

Nalanda Open University

Department of Economics

- Name of Counsellor – Dr. Amit Ranjan
- Name of Course Coordinator – Prof. (Dr.) D. N. Jha
- Course – MA Economics (Part –I)
- Paper – I (Micro Economic Analysis)
- Topic – Definition and Scope of Economics

Definition and Scope of Economics

- Definition related to Wealth – Adam Smith
- Definition related to Welfare – Alfred Marshall
- Definition related to Scarcity – Lionel Robbins
- Definition related to Growth – Samuelson

Definition of Economics Related to Wealth – Adam Smith

- Economics is a subject concerned with an enquiry into the nature and causes of wealth of Nation.

Definition of Economics Related to Welfare – Alfred Marshall

- Economics is the study of mankind in the ordinary business of life, it examines that part of individual and social action which is most closely connected with the attainment and with the use of material requisites of well-being. Thus, it on the one side a study of wealth and on the other and more important side a part of the study of man.

Definition of Economics Related to Scarcity – Lionel Robbins

- Economics is the science which studied human behaviour as a relation between ends and scarce means which have alternately uses.

Definition related to Growth – Samuelson

- Economics is a science that studies those activities of man which he undertakes his satisfaction by making proper use of his scarce means.

Scope of Economics

- Subject Matter of Economics
- Nature of Economics
- Limitations of Economics

Subject Matter of Economics

- Wealth Concept
- Welfare Concept
- Scarcity Concept
- Growth Concept

Nature of Economics

- Economics – As a Positive Science
(That part of economics which deals with positive statements)
- Economics – As a Normative Science
(That part of economics which deals with normative statements)

Limitations of Economics

- It deals with human behaviours only. Other than human behaviour are not included in economics
- Social economic activities are included in the study of economics
- Imaginary and insane behaviours of human are not included in the study of economics