

Definition essay: scarcity

Business



In my essay, I describe and define what Scarcity means in terms of fundamental economics. I show how it works in the real world and I give examples to better illustrate my point.

The most basic form of scarcity is when a group of people does not have the resources needed to survive. They may be missing water, food or other goods that are required to live and/or thrive. This is a group of people that are suffering and may be shrinking or failing to thrive in some way because they do not have the resources they need in order to support themselves. Is a country suffering from scarcity if they have enough saved resources, but are not currently producing enough to support themselves in the future? An example of this may be in the USA where drought kills crops for a full year, but the country has enough stored food to help keep people fed for years. In this case, the country would not be suffering from scarcity, and yet if there were repeated failures to produce food, then scarcity may be on the horizon. The country wouldn't technically be producing enough food to survive, but their savings and excess production from previous years will have meant they are able to survive the drought.

There is a scarcity problem when a group of people within a certain area are unable to support themselves because there are not enough resources, and because they do not have the means or opportunity to support themselves. In my examples, I used the idea of people in a country working in a call center where other countries outsource customer support duties over to them in return for payment. The means to support themselves covers a massive number of circumstances. As an example, take a small country that may have people that are fit and intelligent enough to work. They may sell <https://assignbuster.com/definition-essay-scarcity/>

services to other countries. However, that country doesn't have the money to set up a call center so people can work on behalf of other countries.

They may not have the education system in place to teach people English so that English-speaking countries may hire them to work as call-center operatives. These people would have a scarcity problem because they do not have the means to support themselves where they may trade their paid money for food and goods. The opportunity to support themselves is a little different. In this case, you may have a country full of people that can speak English, that are fit, that are intelligent, and there may be call center buildings all over the place. However, they may not be able to trade with other countries and other countries may be unwilling to pay them a wage, or a sufficient wage, so that the country's population may support itself.

These people have the means, but do not have the opportunity to support themselves. There are some countries that have the resources to support themselves, but do not have the skills or technology to do it properly. There are some that do not have the governance or stability to use their natural resources and support themselves. Conclusion As you can see by my essay, if there are not enough resources in an area to support the people in the area, then there is a scarcity problem. If there are not enough ways in which a group of people may support themselves with the use of trade and/or working, then there is a scarcity problem.

If a group of people are able to support themselves with their own resources, with their own means, or own opportunities, then they do not have a scarcity problem.