

ECOMONIC RESOURCES
(3.2)



Economy

Definition

This is the way goods and service are made, sold and used.

The goal of the economy is to use the resource available effectively

1

ECOMONIC RESOURCES
(3.2)



Economic Resources

Definition

These are the factors that are used to produce and distribute goods and services

2

ECOMONIC RESOURCES
(3.2)



Economic Systems

Definition

This is the method countries use to distribute their economic resource, goods and services

3

ECOMONIC RESOURCES
(3.2)



Centrally Planned

Definition

This is where the Government has control over economic resources and the decisions made

Example of a centrally planned economy is North Korea

4

ECOMONIC RESOURCES
(3.2)



Free Market

Definition

This is an economy where individual control the resource and make all the decisions

An example of a Free Market is USA

5

ECOMONIC RESOURCES
(3.2)



Mixed Economy

Definition

This is one that has both centrally planned and free market economies

An example of a Mixed Economy is Ireland

6

ECOMONIC RESOURCES
(3.2)



Involvement

Countries who have a lot of involvement form Government usually have

1. High tax,
2. A lot of state services and
3. Equal distribution of wealth and resource

7

ECOMONIC RESOURCES
(3.2)



Involvement

Countries who have very little government involvement have

1. Lower taxation,
- 2, Low level of public services,
3. Less equal distribution of wealth and
4. A gap between rich and poor

8

ECOMONIC RESOURCES
(3.2)



Sectors of the economy

In Ireland there are 3 sectors of the economy -

1. Public Sector (Controlled by the Government),
2. Private Sector (Individual Business)
3. Third Sector (Social and charities)

9

ECOMONIC RESOURCES
(3.2)



Public Sector

1. Local Government

There are 31 local authorities in Ireland. The service they provide include the following

- Housing
- Fire Service
- Pollution control
- Facilities

10

ECOMONIC RESOURCES
(3.2)



Public Sector

2. National Government

1. Department of Health - Hospital,
2. Department of Education and Skills - Education and Training
3. Department of Communication, - Telecommunication and broadcasting

11

ECOMONIC RESOURCES
(3.2)



Public Sector

3. State owned

Commercial

Transport	Bus Eireann
Entertainment	RTE

Non Commercial

Regulation	Environmental Protection Agency
Marketing	Faile Ireland

12

ECOMONIC RESOURCES
(3.2)



Private Sector

Definition

This is the sector where individual sets up their own business with the aim of making a profit

13

ECOMONIC RESOURCES
(3.2)



Private Sector

Examples of private sector business are

Business	Sector
Eir	Telecommunications
Ryanair	Transport

14

ECOMONIC RESOURCES
(3.2)



Third Sector

Definition

1. This sector is made up of social enterprises and not for profit organisations.
2. They operate independently of the Government and are also known as NGO (Non Government Organisations)

15

ECOMONIC RESOURCES
(3.2)



Third Sector Charities

Definition

1. These are set up to benefit others. This is done by raising money through fundraising.
2. Their aim is also to help the less well off and relieve poverty

16

ECOMONIC RESOURCES
(3.2)



Third Sector Examples of Charities

Charity	Aim
Oxfam	Reduce poverty
ISPCA	Prevent cruelty to animals
Focus Ireland	Support people in homelessness
Irish Cancer Society	Provides a service to cancer patients

17

ECOMONIC RESOURCES
(3.2)



Third Sector

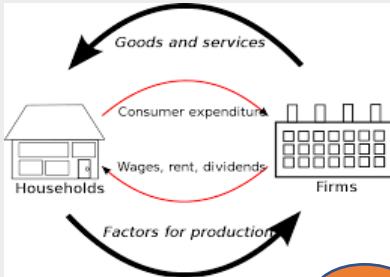
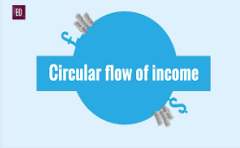
1. Voluntary Organisations

Definition

These organisations provide a service to its members. They raise finance by charging memberships and running fundraisers. They are managed and run by a committee. For example, GAA

18

ECOMONIC RESOURCES
(3.2)



19

ECOMONIC RESOURCES
(3.2)



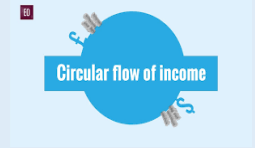
Circular flow of Income

Definition

This looks at the movement of economic growth and wealth in an economy

20

ECOMONIC RESOURCES
(3.2)



1. Business use the factors of production - which they sell to households
2. The household spend money on the goods and service supplied by firms
3. This money is then used by the business to pat wages, interest and rent.

21

ECOMONIC RESOURCES
(3.2)



1. If households don't spend all their money, they save it so it leaves the circular flow of income
2. Banks use this money for investment so it will be returned to the economy (Services)
3. If the govt makes the decision money will leave in the form of taxes but will be returned when the government start spend

13