inflation rate has dropped from a high of 11.1% in October 2022, prices themselves are not coming down, but simply rising at a slower pace.

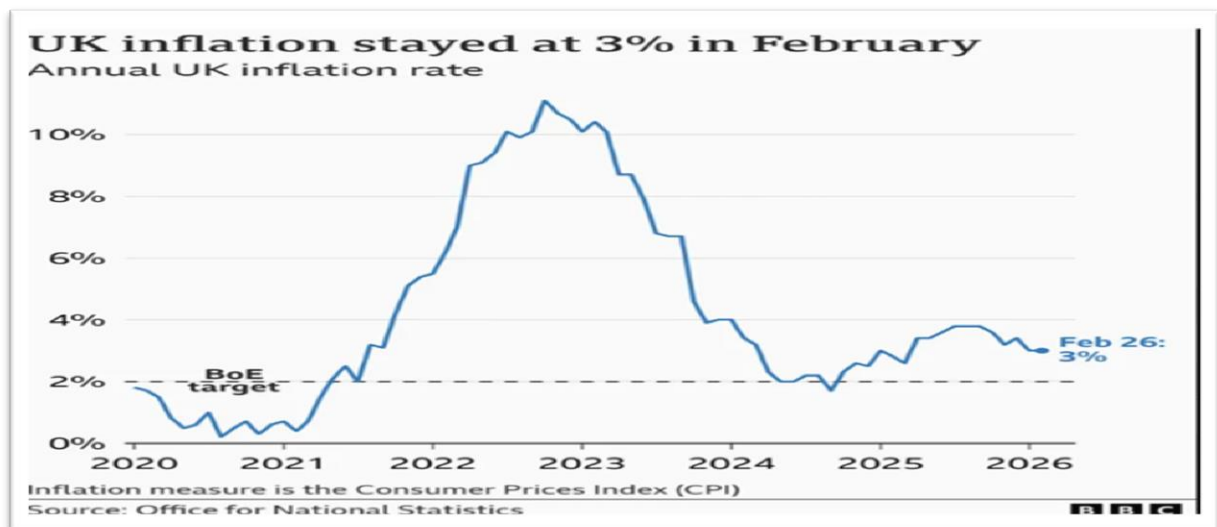
Predicted fuel rises

The ONS said the average price of petrol was 131.6p per litre in February, the lowest price since June 2021. Diesel's average was 141.1p.

By Wednesday however, RAC figures showed petrol was 149.4p a litre and diesel had risen to 175.7pence - with experts predicting further rises

The ONS said clothing and footwear prices rose by 0.9% in the 12 months to February compared to no change in price in the 12 months to January.

Figure 23 UK inflation



Source: Official Website

<https://ichef.bbci.co.uk/news/800/cpsprodpb/9c30/live/df8d5460-281d-11f1-b297-95b0a0a8331e.png.webp>

Case study02

Geopolitical tensions: Modelling the costs of US-China tariffs

The US has reaped substantial benefits from increased trade with China in the two decades since China acceded to the World Trade Organization (WTO). The tariffs imposed by the Trump administration in 2018 reversed the decades-long trend of greater US-China trade integration and, according to multiple assessments (e.g. the IMF, the US Trade Commission and academic studies), raised inflation and hurt US output and jobs. The US-China Business Council (USCBC) commissioned Oxford Economics to estimate the economic impact of an escalation of existing tariff measures, a policy scenario that several politicians in the US have backed publicly.

The Challenge

US-China trade supports a significant part of the US economy and corresponding jobs and incomes. The USCBC, a trade association working with businesses with meaningful commercial links to China, was concerned that hawkish political sentiment toward China might lead to decisions that overlook the US economy's underlying benefits from commercial integration with China. By commissioning Oxford Economics to carry out this independent analysis using state-of-the-art modelling tools, the USCBC wanted to measure the effects of increasing trade tensions on the US economy and households.

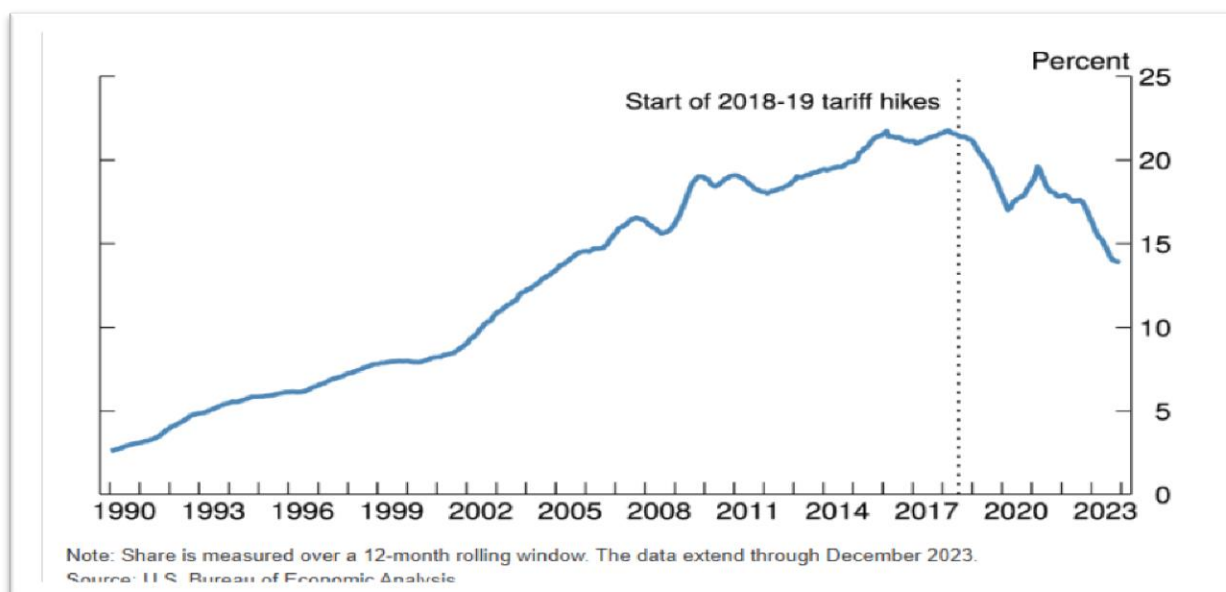
The Solution

From the onset, Oxford Economics and the USCBC collaborated closely to define feasible and realistic assumptions to ensure the study's relevance for policymakers.

Oxford Economics could draw on its longstanding macro and industry-level expertise, leveraging the latest methods in trade and macroeconomic analysis (including Purdue University's GTAP model and Oxford Economics' Global Economic Model and Global Industry Model) to derive credible estimates of the costs of higher tariffs for the US economy and our everyday lives.

Our models produced results for economic costs (e.g. inflation, incomes, interest rates) over a five-year horizon, not only for the US as a whole but also for specific industries and even regions. Going beyond national aggregates to regional particularities catered to the differing policy scopes of politicians, increasing the study's overall relevance. The research shed light on several ways tariffs affect the US economy, such as long-term capacity constraints driven by reduced productivity and innovation—points many decision-makers hadn't considered before. Our detailed analysis also gave decision-makers valuable input for future tariff-related policy debates.

Figure 24 China's Share of U.S. Goods Imports has declined significantly



Source: Official Website

<https://www.federalreserve.gov/econres/notes/feds-notes/global-trade-patterns-in-the-wake-of-the-2018-2019-u-s-china-tariff-hikes-20240412.html>

It has been widely documented that the decline during 2017-2022 was concentrated in goods subject to the tariff hikes. As shown in Figure 21, the growth of U.S. imports of tariffed goods from China has lagged behind that of U.S. imports of the same goods coming from the rest of the world (ROW), whereas U.S. imports of non-tariffed goods from China and from ROW have grown in similar proportions through 2022. Non-tariffed goods accounted for a noticeable portion of China's decline since then, suggesting that other factors, such as a rebalancing of U.S. demand from goods to services, have also played a role more recently.

Case study03

European Central Bank holds rates steady, warns outlook is 'significantly more uncertain'

The European Central Bank opted to keep interest rates on hold at its latest monetary policy meeting, saying the war in Iran has made the outlook “significantly more uncertain”.

Policymakers said the conflict had created “upside risks for inflation and downside risks for economic growth,” prompting traders to up bets on potential ECB rate hikes later this year.

The ECB said the ongoing conflict “will have a material impact on near-term inflation through higher energy prices”, while its medium-term implications

would depend “both on the intensity and duration of the conflict and on how energy prices affect consumer prices and the economy.”

