



Pakistan School
Kingdom of Bahrain

**A warm welcome to all
the students to our
virtual class.**

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We are going to start our Second online economics class today. I hope we all will enjoy and learn.

❖ Rules for class:

- 1) Be on time for all your classes.
- 2) Respect all the participants of the class.
- 3) Do not create any disturbance,
- 4) Pay attention to your teacher.
- 5) Raise hand if you have a question.
- 6) Entre into the class with your actual name.
- 7) Ask only questions relevant to the topic.

Chapter One

Definitions of Economics

Brainstorming:

- The word economics originates from which language?
- “Greek language”

- The word “Oikonomos” means?
- Household management.

Lesson Objectives:

- By the end of this part of lesson, students will be able to:
 1. Analyze the definitions of economics.

Marshall's Definition of Economics

- ① The new classical definition or Marshall's definition of economics says that:
- ① **“A study of mankind in the ordinary business of life. It examines the part of individual and social action which is most closely connected with the attainment and use of material requisites of well being”**

- ⦿ This definition has generally regarded economics as
- ⦿ **“Science of material welfare”**
- ⦿ Generally this definition is considered to be the finest of all since it encircles man’s activities performed by him for earning and spending of his income.

ATTRIBUTES OF THE DEFINITION

◎ Important points of the definition:

1. Useful Science.
2. The study of people living in society.
3. The study of efforts concerned with material requisites.
4. Not the study of wealth for sake of wealth.

Mr. Robbins definition, the Prof. of London School of Economics:

- Prof. Lionel Robbins gave his definition of economics in his book” Nature and significance of Economic Science” in the year 1932 .He defined economics as,
- **“Economics is the science that studies human behavior as a relationship between ends and scarce means which have alternative uses.”**

◎ Robbins has made four facts of life the basis of his definition and they cannot be falsified. They are as follows:

1. Human wants are unlimited.
2. Wants are not equally important.
3. Means are limited.
4. Means have alternative uses.

Let's sum up:

◎ Key points:

1. Economics is a science of material welfare.
2. Alfred Marshall.
3. Economics is a science of scarcity and choices.
4. Prof. Lionel Robbins.

Homework

- ① Discuss in detail the merits and demerits of Marshalls definition.

OR

- ① Discuss in detail the merits and demerits of Robbins definition.

Thank you.
See you in the
next lesson.