Economics of Natural Resources and Environment

What are resources?

Resources is a very broad concept, and can be defined as everything that benefits and contributes to the value of society and life.

Resources are classified into 3 categories :

1- Human resources
2- Capital resources
3- Natural resources

1- Human resources:

It is the sum of the individuals involved in the workforce. Include the relationship between employees.

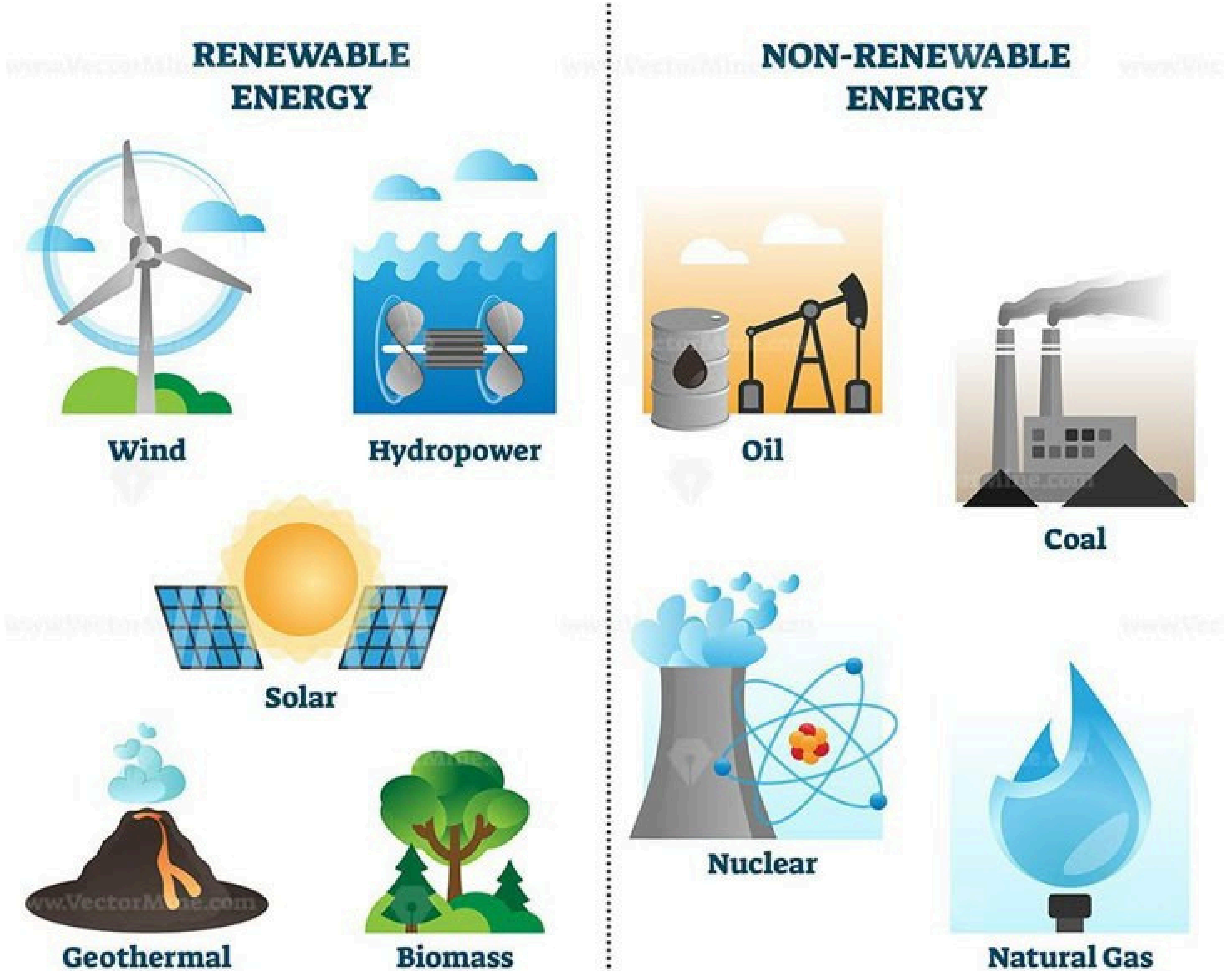
2- Capital resources:

Items that help production, not consumption. For example: machines , buildings, and lands.