Regional central banks, the Bank of England, Sweden's Riksbank and Swiss National Bank, also opted to keep rates on hold on Thursday, as the war continues to cloud the outlook for inflation and growth.

Before the war on Iran began in late February, Europe's central banks enjoyed a more benign inflation outlook as interest rates looked set to remain stable or keep falling across the region.

But the conflict has upset the economic equilibrium, threatening Europe's energy supplies, growth and the outlook for consumer prices. Expectations for interest rates across the continent have been upended.

The ECB was not expected to change stance on its benchmark interest rate (and indeed kept its deposit facility rate at 2% on Thursday) even before the war began, with euro zone inflation data remaining near the central bank's 2% target. The latest flash data from Eurostat showed inflation in the euro zone rose to 1.9% in February, up from 1.7% in January.

But the central bank on Thursday revised medium-term inflation expectations upwards. Headline inflation is now expected to average 2.6% in 2026, 2% in 2027 and 2.1% in 2028 in the bank's baseline scenario.

It blamed a rise in energy prices for the revisions. In December, the ECB had said it expected headline inflation to be just shy of 2% in 2026 and 2027, before increasing to its target of 2% in 2028.

Case study04

Algerian economy2025

The national economy is expected to grow by 4.5 percent next year, with non-hydrocarbon growth projected to reach 5 percent, according to the 2025 draft budget law.

Algeria's nominal GDP is expected to reach 37,863 billion dinars (US\$278.71 billion) in 2025, rising to 40,850.54 billion dinars (US\$300.71 billion) in 2026 and 41,859.30 billion dinars (US\$308.13 billion) in 2027, according to the draft law presented by Finance Minister Aziz Faïd to members of the National People's Assembly in a public session on Monday.

Regarding the growth of economic sectors, the draft law indicates that the industrial sector will register growth of 6.2 percent, agriculture 4.4 percent, construction and public works 4.3 percent, while the hydrocarbon sector is expected to grow by 2.4 percent.

Within the framework of the macroeconomic and budgetary aspects of the 2025 Finance Bill and the 2026-2027 projections, which take into account the evolving national context as well as the international economic situation, a reference price of \$60 per barrel of crude oil and an estimated market price of \$70 per barrel of crude oil were adopted for the period 2025-2027.

According to the text, budget expenditures are expected to reach 16,794.61 billion Algerian dinars (DZD) in 2025, an increase of 9.9% compared to the 2024 Finance Bill projections. Revenues are expected to improve by 3.5% compared to the 2024 closing projections, reaching 8,523.06 billion DZD, driven by a 9% increase in tax revenues.

Petroleum revenues included in the 2025 budget are projected to reach 3,453.96 billion DZD, as explained by the Minister of Finance during the same presentation.

Tableau 8 Algeria's GDP forecast (International Monetary Fund)

Year	Nominal GDP (current US dollars)	GDP growth	GDP per capita	Change in population
2026	\$284,984,000,000	2.90%	\$5,956	1.25%
2027	\$291,065,000,000	2.70%	\$6,011	1.18%
2028	\$297,245,000,000	2.70%	\$6,066	1.12%
2029	\$303,879,000,000	2.50%	\$6,127	1.06%
2030	\$308,997,000,000	2.50%	\$6,096	1%

Source: Official Website
<https://www.worldometers.info/ar/>

Exercises

Analysis of the Case Studies

Students are required to read the three case studies carefully and conduct an economic analysis of each text. The objective of this activity is to develop students' ability to understand economic issues and identify important economic terminology used in real-world contexts.

Instructions

1. Read the three case studies carefully.
2. For each case study, students must:
 - ✓ Write a short economic analysis explaining the main economic issue discussed in the text.
 - ✓ Explain the causes and possible economic consequences mentioned in the case.
3. Identify the key economic terms used in each paragraph.
4. List the economic terminology and provide a short definition or explanation for each term.
5. Students should focus on concepts related to:
 - Inflation
 - International trade
 - Tariffs
 - Energy prices
 - Monetary policy
 - Interest rates
 - Economic growth
 - Tariffs
 - Energy prices
 - Monetary policy
 - Interest rates
 - Economic growth

Chapter 12 :Translation of economic texts

Translation of the economic and financial texts:

In the translation of specialized texts the translator should know the terms and all the concepts of this field. This type of translation we called it specialized translation. According to Pierre Lerat the translator should be a specialized bilingual translator in this domain which is economy and he should know the synchronic and diachronic terminology of economic as well as. In the specialized translation, the translator must involve words and concepts in any language after he verifies whether they are direct equivalent or special one according to the language or the scientific culture. Moreover, diachronic analysis allows avoiding the loss of the new evolution Terminology and technology, because the evolution of specialized language has a relation with the scientific development. In energy saving, the term firewood originally translated in French language as « bois de feu » or « bois de chauffe » ;i.e., wood used as a means of producing heat, but today this term is« bois-énergie» in the documents of specialists . the same problem we can find it with the term “regulator” the fist translation in French language is « commission de surveillance » or « organisme de contrôle », but now it is « régulateur, autorité de régulation, instances de régulation ».

Characteristics of Economic Translation:

Since Economic Translation is part of Specialized Translation, it should have some characteristics in common with other specialized fields, such as legal or medical translation.

In order to illustrate peculiarities of economic from a scientific text addressing an economic issue concluded the following points:

- 1- Clarity and clearness; the meaning in such field usually clear with simple and single-meaning words. Absence of connotations.
- 2- Accuracy in terms of numbers and quantities, as well as, in time and place.
- 3- Objectivity, no periphrases nor ambiguity.
- 4- Abundance of meaning and concepts, summarily and accurately.
- 5- Several technical words related to the economic area.
- 6- Simplicity of syntax and straightforward language.
- 7- Full of Economic complex structures due to abundance in technical words

Exercise

Translation of the text

Conceptualization of the Start-up

A start-up may be construed as a nascent, small-scale enterprise instituted to originate a novel product or to instantiate an innovative service proposition within a contestable market space. Characteristically, such ventures exhibit hypergrowth potential, strategic plasticity, and adaptive elasticity vis-à-vis volatile market conditions—traits that can confer durable competitive advantage over the long run. Founders typically aspire to outsized, scalable growth by targeting sufficiently large, relatively homogeneous addressable markets while evidencing the managerial and operational optionality required to accommodate rapidly intensifying activity.

In a cognate register, a start-up can be described as a youthful, dynamically configured, technology-mediated firm predicated on innovation, wherein founders seek to leverage the development of hitherto unfamiliar products or services to catalyze new market formations. From an entrepreneurial theory vantage, start-ups operationalize the conversion of ideation into enterprise, engaging in structured opportunity recognition, valuation, and exploitation to create and appropriate value under conditions of Knightian uncertainty

Another descriptive strand construes the start-up as a high-risk, early-stage project sector-agnostic aimed at the invention and iterative refinement of a product or service, typically under elevated uncertainty with a nontrivial probability of failure, yet with a commensurately convex upside in the presence of product–market fit and defensible unit economics. In the digital economy, the archetype frequently maps onto techno-creative ventures situated in ICT domains whose mission is to generate and commercialize novel technologies. As posited by Patrick Fridenson, the constitution of a start-up is not reducible to age, size, or sectoral locus per se. Rather, it is indexed to the following necessary conditions:

1. High potential for growth (scalability and nonlinearity of returns);
2. Deployment of new or frontier technologies (technological discontinuity);
3. Requirement for substantial financing and diverse capital participation (equity, quasi-equity, hybrid instruments);
4. Operation within emergent markets with opaque, hard-to-quantify risk (estimability constraints).

ترجمة النص: الشركات الناشئة

يمكن تعريف الشركة الناشئة بأنها مشروع صغير ، أنشئ لابتكار منتج جديد أو تقديم خدمة مبتكرة في سوق تنافسية. وتتميز هذه المشاريع عادةً بإمكانية نمو هائلة، ومرونة استراتيجية، وقدرة على التكيف مع تقلبات السوق، وهي سمات تمنحها ميزة تنافسية مستدامة على المدى الطويل. ويسعى المؤسسون عادةً إلى تحقيق نمو هائل وقابل للتوسع من خلال استهداف أسواق كبيرة ومتجانسة نسبيًا، مع إظهار المرونة الإدارية والتشغيلية اللازمة لاستيعاب النشاط المتزايد بسرعة.

