

English for Economics: Basic Concepts



Demand

- First, imagine you want to buy something, like a new phone.
- This desire, and how many people want that phone, is called **demand**.
- When many people want a phone, its **demand is high**.



Supply

- On the other hand, the people who make and sell phones are called **producers**. They sell phones.
- The number of phones they have to sell is called **supply**.
- If producers make many phones, the **supply is high**.



Source: <https://www.funnymandesign.com/2007/>

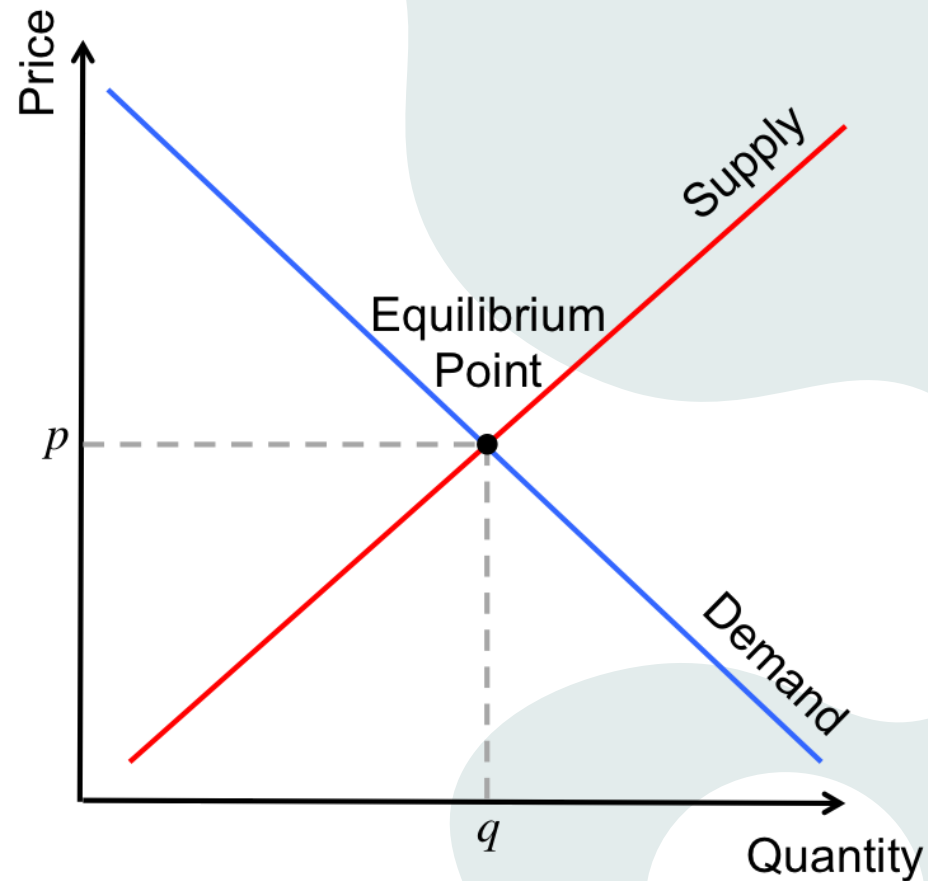
Consumer VS Producer

- You, as the person who buys the phone, are a **consumer**.
- Consumers are **purchasing** things.
- **Producers** are the ones who are **selling** things.
- So, **consumers create demand**, and **producers manage supply**.
- Understanding how **demand** and **supply** interact is a key part of economics.



Check out my new mobile phone! It's amazing how small they've become: They're so practical now!

Let's continue our journey into basic economics!



Market

- Think about a **market**, which is simply a place where **buyers** and **sellers** meet.
- It could be a physical shop or an online store.
- In this market, **consumers** are purchasing goods and services, and **producers** are selling them.