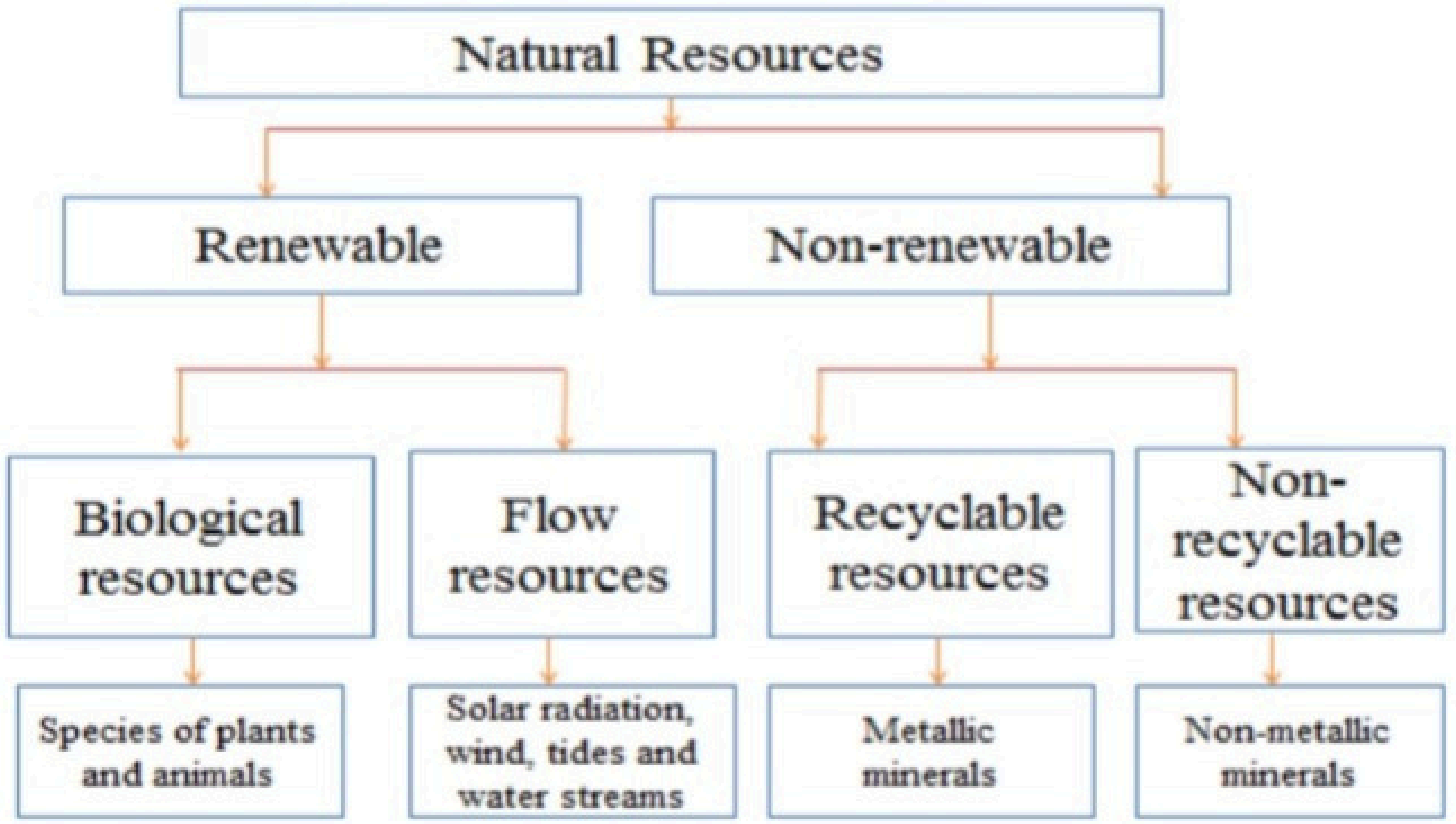
3- Natural resources:

Are resources that are drawn from nature and used with few modifications. For example: water, solar energy, natural gas, and coal..

Classification of Natural Resources



◆ Classification of Natural Resources



RENEWABLE RESOURCES

It is energy produced from natural sources that are renewed at a rate greater than what is consumed, like sunlight and wind.

A- Biological Resources:

It consists of plants, animals, birds, and fish of all kinds, which are destroyed by excessive collection or misuse

B- Flow Resources:

Resources that are recovered within a short period of time. Example: water stream.

NON-RENEWABLE RESOURCES

Energy derived from natural resources is depleted when used, as it is of limited quantity.
It has a specific stock that will expire when it is consumed, and it cannot be renewed in a short period of time. An example is a coal mine in Wyoming, USA.

A- Recyclable Resources:

Valuable materials that can be recycled endlessly without losing their quality or properties, which means their environmental and economic benefits are numerous. Example :- minerals.

B- Non Recyclable Resources:

Depletable natural resources such as mineral resources that cannot be regenerated after exploitation,like fossil fuels.

Scarcity and its Economic Implications

choice

You have several opportunities or tasks, and you choose the most appropriate one for you.

Opportunity Cost

If you choose to do task A, you must abandon task B.

Efficiency

The most important goal is to fully exploit the available resources and in the right place.

Social Institutions

To resolve disputes resulting from poor resource distribution.

THANK YOU!