وبمعنى آخر، يمكن وصف الشركة الناشئة بأنها شركة شابة، ديناميكية التكوين، تعتمد على التكنولوجيا والابتكار، حيث يسعى المؤسسون إلى الاستفادة من تطوير منتجات أو خدمات غير مألوفة سابقًا لتحفيز ظهور أسواق جديدة. من منظور نظرية ريادة الأعمال، تُجسد الشركات الناشئة تحويل الأفكار إلى مشاريع، من خلال الانخراط في تحديد الفرص وتقييمها واستغلالها بشكل منهجي لخلق قيمة مناسبة في ظل ظروف عدم اليقين.

ويُعرّف اتجاه وصفي آخر الشركة الناشئة بأنها مشروع عالي المخاطر في مراحله المبكرة، لا يقتصر على قطاع محدد، ويهدف إلى ابتكار منتج أو خدمة وتطويرها بشكل متكرر، عادةً في ظل مستوى عالٍ من عدم اليقين مع احتمال كبير للفشل، ولكن مع إمكانية تحقيق عائد مرتفع يتناسب مع ذلك في حال وجود توافق بين المنتج والسوق واقتصاديات وحدة قابلة للدفاع. في الاقتصاد الرقمي، غالبًا ما ينطبق هذا النموذج على المشاريع التقنية الإبداعية في مجالات تكنولوجيا المعلومات والاتصالات، والتي تتمثل مهمتها في توليد وتسويق تقنيات جديدة.

وكما أوضح باتريك فريدينسون، فإن تكوين الشركة الناشئة لا يقتصر على العمر أو الحجم أو الموقع القطاعي بحد ذاته، بل يرتبط بالشروط الضرورية التالية:

- إمكانات نمو عالية (قابلية التوسع).
- نشر تقنيات جديدة أو رائدة (انقطاع تكنولوجي).
- الحاجة إلى تمويل كبير ومشاركة رأسمالية متنوعة (أسهم، شبه أسهم، أدوات هجينة).
- العمل في أسواق ناشئة ذات مخاطر غامضة يصعب قياسها (قيود التقدير).

Key answer

Subject01 Answers

Exercise 01: Answer the following questions

- What are needs? Give two examples.
- What is the difference between needs and wants?
- What does the term economy mean?
- Define economics.
- What is scarcity in economics?
- What is a market?
- What does competition describe in an economic system?
- What are the four factors of production?
- What are the three basic economic questions?
- What is meant by opportunity cost?

Exercise 02: Answer the following questions

- Needs are goods or services that people must have to survive, such as food, clothing, shelter, and healthcare.
- The difference between needs and wants is that needs are essential for survival, while wants are things people desire but are not necessary.
- An economy is the system that organizes production, trade, and the supply of money in a country or region.
- Economics is the science that studies how people use limited resources to satisfy unlimited wants.
- Scarcity is the situation where resources are limited but human wants are unlimited.
- A market is a place or area where buyers and sellers meet and where supply and demand interact.
- Competition describes the rivalry between businesses trying to sell more goods and be more successful than others.
- The four factors of production are:
 - Land
 - Labor
 - Capital
 - Entrepreneurship
- The three basic economic questions are:
 - What to produce?
 - How to produce?
 - For whom to produce?
- Opportunity cost is the value of the best alternative that must be given up when making an economic decision.

Exercise 03: True or False

Wants are necessary for survival.

Scarcity means that resources are unlimited.

Goods are tangible products.

Services cannot be touched.

Durable goods last more than three years.

Capital goods are used to produce other goods.

A consumer is the final user of goods and services.

Exercise 04: True or False

Wants are necessary for survival. → False

Scarcity means that resources are unlimited. → False

Goods are tangible products. → True

Services cannot be touched. → True

Durable goods last more than three years. → True

Capital goods are used to produce other goods. → True

A consumer is the final user of goods and services. → True

Exercise 05: Short writing

Explain in 5–6 lines the importance of factors of production in an economy.

(example answer)

Factors of production are very important in an economy because they are used to produce goods and services. The four factors of production are land, labor, capital, and entrepreneurship. Land provides natural resources, labor represents human effort, capital includes machines and tools, and entrepreneurs organize production and take risks. Without these factors, economic production would not be possible.

Subject02 Answers

Activity 01: Comprehension questions.

1) What is meant by economics?

2) How many types of economics is divided?

3) What are the consequences of the Industrial Revolution?

4) What is the concept of “Laissez-faire”?

Answers

What is meant by economics?

Economics is the science that studies how individuals and societies use limited resources to satisfy unlimited human needs and wants.

How many types of economics is it divided into?

Economics is divided into two main types:

Microeconomics

Macroeconomics

What are the consequences of the Industrial Revolution?

The Industrial Revolution led to:

The development of factories and machines.

An increase in production.

Urbanization (movement of people to cities).

The growth of trade and economic development.

What is the concept of “Laissez-faire”?

Laissez-faire is an economic idea that supports minimal government intervention in the economy, allowing businesses to operate freely.

Activity 02: Match the words with their definition.

1/ Mercantilism A/ favors private ownership

2/ Macroeconomics B/ increasing exports and collecting precious metals

3/ Feudalism C/ the study a part of the economic system

4/ Capitalism D/ a strict class system

5/ Microeconomics E/ the study of the entire system of economics

Answers

Word Answer

1. Mercantilism B

2. Macroeconomics E

3. Feudalism D

4. Capitalism A

5. Microeconomics C

Subject03 Answers

Exercise01 (Comprehension Questions)

1. What is the main focus of macroeconomics?

2. What does microeconomics study?

3. What are some examples of aggregate economic variables?

4. At what level does macroeconomics examine the economy?

5. How does microeconomics differ from macroeconomics in terms of scale?

Answers

1. Macroeconomics focuses on the economy as a whole.

2. Microeconomics studies individual economic units such as households and firms.

3. GDP, inflation, unemployment, and interest rates.

4. At the national and international level.

5. Macroeconomics analyzes large-scale systems, while microeconomics analyzes small-scale units.

Exercise02 (True / False)

1. Macroeconomics studies consumer behaviour.

2. Microeconomics focuses on government fiscal policy.

3. GDP is studied in macroeconomics.

4. Microeconomics examines supply and demand.

5. Inflation is a microeconomic issue.

Answers

1. False

2. False

3. True

4. True

5. False

Exercise03: Answer these questions

Q3. Who is the father of macroeconomics?-

Ans. John Maynard Keynes is regarded as the father of macroeconomics for his work on employment, interest, and money.

Q4. What is the major difference between macro and micro?-

Ans. Macro deals with aggregate economic issues; micro examines individual choices and markets. Scale of analysis is the key difference.

Q5. Who is the father of microeconomics?-

Ans. Adam Smith, with The Wealth of Nations, is considered the father of microeconomics for analyzing markets and individual decision-making

Subject04 Answers

Exercise01: True or False

1. When price increases, demand increases.
2. Supply has a direct relationship with price.
3. Equilibrium occurs when demand equals supply.
4. A decrease in income always increases demand.
5. If supply is greater than demand, there is a surplus.

Answers

1. False
2. True
3. True
4. False
5. True

Exercise02: Multiple Choice

1. The Law of Demand shows a:
 - a) Direct relationship
 - b) Inverse relationship
 - c) Equal relationship
2. When price increases, supply will:
 - a) Decrease
 - b) Increase
 - c) Stay the same
3. Market equilibrium occurs when:
 - a) Price is high
 - b) Quantity demanded equals quantity supplied
 - c) There is shortage

Answers

1. b) Inverse relationship
2. b) Increase
3. b) Quantity demanded equals quantity supplied

Part 3: Short Questions

1. Define demand.
 2. What is equilibrium price?
 3. Mention two factors affecting supply.
 4. Draw the supply and demand curve Model Answers
1. Demand is the quantity of a good or service that consumers are willing and able to buy at different prices.
 2. Equilibrium price is the price at which quantity demanded equals quantity supplied.
 3. Two factors affecting supply are production costs and technology.

Subject05Answers

Exercise 01: Write True (T) or False (F) and correct the false statements.

1. Market structure is based on the level of competition in a market.
2. In perfect competition, firms can control prices.
3. In monopolistic competition, products are identical.
4. In an oligopoly, companies depend on each other's decisions.
5. A monopoly has many sellers in the market.
6. High barriers to entry may create a monopoly.

Answers:

True

False → Firms cannot control prices in perfect competition.

False → Products are differentiated in monopolistic competition.

True

False → A monopoly has only one seller.

True

Exercise 02 Choose the correct answer:

In perfect competition, products are:

- a) Differentiated
- b) Homogeneous
- c) Unique
- d) Branded

Which market structure has only one seller?