Market Equilibrium

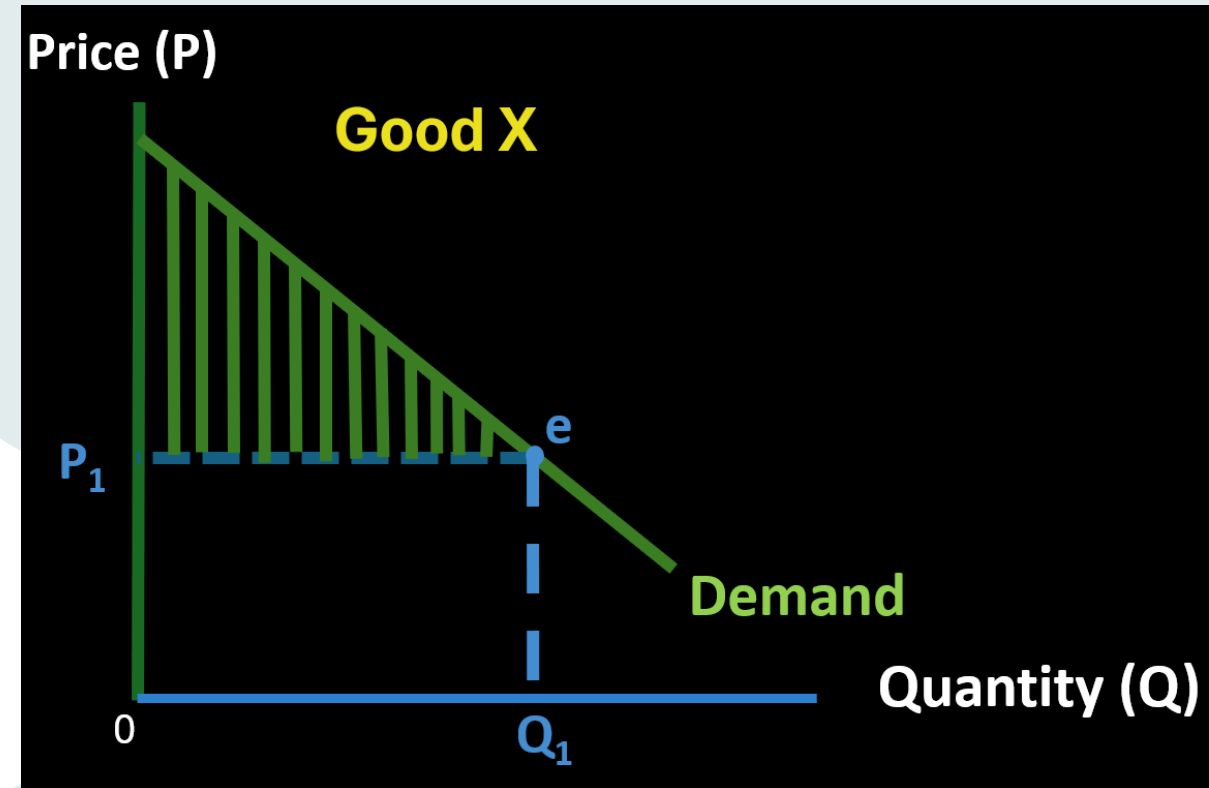
- For every item, there is a **price (P)**. This is how much money you pay to buy it.
- There's a **quantity (Q)**, which is how many items are being bought or sold.
- Something very important in a market is equilibrium.

Market Equilibrium

- Imagine consumers want to buy a certain quantity at a certain price, and producers want to sell a similar quantity at that same price.
- When these two match perfectly, we have **equilibrium**. It's like a balanced scale where supply and demand meet.

