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Economics

Meaning of the word 'Economics'.

⇒ The word 'Economics' originates from a Greek word 'Oikonomikos'.

⇒ This Greek word has two parts :-
- 'Oikos' meaning 'Home'.
- 'Nomos' meaning 'Management'.

⇒ Hence, Economics means 'Home Management'.

⇒ Economics emerged as a subject with high level of applications in all other disciplines due to its basic principle of 'Choice making for optimization with the given resources of scarcity and surplus'.

⇒ To arrive at this phenomenon in the definition of economics, it has taken almost 235 years.

Introduction

⇒ Economics is a study of 'Choices' or 'Choice-Making'.

⇒ Choice-making is relevant for every individuals families, societies, institutions, areas, state and nation for a whole world.

⇒ Hence, Economics has wide applications and relevance to all individuals and institutions.

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Evolution in the Definition of Economics:

⇒ Wealth Definition ↔ Adam Smith

⇒ Welfare Definition ↔ Alfred Marshall.

⇒ Scarcity Definition ↔ Lionel Robbins.

⇒ Growth Definition ↔ P.A. Samuelson

⇒ Modern Definition ↔ A.C. Pigou.

Wealth Definition

⇒ A Science which inquires into the nature and cause of wealth of nations.

Welfare Definition

⇒ Economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is mostly connected with the attainment and with the use of material requisites of well being".

Scarcity Definition

⇒ Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses`

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Growth Definition

Economics is the study of how men and society choose with or without the use of money to employ the scarce productive resources which have alternative uses to produce various commodities over time and distributes them for consumption now and in future among various people and groups of society. It analyses the costs and benefits of improving pattern of resource allocation".

Modern Definition

Study of choices by all in maximizing production and consumption benefits with the given resources of scarce and surplus, for present and future needs.

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