- a) Oligopoly
- b) Monopolistic competition
- c) Monopoly
- d) Perfect competition

In an oligopoly, firms:

- a) Ignore competitors
- b) Act independently
- c) Depend on competitors' strategies
- d) Sell completely different products

Free entry and exit is a feature of:

- a) Monopoly
- b) Oligopoly
- c) Perfect competition
- d) State market

answers:

- 1. b) Homogeneous
- 2. c) Monopoly
- 3. c) Depend on competitors' strategies
- 4. c) Perfect competition

Exercise 03 Read the situation and identify the market structure:

- 1. A market with many farmers selling identical wheat. → _____
- 2. Only one electricity company operates in the country. → _____
- 3. Three large car manufacturers dominate the market. → _____
- 4. Many restaurants compete using different menus and brands. → _____

Answers:

Perfect Competition

Monopoly

Oligopoly

Monopolistic Competition

Exercise 04: Short Answer Questions

- 1. What is market structure?
- 2. Why can't firms influence prices in perfect competition?
- 3. How do firms differentiate their products in monopolistic competition?
- 4. Why are firms interdependent in an oligopoly?
- 5. Mention two barriers to entry in a monopoly.

Answers:

- 1. Market structure refers to the classification of markets based on the level and type of competition.
- 2. Because there are many small firms selling identical products.
- 3. Through branding, quality, packaging, and advertising.
- 4. Because there are few firms, and each firm's decision affects the others.
- 5. Patents, government licenses, high initial costs.

Subject06Answers

Exercise 01 Reading comprehension answers

- 1. What does GDP measure?

GDP measures the production level of a country's economy.

- 2. How is GDP commonly defined?

It is defined as the total annual value of goods and services produced in a country.

- 3. Who uses GDP as an economic indicator?

Investors and market analysts use GDP.

- 4. What does GNI represent?

GNI represents the total income earned by a country's people and businesses.

5. Does GNI include income from foreign investment?

Yes, it includes income from foreign investment.

6. What is the main strength of GNI?

It recognizes all income earned inside and outside the country.

7. What does GNP include?

It includes the value of goods and services produced by a country's citizens.

8. Does GNP include income earned abroad by citizens?

Yes, it does.

9. Does GNP include income earned by foreign citizens inside the country?

No, it does not.

10. What is the main difference between GDP and GNP?

GNP includes net income from abroad, while GDP does not.

Exercise02 : True or False answers

1. GDP measures the total value of goods and services produced in a country. → True

2. GNI includes only income earned inside the country. → False

3. GNP includes income earned by citizens abroad. → True

4. GDP includes foreign income earned outside the country. → False

5. GNI is similar to GNP. → True

Subject07Answers

EX01 Reading Comprehension

1. What is inflation?
2. How is inflation usually measured?
3. What is one of the main causes of inflation related to money supply?
4. Explain the demand-pull effect.
5. What happens in the cost-push effect?
6. How do exchange rates influence inflation?
7. What is deflation?
8. What are two causes of deflation?
9. Mention two effects of inflation on the economy.
10. How can deflation affect businesses and workers?

Answers

1. Inflation is the rate at which the prices of goods and services increase over time.
2. Inflation is measured by tracking the average change in the prices of a basket of goods and services.
3. One main cause is excess money supply, when the amount of money in circulation grows faster than economic growth.

4. The demand-pull effect occurs when people have more income and demand for goods and services increases, which leads companies to raise prices.
5. In the cost-push effect, companies increase prices because the cost of raw materials and wages increases.
6. Exchange rates affect inflation because many economies depend on the value of foreign currencies (especially the dollar) in international trade.
7. Deflation is a decrease in the general level of prices of goods and services (inflation rate below 0%).
8. Two causes of deflation are increased productivity and decrease in money supply.
9. Two effects of inflation are reduced purchasing power and higher cost of living.
10. Deflation can lead to lower business revenues, wage cuts, and layoffs.

EX02: True or False

1. Inflation means a decrease in the prices of goods and services.
2. Central banks try to control inflation to maintain economic stability.
3. Excess money supply can cause inflation.
4. Demand-pull inflation happens when demand is lower than supply.
5. Cost-push inflation occurs when production costs increase.
6. Deflation occurs when the inflation rate is below zero.
7. Deflation always improves economic growth.
8. Increased productivity can sometimes lead to deflation.

Answers

1. False
2. True
3. True
4. False
5. True
6. True
7. False
8. True

EXO03 Read the statement and answer:

“When wages increase, people have more money to spend. As a result, demand for goods and services increases and companies raise prices.”

Questions:

- What type of inflation is described in this situation?
- Why do companies increase prices?
- How does this situation affect consumers?

Answers

- The type of inflation described is **Demand-Pull Inflation**.
- Companies increase prices because **demand for goods and services increases**.
- This situation affects consumers by **increasing prices and reducing purchasing power**.

EX04: Fill in the blanks

Use the following words:

(inflation – demand – supply – prices – productivity – currency)

- _____ is the continuous rise in the general level of prices.
- When the money _____ increases too much, inflation may occur.
- Demand-pull inflation happens when _____ is higher than supply.
- Deflation is a fall in _____ of goods and services.
- Higher _____ can reduce production costs.
- When inflation rises, the value of the _____ declines.

Answers

- **Inflation** is the continuous rise in the general level of prices.
- When the money **supply** increases too much, inflation may occur.
- Demand-pull inflation happens when **demand** is higher than supply.
- Deflation is a fall in **prices** of goods and services.
- Higher **productivity** can reduce production costs.
- When inflation rises, the value of the **currency** declines.

Subject08Answers

Exercise 01: Answer the Questions

1. What is monetary policy?
2. What are the main goals of monetary policy?
3. What is fiscal policy?
4. Who is responsible for fiscal policy?
5. What tools are used in fiscal policy?

Answers

1. Monetary policy is the actions taken by a central bank to control money supply and interest rates.
2. Its goals are price stability, economic growth, and financial stability.
3. Fiscal policy is the use of government spending and taxation to influence the economy.
4. The government is responsible for fiscal policy.
5. Fiscal policy uses government spending and taxation.

Exercise 02: True or False

1. Monetary policy is implemented by the government. F
2. Fiscal policy uses taxation and government spending. T
3. Both policies aim to influence the economy. T
4. Monetary policy controls money supply and interest rates. T

Exercise 03:

Show the main differences between Monetary Policy and Fiscal Policy in a table

Subject 09 Answers**Exercise: Find the banking terms in the text.**

The main function of banks is to keep their depositors' money safe and readily available. A depositor's money may be paid into a bank on deposit account or on drawing account also named "current account".

A "deposit account" is made for a fixed period and is allowed a low rate of interest. A "drawing account" does not bear any interest but the customer may draw on his money at anytime and he is given a cheque book for his transactions and payments.

All business transacted through the Bank is recorded in the "Pass book" so that the customer may have a statement of his account whenever he requires it.

In addition, banks collect their depositors' accounts, discounting them if required. They can transfer money abroad by delivering letters of credit or travellers' cheques.

Letters of credit are documents requesting the banks' agents abroad to advance the bearer any sums up to a stipulated amount. Travellers' cheques are for fixed amounts which can be cashed anywhere against the customer's signature.

The Stock Exchange or Stock Market is a place where dealers in securities meet to transact business. Transactions are effected through stockbrokers, who help their customers to make investments by buying securities or to sell their shares, bonds or debentures when they want to transfer them. The prices of the funds admitted to an official quotation are recorded in the official list issued every afternoon.

Answer Banking Terms Found in the Text

1. Banks
2. Depositors
3. Deposit account
4. Drawing account / Current account
5. Interest rate
6. Cheque book
7. Transactions

8. Pass book
9. Statement of account
10. Letters of credit
11. Travellers' cheques
12. Transfer money abroad
13. Stock Exchange / Stock Market
14. Securities
15. Stockbrokers
16. Investments
17. Shares
18. Bonds
19. Debentures
20. Official quotation
21. Official list

Subject 10 Answers

Exercise 01: Answer the Questions

1. What is international trade?
2. What is the difference between imports and exports?
3. Name two types of trade.
4. Mention two benefits of international trade.
5. Give two examples of trade barriers.

Exercise 02 Match the Terms with their Definitions

Terms Definitions

1. Exports A. Selling goods directly to consumers
2. Imports B. Taxes imposed on imported goods
3. Retail trade C. Products sold to foreign markets
4. Tariffs D. Entry of foreign goods into a country

Exercise 03: True or False

1. International trade is the exchange of goods and services between countries.
2. Imports are goods sold to foreign markets.
3. Exports refer to the sale of products to other countries.
4. Domestic trade occurs between different countries.
5. Retail trade means selling goods directly to consumers.
6. International trade can promote economic growth.
7. Tariffs are taxes imposed on imported goods.
8. Trade barriers are used to protect domestic markets.

