

Segments of Economics Definitions:

- Science of Wealth
- Science of Material Well Being
- Science of Choice Making
- Science of Dynamic Growth & Development

Science of Wealth :

"An inquiry into the nature and causes of the wealth of Nations".

- Adam Smith (1723 -1790), the founder of economics

Features of the Definition-

- Study of Wealth:

Economics deals with the study of wealth only. Therefore, it is concerned with the activities of man related to production, consumption, exchange and distribution of wealth.

- Only Material Commodities:

This definition conveys the feeling that Economics constitutes only material commodities while it ignores non-material goods as air, water and sunshine

- Stress on Wealth:

Since the main aim of the political economy is to increase the riches of the economy, it gives more stress on wealth, not anything else.

- Causes of Wealth:

Economics is considered as study of causes of wealth accumulation which brings economic development. In order to increase wealth, production of material goods will have to be increased.

- Economic Man:

This definition is basically based on the man who is always aware of his 'self-interest' that leads him to material gains.

Critics of the definition:

- Man becomes greedy i.e economic man.
- Improper for socialist pattern.
- Dismal Science[which doesn't give the accurate results].
- Disparities of income and wealth started.

Science of Material Well Being: Welfare Definition:

"Economics is a study of man's action in the ordinary course of life . It enquires how he gets his income and how he spends it."

-Alfred Marshal

Features of definition:-

1. It is the study of mankind and the ordinary business life.
2. Economics is the study of wealth but more important is the study of man.
3. It emphasis on material requisites of well being (like food, cloth, shelter, etc.)
4. It emphasis on social welfare in terms of money.

Critics:

1. Some important components of the definition [like ordinary

- business of like material requisites] were not clearly explained.
2. Complex Definition.
 3. Marshall treated economics as a social science rather than a human science.
 4. Welfare is subjective.

Science of Choice Making:-

“ Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses.”

-- **Lionel Robbins**

Features of Definition:-

1. Economics is science
2. Unlimited wants ends
3. Limited means
4. Alternative uses of resources

Critics:

- It does not emphasis either on welfare nor on material well being.
- This approach is more scientific .
- It emphasis on positive aspects of science.
- This definition reduces the subject matter by reducing it to theory of resource allocation.
- Robbin does not take into account the possibility of increase in resources overtime.

Science of Dynamic Growth & Development:

“Economics is a study of how men and society choose, with or without use of money, to employ source productive resources which could have alternative uses, to produce various commodities over time and distribute them for consumption now and in the future amongst various people and group of society.”

-**Paul A. Samuelson**

Features of Definition :-

1. It also emphasis on the problem of choice making.
2. By this emphasis it is proved that the problem of scarcity of resources is not merely confined to present but also to the future.
3. It is the study of dynamic approach by taking economic growth.
4. It is very comprehensive (have both aspects of welfare and choice making).
5. It has broaden the subject matter of economics. It includes consumption, production, exchange, distribution and public finance.

References:

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 Samuelson, Paul A; Nordhaus, William D.(2014). Economics. Boston, Mass: Irwin McGraw-Hill.