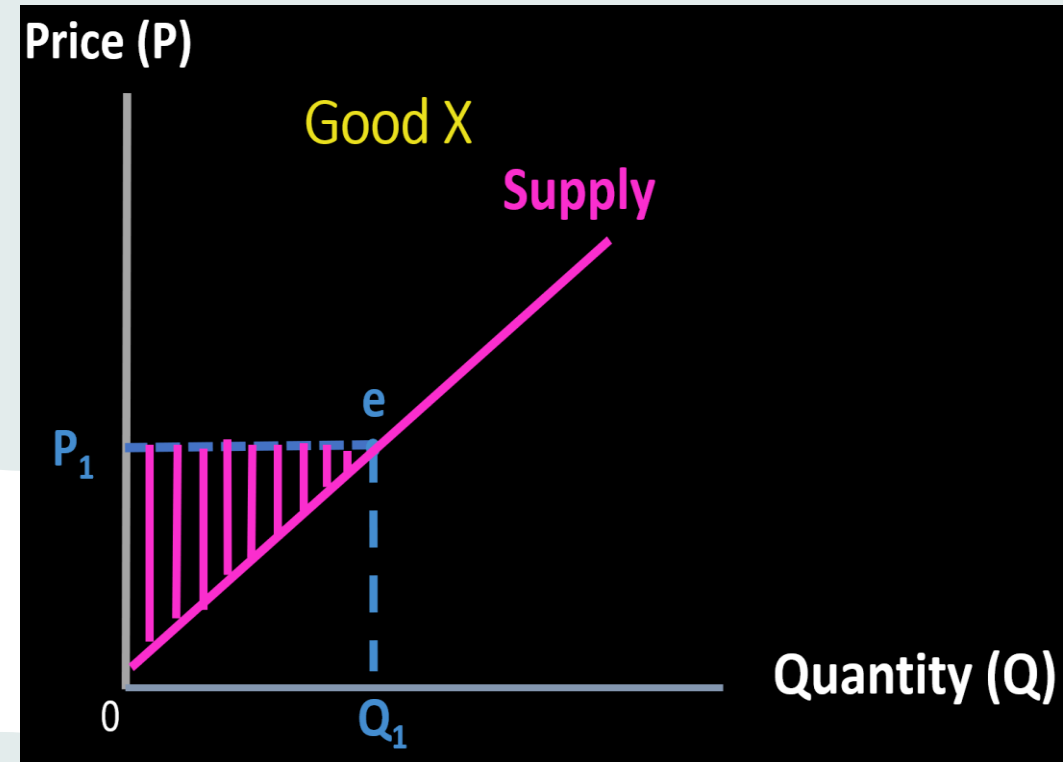
Consumer Surplus

- Now, let's talk about benefits!
- When you, as a **consumer**, buy something for a price lower than you were **willing to pay**, that's called **consumer surplus**. You feel like you got a good deal!



Producer Surplus

- On the other hand, if a **producer** sells something for a price higher than they were willing to sell it for, that's **producer surplus**.
- They also feel like they got a good deal. Both **consumer surplus** and **producer surplus** show how buyers and sellers can benefit in a market.



Vocabularies

demand (n.) - อุปสงค์, ความต้องการซื้อ

supply (n.) - อุปทาน, ปริมาณสินค้าที่มีให้ขาย

consumer (n.) - ผู้บริโภค

producer (n.) - ผู้ผลิต

purchasing (v.) - การซื้อ, กำลังซื้อ

selling (v.) - การขาย, กำลังขาย

Vocabularies

market (n.) - ตลาด

price (n.) - ราคา

quantity (n.) - ปริมาณ

equilibrium (n.) - จุดสมดุล, ภาวะสมดุล

consumer surplus (n.) - ส่วนเกินผู้บริโภค (ผลประโยชน์ที่ผู้บริโภคได้รับจากการจ่ายเงินซื้อสินค้าในราคาที่ต่ำกว่าที่เขาเต็มใจจะจ่าย)

producer surplus (n.) - ส่วนเกินผู้ผลิต (ผลประโยชน์ที่ผู้ผลิตได้รับจากการขายสินค้าในราคาที่สูงกว่าที่เขาเต็มใจจะขาย)