Exercise 01: Answer

1. International trade is the exchange of goods and services between different countries.
2. Exports are goods sold to foreign markets, while imports are goods purchased from other countries.

3. Two types of trade are:

- Domestic trade
- International trade

4. Two benefits of international trade are:

- Economic growth
- Increased government revenue

5. Two examples of trade barriers are:

- Tariffs

Exercise 2: Answer

Terms Correct Definition

1. Exports C
2. Imports D
3. Retail trade A
4. Tariffs B

Exercise 03 Answer

1. International trade is the exchange of goods and services between countries. → True
2. Imports are goods sold to foreign markets. → False
3. Exports refer to the sale of products to other countries. → True
4. Domestic trade occurs between different countries. → False
5. Retail trade means selling goods directly to consumers. → True
6. International trade can promote economic growth. → True
7. Tariffs are taxes imposed on imported goods. → True
8. Trade barriers are used to protect domestic markets. → True

Subject 11 Answers

Case Study 01: Economic Analysis

Title: UK Inflation Rate Stays at 3% Before Iran War Hits Oil Prices

1. Economic Analysis of the Text

The case study discusses the **inflation situation in the United Kingdom**. The inflation rate remained stable at **3% in February**, even though fuel prices had previously decreased. However, the **geopolitical conflict involving Iran** caused a rise in global oil prices. As a result, petrol and diesel prices increased sharply. This increase in fuel costs may lead to **higher production and transportation costs**, which could cause companies to raise the prices of goods and services. Consequently, inflation may rise again and the expected decline in inflation might not occur.

2. Causes Mentioned in the Case

The text highlights several causes affecting inflation:

- **Increase in global oil prices** due to geopolitical conflict.

- **Rise in petrol and diesel prices.**
- **Higher production and transportation costs** for firms.
- **Cost pass-through**, where companies transfer higher costs to consumers.

3. Possible Economic Consequences

The possible economic consequences include:

- Higher **energy prices**.
- Increase in **food and leisure costs**.
- Rising **cost of living** for consumers.
- Slower **decline in inflation** than expected.

5. Conclusion

The case study shows that **inflation can be influenced by international events**, such as geopolitical conflicts affecting oil prices. Rising energy prices may increase the cost of goods and services, which can slow economic stability and affect consumers' purchasing power.

Final exam

Exercise 01: Answer the following questions

1. What are needs? Give two examples.
2. What is the difference between needs and wants?
3. What does the term economy mean?
4. What is meant by economics?
5. How many types of economics is divided?
6. What are the consequences of the Industrial Revolution?

Exercise 02: True / False

1. Macroeconomics studies consumer behaviour.
2. Microeconomics focuses on government fiscal policy.
3. GDP is studied in macroeconomics.
4. Microeconomics examines supply and demand.
5. Inflation is a microeconomic issue.

Exercise 03: Choose the correct answer

1. The Law of Demand shows a:
 - a) Direct relationship
 - b) Inverse relationship
 - c) Equal relationship
2. When price increases, supply will:
 - a) Decrease
 - b) Increase
 - c) Stay the same
3. Market equilibrium occurs when:
 - a) Price is high
 - b) Quantity demanded equals quantity supplied
 - c) There is shortage
4. perfect competition, products are:
 - a) Differentiated
 - b) Homogeneous
 - c) Unique
 - d) Branded
5. Which market structure has only one seller?
 - a) Oligopoly
 - b) Monopolistic competition
 - c) Monopoly
 - d) Perfect competition
6. In an oligopoly, firms:
 - a) Ignore competitors

- b) Act independently
 - c) Depend on competitors' strategies
 - d) Sell completely different products
7. Free entry and exit is a feature of:
- a) Monopoly
 - b) Oligopoly
 - c) Perfect competition

Glossary

Capitalism

is an economic system based on private ownership of the means of production, where goods and services are produced for profit in competitive markets. Key components include voluntary exchange, capital accumulation, and market-determined prices, with limited government intervention in daily operations.

الرأسمالية

نظام اقتصادي قائم على الملكية الخاصة لوسائل الإنتاج، حيث تُنتج السلع والخدمات بهدف الربح في أسواق تنافسية. تشمل مكوناته الرئيسية التبادل الطوعي، وتراكم رأس المال، والأسعار التي يحددها السوق، مع تدخل حكومي محدود في العمليات اليومية.

Feudalism

Feudalism was the dominant hierarchical, land-based social and political system in medieval Europe (approx. 9th–15th centuries) where monarchs granted land (fiefs) to nobles (vassals) in exchange for military service and loyalty. Peasants, or serfs, worked this land for protection, creating a rigid structure of mutual obligation.

الإقطاع

كان الإقطاع النظام الاجتماعي والسياسي الهرمي السائد في أوروبا في العصور الوسطى (من القرن التاسع إلى الخامس عشر تقريبًا)، حيث كان الملوك يمنحون الأراضي (الإقطاعيات) للنبلاء (التابعين) مقابل الخدمة العسكرية والولاء. وكان الفلاحون، أو الأبقان، يعملون في هذه الأرض مقابل الحماية، مما أدى إلى إنشاء هيكل صارم من الالتزامات المتبادلة.

Mercantilism

Mercantilism is an economic doctrine from the 16th to 18th centuries that linked a nation's power to the accumulation of precious metals (gold/silver) and a surplus in foreign trade. The state intervened heavily to maximize exports, limit imports through protectionism, and exploit colonies as sources of raw materials.

المركنتيلية

المركنتيلية مذهب اقتصادي ساد من القرن السادس عشر إلى الثامن عشر، ربط قوة الدولة بتراكم المعادن الثمينة (الذهب/الفضة) وتحقيق فائض في التجارة الخارجية. تدخلت الدولة بشكل مكثف لزيادة الصادرات إلى أقصى حد، والحد من الواردات من خلال الحمائية، واستغلال المستعمرات كمصادر للمواد الخام.

The Industrial Revolution

The Industrial Revolution was a period of major mechanization and innovation that began in Great Britain during the mid-18th and early 19th centuries and later spread throughout much of the world. The British Industrial Revolution was dominated by the exploitation of coal and iron.

الثورة الصناعية

كانت الثورة الصناعية فترةً من التطور التكنولوجي والابتكار على نطاق واسع، بدأت في بريطانيا العظمى خلال منتصف القرن الثامن عشر وأوائل القرن التاسع عشر، ثم انتشرت لاحقًا في معظم أنحاء العالم. هيمن استغلال الفحم والحديد على الثورة الصناعية البريطانية.

“laissez faire”

Laissez-faire is a concept in political economy that values non-intervention by the state in the economic system. Laissez-faire was originally opposed to mercantilist doctrine and, today more broadly, to government interventionism. The doctrine of laissez-faire aims to encourage political authorities to allow economic actors as much freedom as possible.

مبدأ عدم التدخل (Laissez-faire)

مبدأ عدم التدخل هو مفهوم في الاقتصاد السياسي يُعطي من شأن عدم تدخل الدولة في النظام الاقتصادي. كان هذا المبدأ في الأصل معارضاً للمذهب التجاري، واليوم، على نطاق أوسع، للتدخل الحكومي. يهدف مبدأ عدم التدخل إلى تشجيع السلطات السياسية على منح الفاعلين الاقتصاديين أكبر قدر ممكن من الحرية.

Needs

Are goods or services that you must have. This would include basic requirements for survival like the needs for food, clothing, shelter and health care. In recent years we have seen a perceived shift of certain items from wants to needs such as: Internet and telephone service, to many, are needs.

الاحتياجات

هي السلع أو الخدمات التي لا غنى عنها. وتشمل المتطلبات الأساسية للبقاء على قيد الحياة، مثل الغذاء والملبس والمأوى والرعاية الصحية. في السنوات الأخيرة، لاحظنا تحولاً ملحوظاً في تصنيف بعض السلع من الرغبات إلى الاحتياجات، مثل الإنترنت وخدمات الهاتف، التي يعتبرها الكثيرون من الاحتياجات.

Wants

Are goods or services that are not necessary but that we desire or wish for, wants are broader than needs. For example, one needs clothes, but one may not need designers clothes. One does not need toys, entertainment, games...etc. One needs food, but does not have to have a steak or dessert. One does not need glamorous trips, mall shopping...etc.

