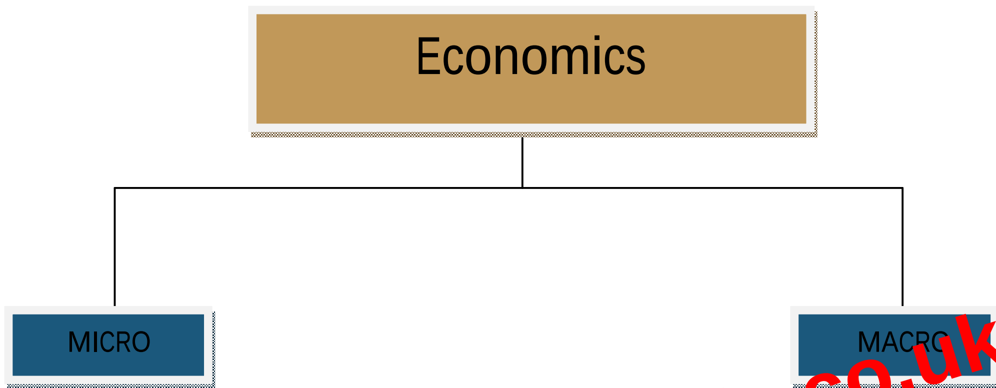
3. Economics has two branches-

For study purpose there are two branches of economics . which are-

1. Micro economics
2. Macro economics



Micro Economics-

This word is derived from the English word ‘ MICROX’ which means “ small” . It’s main concentration is individual sector. It considers only individual demand , supply , and individual price .

Macro Economics-

This word is derived from the English word “ MACROX” which means “ big”. It’s main concentration is overall economy as a whole. It considers aggregate demand , aggregate supply and general price level.

b. **Resources are reduced:**

If resources are reduced , we can produce less of both the goods . Accordingly , PPC shifts town the left. , as shown in fig . 3

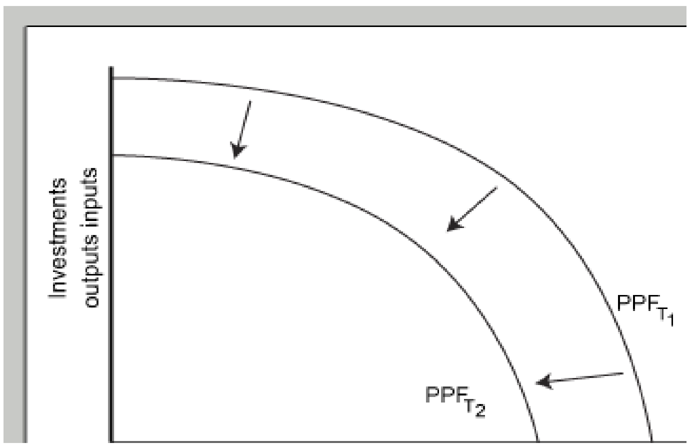


Fig .3

2. **Change in Technology –**

a. **Efficient technology for the production of commodity X-**

Efficient Technology for the production of commodity –x would mean more production of x with the same resources. Accordingly , PPC would rotate (not shift) as shown in fig. 4

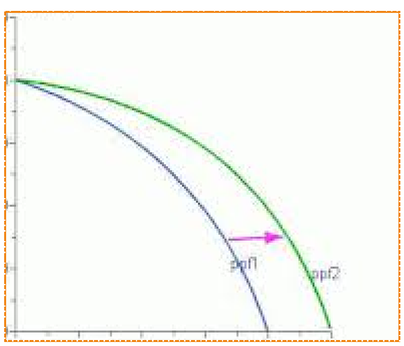


Fig. 4