

# Q. WHAT IS ECONOMICS? STATE THE VARIOUS DEFINITIONS OF ECONOMICS.

*This chapter should be included.*

The word "Economics" is derived from Latin word "Okio Namos" means home management and regulation. It is called political economy by ADAM SMITH because it studied the activities of the citizens of the 'Polo's' i.e. State.

There are so many definitions put forth by different Economists. All these definitions of economics can be classified as:

- i) Classical School of Thought.
- ii) Neo-Classical School of Thought.
- iii) Modern School of Thought.

Some important definitions of economics are as follows.

According to ARISTOTLE,

"Oiko Nomos is the analysis of house management". ←

According to IBN-E-KHILDOON,

"Economics is financial management by individual and the State".

According to ADAM SMITH,

"Economics is a study of wealth".

According to N.W.Senior,

"Political economy is the science that treats the nature, the productions and the distribution of wealth".

According to KARL MARX,

"Economics is the science of production".

According to ALFRED MARSHALL,

"Economics is the study of man kind in the ordinary business of life".

According to J.M.KEYNES,

"Economics is the science which increases employment opportunities and helps the national income to grow by using scare resources".

*Scarc*