الرغبات

هي السلع أو الخدمات غير الضرورية، ولكننا نرغب بها أو نتمنى الحصول عليها. الرغبات أوسع نطاقاً من الاحتياجات. على سبيل المثال، يحتاج المرء إلى الملابس، لكنه قد لا يحتاج إلى ملابس من ماركات عالمية. لا يحتاج المرء إلى الألعاب أو وسائل الترفيه أو الألعاب الإلكترونية، إلخ. يحتاج المرء إلى الطعام، لكنه ليس بالضرورة أن يتناول شريحة لحم أو حلوى. لا يحتاج المرء إلى رحلات فاخرة أو التسوق في مراكز التسوق، إلخ.

Economy

Is the relationship between production, trade and the supply of money in a particular country or region.

الاقتصاد

هو العلاقة بين الإنتاج والتجارة وعرض النقود في بلد أو منطقة معينة.

Economics: Is a science that studies economies and develops possible models for their functioning. It is also the study of human efforts to satisfy unlimited wants with limited resources.

علم الاقتصاد

هو العلم الذي يدرس الاقتصادات ويطور نماذج محتملة لعملها. وهو أيضًا دراسة الجهود البشرية لتلبية رغبات غير محدودة بموارد محدودة.

Scarcity

The fundamental economic problem facing all societies is the situation where you don't have enough of something. Essentially it is how to satisfy unlimited wants with limited resources. This is the issue that plagues all government and peoples. How do we conquer the issue of scarcity? Many people have thought they had the answer (see Marx, Smith, Keynes, etc.) but the issue of scarcity still exists.

الندرة

المشكلة الاقتصادية الأساسية التي تواجه جميع المجتمعات هي حالة عدم كفاية شيء ما. باختصار، يتعلق الأمر بكيفية تلبية الرغبات غير المحدودة بموارد محدودة. هذه هي المعضلة التي تؤرق جميع الحكومات والشعوب. كيف نتغلب على مشكلة الندرة؟ ظنّ كثيرون أنهم وجدوا الحل (انظر ماركس، سميث، كينز، وغيرهم)، لكن مشكلة الندرة لا تزال قائمة.

Market

A place or an area where the forces of supply and demand meet.

السوق

مكان أو منطقة تلتقي فيها قوى العرض والطلب

Competition

describes the activity of trying to sell more and be more successful. When competition is strong, you can say that it is intense, stiff, fierce or tough. If not, it may be described as low-key.

المنافسة

هي النشاط الذي يسعى إلى زيادة المبيعات وتحقيق نجاح أكبر. عندما تكون المنافسة قوية، يمكن وصفها بأنها شديدة، أو حادة، أو قاسية. أما إذا كانت أقل حدة، فيمكن وصفها بأنها معتدلة.

Factors of production/resources

These are those elements that a nation has at its disposal to deal with the issue of scarcity. How efficiently these are used determines the measure of success a nation has. They are

- Land-natural resources, etc.
- Capital-investment money.
- Labor - the work force, size, education, quality, work ethic.
- Entrepreneurs - inventive and risk taking spirit.

عوامل الإنتاج/الموارد

هي العناصر التي تمتلكها الدولة للتعامل مع مشكلة الندرة. وتحدد كفاءة استخدام هذه العوامل مدى نجاح الدولة. وهي:

- الأرض: الموارد الطبيعية، إلخ.
- رأس المال: الأموال الاستثمارية.
- العمالة: القوى العاملة، حجمها، مستوى تعليمها، جودتها، أخلاقيات العمل.
- رواد الأعمال - روح الابتكار والمغامرة.

The "Three Basic Economic Questions" these are the questions all nations must ask when dealing with scarcity and efficiently allocating their resources.

- What to produce?
- How to produce?
- For whom to produce?

الأسئلة الاقتصادية الأساسية الثلاثة": هي الأسئلة التي يجب على جميع الدول طرحها عند التعامل مع الندرة وتخصيص مواردها بكفاءة.

- ماذا ننتج؟
- كيف ننتج؟
- لمن ننتج؟

Market Structure

Market structure, in economics, refers to how different industries are classified and differentiated based on their degree and nature of competition for goods and services. It is based on the characteristics that influence the behavior and outcomes of companies working in a specific market.

هيكل السوق

يشير هيكل السوق، في علم الاقتصاد، إلى كيفية تصنيف وتمييز الصناعات المختلفة بناءً على درجة وطبيعة المنافسة فيها على السلع والخدمات. ويستند هذا الهيكل إلى الخصائص التي تؤثر على سلوك ونتائج الشركات العاملة في سوق محددة.

Perfect Competition

Perfect competition occurs when there is a large number of small companies competing against each other. They sell similar products (homogeneous), lack price influence over the commodities, and are free to enter or exit the market.

المنافسة الكاملة

تحدث المنافسة الكاملة عندما يتنافس عدد كبير من الشركات الصغيرة فيما بينها. تتبع هذه الشركات منتجات متشابهة (متجانسة)، ولا تملك القدرة على التأثير على أسعار السلع، ولها حرية الدخول إلى السوق أو الخروج منه.

Monopolistic Competition

Monopolistic competition refers to an imperfectly competitive market with the traits of both the monopoly and competitive market. Sellers compete among themselves and can differentiate their goods in terms of quality and branding to look different. In this type of competition, sellers consider the price charged by their competitors and ignore the impact of their own prices on their competition.

المنافسة الاحتكارية

تشير المنافسة الاحتكارية إلى سوق تنافسية غير كاملة، تجمع بين خصائص الاحتكار والسوق التنافسية. يتنافس البائعون فيما بينهم، ويمكنهم تمييز سلعهم من حيث الجودة والعلامة التجارية لجذب الانتباه. في هذا النوع من المنافسة، يأخذ البائعون في الاعتبار أسعار منافسيهم، ويتجاهلون تأثير أسعارهم على منافسيهم.

Oligopoly

An oligopoly market consists of a small number of large companies that sell differentiated or identical products. Since there are few players in the market, their competitive strategies are dependent on each other.

احتكار القلة

يتكون سوق احتكار القلة من عدد قليل من الشركات الكبيرة التي تباع منتجات متميزة أو متطابقة. ونظرًا لقلة عدد الشركات العاملة في السوق، فإن استراتيجياتها التنافسية تعتمد على بعضها البعض.

Monopoly

In a monopoly market, a single company represents the whole industry. It has no competitor, and it is the sole seller of products in the entire market. This type of market is characterized by factors such as the sole claim to ownership of resources, patent and copyright, licenses issued by the government, or high initial setup costs.

الاحتكار

في سوق الاحتكار، تمثل شركة واحدة القطاع بأكمله. ليس لها منافس، وهي البائع الوحيد للمنتجات في السوق بأكمله. يتميز هذا النوع من الأسواق بعوامل مثل الملكية الحصرية للموارد، وبراءات الاختراع وحقوق التأليف والنشر، والتراخيص الصادرة عن الحكومة، أو ارتفاع تكاليف التأسيس الأولية.

Gross Domestic Product (GDP)

Gross domestic product (GDP) is a metric that measures the production level of a country's economy, commonly defined as the total annual value of the goods and services produced in that country.³ GDP is an economic indicator used by both investors and market analysts.

الناتج المحلي الإجمالي (GDP)

الناتج المحلي الإجمالي (GDP) هو مقياس لمستوى إنتاج اقتصاد الدولة، ويُعرَّف عادةً بأنه القيمة السنوية الإجمالية للسلع والخدمات المنتجة في تلك الدولة يُعد الناتج المحلي الإجمالي مؤشرًا اقتصاديًا يستخدمه كلُّ من المستثمرين ومحلي السوق

Gross National Income (GNI)

Gross National Income (GNI) is the total amount of income a country's people and businesses earn. It includes an amount for GDP and income that comes from foreign investment income and aid.

الدخل القومي الإجمالي (GNI)

الدخل القومي الإجمالي (GNI) هو إجمالي الدخل الذي يحصل عليه الأفراد والشركات في الدولة. ويشمل الناتج المحلي الإجمالي والدخل الناتج عن الاستثمار الأجنبي والمساعدات.

Gross National Product (GNP)

Gross National Product (GNP) is a development of GNP, incorporating the value of products and services created by a country's citizens regardless of the fact that production may take place within or outside of the country. It includes income earned within foreign borders and excludes income generated by foreign citizens within the country, thereby becoming a good determinant of national economic power.

الناتج القومي الإجمالي (GNP)

الناتج القومي الإجمالي (GNP) هو تطوير للناتج القومي الإجمالي، ويشمل قيمة المنتجات والخدمات التي ينتجها مواطنو الدولة، بغض النظر عما إذا كان الإنتاج يتم داخل الدولة أو خارجها. يشمل الدخل المكتسب خارج الحدود الأجنبية، ويستثني الدخل الذي يُحققه المواطنون الأجانب داخل الدولة، مما يجعله مؤشرًا جيدًا للقوة الاقتصادية الوطنية.

