

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

❖ 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) Enter into the class with your actual name.
- 7) Ask only questions relevant to the topic.

Chapter One

Definitions of Economics

Lesson Objectives:

- By the end of this of lesson, students will be able to:
 1. Solve the exercise questions of chapter no.1.

Laws of Economics

- Economic laws are the same behaviour of people which they adopt during economic struggle.
- An economic law is a generalization about the economic behaviour of the people which establishes relationship between some cause and its effects in economic matters.

Characteristics of economic laws

1. They are conditional.
2. They lack exactitude.
3. They lack predictability.
4. They are qualitative.
5. No punishment.
6. They are optional.
7. More valid than laws of other social sciences.

Comparison of economic laws and state laws.

1. State laws are framed by national assembly.
2. No amendment or cancellation.
3. Promulgation of state laws.
4. Concept of punishment.
5. Difference in boundaries.
6. Command to do or not to do something.

Methods of deriving economic laws

- Deductive method.

- Inductive method.

Kinds of Economics

◉ There are three kinds of economics.

1. Descriptive Economics.
2. Theoretical Economics.
3. Applied Economics.

- Descriptive Economics: In this kind of economics, the economic facts concerned with agriculture, industry, communication, etc., are described in the form of figures.
- Theoretical Economics: In this kind of economics, economic conditions or problems are studied neutrally and analysis is made about them.

● There are two kinds of theoretical economics:

I. Positive economics

II. Normative economics.

1. Positive Economics: Positive economics deals with observed economy.

2. Normative economics: Normative economics deals with desired economy.

Kinds of positive economics

◉ Positive economics has two kinds:

1. Micro Economics
2. Macro Economics

Importance of study of Economics

- According to Durban:
- “Economics has the place of intellectual religion”.

Educational Advantages:

1. Mental Growth.
2. Awareness of economic conditions.
3. Inducement to be economical.
4. Sense of responsibility.

Plenary

Question & answer session

Thank you.
Have a very good
summer vacations.
Hope to see You in
the next term.