Difference between GNP, GDP and GNI

GNP and GDP both reflect the national output and income of an economy. The main difference is that GNP (Gross National Product) takes into account net income receipts from abroad.

GDP (Gross Domestic Product) is a measure of (national income = national output = national expenditure) produced in a particular country.

GNP (Gross National Product) = GDP + net property income from abroad. This net income from abroad includes dividends, interest and profit.

GNI (Gross National Income) = (similar to GNP) includes the value of all goods and services produced by nationals – whether in the country or not.

الفرق بين الناتج القومي الإجمالي، والناتج المحلي الإجمالي، والدخل القومي الإجمالي
يعكس كل من الناتج القومي الإجمالي والناتج المحلي الإجمالي الناتج والدخل القومي للاقتصاد. ويمكن الفرق الرئيسي في أن الناتج القومي الإجمالي يأخذ في الحسبان صافي الدخل المُستلم من الخارج. الناتج المحلي الإجمالي هو مقياس لـ (الدخل القومي = الناتج القومي = الإنفاق القومي) المُنتج في دولة معينة.

الناتج القومي الإجمالي = الناتج المحلي الإجمالي + صافي دخل الملكية من الخارج. ويشمل هذا الدخل الصافي من الخارج الأرباح الموزعة والفوائد والأرباح.
الدخل القومي الإجمالي = (على غرار الناتج القومي الإجمالي) يشمل قيمة جميع السلع والخدمات التي يُنتجها المواطنون، سواء داخل الدولة أو خارجها.

Inflation

Inflation is the rate at which the prices of goods and services of daily use, such as food, housing, clothing, transport, recreation, consumer staples, etc., increase. It's measured by tracking the average change in a selected basket of commodities and services prices. Most central banks try to limit inflation to ensure their economies function efficiently. In India, inflation is calculated and reported by the Ministry of Statistics and Programme Implementation (MoSPI).

التضخم

التضخم هو معدل ارتفاع أسعار السلع والخدمات اليومية، مثل الغذاء والسكن والملابس والنقل والترفيه والسلع الاستهلاكية الأساسية، وغيرها. ويُقاس بتتبع متوسط التغيير في أسعار سلة مختارة من السلع والخدمات. وتسعى معظم البنوك المركزية إلى الحد من التضخم لضمان كفاءة اقتصاداتها..

Deflation

Deflation is the decline in the prices of goods and services, occurring when the rate of inflation falls below 0%. It is measured by tracking the average change in the prices of a selected basket of commodities and services over time. Deflation often happens naturally when the money supply in an economy is limited. This decrease in prices can signal weakening demand and deteriorating economic conditions. Deflation is also normally linked with significant unemployment and low productivity levels of goods and services.

الانكماش

الانكماش هو انخفاض أسعار السلع والخدمات، ويحدث عندما ينخفض معدل التضخم إلى ما دون الصفر. ويُقاس بتتبع متوسط التغيير في أسعار سلة مختارة من السلع والخدمات مع مرور الوقت. غالبًا ما

يحدث الانكماش بشكل طبيعي عندما يكون المعروض النقدي في الاقتصاد محدوداً. ويمكن أن يشير هذا الانخفاض في الأسعار إلى ضعف الطلب وتدهور الأوضاع الاقتصادية. يرتبط الانكماش عادةً بارتفاع معدلات البطالة وانخفاض مستويات إنتاجية السلع والخدمات.

Monetary Policy

In short, monetary policy encompasses the strategies and steps implemented by a central bank like the Federal Reserve or another monetary authority with the aim of regulating and influencing the money supply, interest rates, and the general financial landscape within a nation's economy. In other words, its fundamental goals include ensuring price stability, fostering economic growth, and safeguarding financial stability.

السياسة النقدية

باختصار، تشمل السياسة النقدية الاستراتيجيات والخطوات التي ينفذها البنك المركزي، مثل الاحتياطي الفيدرالي أو أي سلطة نقدية أخرى، بهدف تنظيم المعروض النقدي وأسعار الفائدة والوضع المالي العام في اقتصاد الدولة والتأثير عليه. بعبارة أخرى، تشمل أهدافها الأساسية ضمان استقرار الأسعار، وتعزيز النمو الاقتصادي، وحماية الاستقرار المالي.

Fiscal Policy

While monetary policy usually hails back to central banks, fiscal policy relates to governments. Accordingly, a fiscal policy refers to the strategic approaches and the use of government spending and taxation with the goal of shaping, enhancing, and stabilizing the economy. To do so, a fiscal policy targets an economy's overall spending level, overall spending composition, or both.

السياسة المالية

بينما تُنسب السياسة النقدية عادةً إلى البنوك المركزية، ترتبط السياسة المالية بالحكومات. وعليه، تشير السياسة المالية إلى المناهج الاستراتيجية واستخدام الإنفاق الحكومي والضرائب بهدف تشكيل الاقتصاد وتعزيزه وتحقيق استقراره. ولتحقيق ذلك، تستهدف السياسة المالية مستوى الإنفاق الإجمالي للاقتصاد، أو تركيبة الإنفاق الإجمالي، أو كليهما.

International Trade

At its core, international trade represents the exchange of goods or services between at least two different countries. These exchanges are divided into two main types of operations: exports and imports. .

التجارة الدولية

تُمثل التجارة الدولية، في جوهرها، تبادل السلع أو الخدمات بين دولتين مختلفتين على الأقل. وتنقسم هذه التبادلات إلى نوعين رئيسيين من العمليات: الصادرات والواردات.

Imports and Exports

Exports refer to the exit of products from a country through their sale to the foreign market.

Imports refer to the entry of foreign products into the country through their acquisition or purchase .

الواردات والصادرات

- تشير الصادرات إلى خروج المنتجات من بلد ما عن طريق بيعها في السوق الأجنبية.
- تشير الواردات إلى دخول المنتجات الأجنبية إلى البلد عن طريق اقتنائها أو شرائها.

Banking terminology

المصطلحات المصرفية

N°	English Term	Arabic Translation
1	Bank	بنك
2	Central Bank	البنك المركزي
3	Commercial Bank	بنك تجاري
4	Interest Rate	سعر الفائدة
5	Loan	قرض
6	Deposit	وديعة
7	Withdrawal	سحب
8	Credit	ائتمان
9	Debit	خصم
10	Bank Account	حساب بنكي
11	Savings Account	حساب التوفير
12	Current Account	الحساب الجاري
13	ATM (Automated Teller Machine)	الصراف الآلي
14	Cheque	شيك
15	Bank Transfer	تحويل بنكي
16	Currency	عملة
17	Exchange Rate	سعر الصرف
18	Inflation	التضخم
19	Investment	استثمار
20	Mortgage	رهن عقاري
21	Balance	رصيد
22	Cash	نقد
23	Capital	رأس المال
24	Debt	دين

25	Profit	ربح
26	Loss	خسارة
27	Financial Institution	مؤسسة مالية
28	Payment	دفع
29	Transaction	معاملة
30	Online Banking	الخدمات المصرفية عبر الإنترنت
31	Mobile Banking	الخدمات المصرفية عبر الهاتف
32	Credit Card	بطاقة ائتمان
33	Debit Card	بطاقة خصم
34	Bank Statement	كشف الحساب البنكي
35	Collateral	ضمان
36	Overdraft	سحب على المكشوف
37	Interest	فائدة
38	Borrower	مقترض
39	Lender	مقرض
40	Installment	قسط
41	Financial Market	السوق المالي
42	Liquidity	السيولة
43	Asset	أصل
44	Liability	التزام / دين
45	Monetary Policy	السياسة النقدية
46	Fiscal Policy	السياسة المالية
47	Money Supply	عرض النقود
48	Reserve	احتياطي
49	Discount Rate	معدل الخصم
50	Banking System	النظام المصرفي

Abbreviations meaning

GDP	gross domestic product
GNI	Gross National Income
GNP	Gross National Product
ATM	automated teller machine
ONS	The Office for National Statistics
UK	The United Kingdom
WTO	the World Trade Organization
USCBC	The US-China Business Council
ECB	The European Central Bank
UNCTAD	United Nations Conference on Trade and Development
ISO	International Standards Organisation
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
CPI	Consumer Price Index
WPI	Wholesale Price Index
IMF	International Monetary Fund
SOES	state-owned enterprises

Bibliography

1. McKenzie, Richard B., & Lee, Dwight R. *Microeconomics for MBAs: The Economic Way of Thinking for Managers* (4th Edition). Cambridge University Press, 2021.
2. Parkin, Michael. *Economics* (13th or 14th Edition). Pearson, 2022.
3. Sloman, John, Wride, Alison, & Garratt, Dean. *Economics* (11th Edition). Pearson, 2022.
4. Marty, Olivier. (2015). La Vie de Start-Up: S'investir dans les Entreprises Innovantes. Gérer et Comprendre, Annales des Mines, No. 67.
5. Bowman, C, "The Essence Of Strategic Management" , New York, London, Prentice Hall, 1990.
6. James Teboul, Service Management, Eyrolles, France, 2006
7. Boualfa, Issam Eddine. *Al-Taswiq: Al-Mafahim al-Istratijiya* [Marketing: Strategic Concepts]. Horus International Publishing, Alexandria, Egypt. 2003
8. Nouri, Mounir. *E-Commerce and E-Marketing*. Diwan of University Publications, Algeria. 2014
9. Seddiki Abdallah, *Quality Management*, University Publishing Office, Algiers. 2004.
10. Philippe Villemus , "Le Plan Marketing À L'usage Du Manager", Editions D'organisation Groupe Eyrolles , Paris, France. 2009.
11. Huang suqing. Translation norms in Economic Literature from the Angle of the translation Practice principles of economics. 2009
12. Bernard M.-J., Entrepreneurship as a process of resilience. The basis of a dialogue between two concepts, *International Journal of Psychosociology and Organizational Behavior Management*, no. 32, vol. XIV, 2008.
13. Nabila EL-MOFFOCK . *ENGLISH FOR ECONOMIC AND BUSINESS USE*. Coursebook: Faculty of Economics, Commercial and Management Sciences. University of Algiers 3 Academic year 2020/2021
14. Mekhtout Oumaima. *Lectures On : Introduction to Commerce and Trade*. Faculty of Economics, Commercial & Management Sciences Departement Of Economics. Academic Year 2024-2025.
15. Nabil Al-Jawad, "Management and Development of Small and Medium Enterprises," Majd University Foundation for Studies, Publishing and Distribution, Beirut, Lebanon, First Edition.. 2006

16. Moufid, Abdel Laoui & Zaidi, Hakim. (2023). Startups in Algeria: Analytical Overview of Legal Frameworks and Economic Effects. *Journal of Legal Studies*, Vol. 9, No. 3.
17. Michal Marchesnay , " Management Steratigue" , Edition L Adreg , 2004
18. McKenzie, R. B., & Lee, D. R. (2016). *Microeconomics for MBAs*
19. *Oxford Dictionary of Economics (5th Edition)* Oxford University Press, 2022.
- 20.- Ahmed Sobhi Al-Ayadi, *Islamic Investment Instruments: Sales - Loans - Banking Services*, Dar Al-Fikr, Amman, Jordan, 2010
21. Fradi, Asma *Strategies for Attracting and Retaining Customers in Islamic Banks*. Prince Abdelkader University *Journal of Islamic Sciences*, Vol. 33, No. 2. 2019
22. Barach, Fadila & Ladrâa, Kamal. *Mechanisms and Regulations of Adopting Islamic Marketing in Presenting Banking Products*. National Symposium on Islamic Marketing Adoption in Algerian Institutions, Prince Abdelkader University, Constantine, Algeria. 2024
23. The dictionaries Department. (2002). *A Dictionnary of Economics & Commerce English-Arabic*. Librairie du Liban.
24. Schroeder, P., Gasper, R., Kalmykova, Y., & et al. .Circular economy and international trade: A systematic literature review. *Circular Economy and Sustainability*. 2021.
25. Nouri Mosua, Sh.. *International Finance and Foreign Trade Theories*. Jordan: Dar Al Masirah for Publishing and Distribution 2005.
26. Emet GÜREL . Merba TAT. *The Journal of International Social Research*. Vol 10. Issue 51. 2017.
https://www.researchgate.net/publication/319367788_SWOT_Analysis_A_Theoretical_Review

Web bibliography

- <https://www.wealthify.com/blog/monetary-vs-fiscal-policy>
- <https://vajiramandravi.com/current-affairs/laws-of-demand-and-supply/>
- <http://creativecommons.org/licenses/by-nc-nd/2.0/fr/>
- <https://cleartax.in/s/inflation-deflation>
- <https://corporatefinanceinstitute.com/resources/economics/market-structure/#:~:text=The%20four%20popular%20types%20of,monopoly%20market%2C%20and%20monopolistic%20competition.>
- <https://us.plus500.com/en/newsandmarketinsights/fiscal-monetary-policy-explained>
- <https://www.bbc.com/news/articles/cx2w47e9v2vo>
- <https://www.cnbc.com/2026/03/19/ecb-boe-swiss-national-bank-riksbank-interest-rate-decisions.html>
- https://www.goldenpacificbank.com/_/kcms-doc/627/8498/mtglossary.pdf
- <https://www.investopedia.com/articles/economics/11/intro-supply-demand.asp>
- <https://www.investopedia.com/ask/answers/030415/what-functional-difference-between-gdp-and-gnp.asp>
- <https://www.investopedia.com/insights/what-is-international-trade/>
- <https://www.monash.edu/indonesia/news/international-trade-definition-benefits-and-current-issues>
- <https://www.oxfordeconomics.com/case-study/modelling-the-costs-of-us-china-tariffs/>
- <https://www.smartmoneyadvice.co.nz/2022/04/28/supply-and-demand-theory-101/>
- <https://www.wallstreetmojo.com/fiscal-policy/>
- <https://www.worksheetsplanet.com/what-is-gdp/>
- Macroeconomics and Microeconomics, Difference, Scope, Limitations...
Read more at: <https://vajiramandravi.com/current-affairs/macro-economics-and-microeconomics/>
- <https://www.economist.com/economics-a-to-z>
- The Economist – Glossary of Terms Investopedia.com
- <https://moukawil.dz/knowledgebase/label-startup/>
- <https://medium.com/@ushahzada27/inflation-causes-effects-and-point-of-view-553d98372d61>
- <https://collegeprep.uworld.com/ap/macro-economics-vs-micro-economics/>
- https://www.researchgate.net/publication/328661374_Economic_Language/link/5c10ce6692851c39ebe6f6bd/download?_tp=eyJjb250ZXh0Ijp7ImZpcnN0UGFnZSI6InB1YmxpY2F0aW9uIiwicGFnZSI6InB1YmxpY2F0aW9uIn19

- <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/510281468740216276>
- <https://www.wallstreetmojo.com/factors-of-production/>
- <https://asjp.cerist.dz/en/article/37926>
- <https://asjp.cerist.dz/en/downArticle/238/10/3/162830>
- <https://asjp.cerist.dz/en/article/281678>
- <https://capital.com/en-int/learn/glossary/economics-definition>
- <https://www.iespedrosalinas.org/marzo2020/wp-content/uploads/2020/10/economics-T2.pdf>
- https://wikieducator.org/Concepts_of_Economics
- <https://www.economicshelp.org/blog/glossary/basic-economic-problem/>
- <https://embbrussels.mfa.gov.dz/ar/news-and-press-releases/algerias-economy-projected-to-grow-45-in-2025>
- <https://www.worldometers.info/ar/>
- <https://www.imf.org/ar/home>
- <https://almerja.com/reading.php?idm=72248>

Dr. Lahouel Fatoum

Born in Hassi Bahbah (Djelfa) Algeria, June 3, 1985

PhD in Business Administration, specializing in Marketing Management

Assistant Professor (Class B)

Ziane Achour University of Djelfa – Algeria

Content of the Course Book:

This Course Book is a collection of directed works (TD) designed for the module Economic Terminology in English. It is intended for first-year students in the Common trunk department at the Faculty of Economic, Commercial, and Management Sciences. The aim is to enable them to understand and analyze international reports, trade transactions, and financial studies concerning the rapidly evolving global economic landscape. Furthermore, the demands of the job market require graduates to possess economic skills in English, particularly in the fields of management, international trade, banking, and accounting. Therefore, this course aims to bridge this gap by building a robust English economic vocabulary for students and enabling them to use it appropriately in context.

The preparation of this Course Book aims to achieve several objectives, which we summarize below::

1. To strengthen the library of the Faculty of Economics, Business Administration, and Management Sciences, in order to address the shortage in this area.
2. To introduce students to important economic terminology in English.
3. To enable students to write economic texts in English.
4. To develop students' skills in analyzing and discussing economic reports and texts in English.
5. To enhance students' abilities in translating financial and economic terminology.
6. To train students in writing economic paragraphs and texts in English.
7. To analyze economic tables, graphs, and data in English.

