



23BAT603 - ECONOMICS FOR MANAGERS

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INTRODUCTION



- Economics is a study of ‘**Choices**’ or ‘**Choice-Making**’
- Choice-making is relevant for every individuals, families, societies, institutions, areas, state and nations and for the whole world.
- Hence, Economics has wide applications and relevance to all individuals and institutions.



Meaning of the word 'Economics'

- The word 'Economics' originates from a Greek word '**Oikonomikos**'
- This Greek word has two parts:
 - '**Oikos**' meaning 'Home'
 - '**Nomos**' meaning 'Management'

Hence, Economics means 'Home Management'



- Economics emerged as a subject with high level of applications in all other disciplines due to its basic principle of ‘Choice making for optimization with the given resources of scarcity and surplus’.
- To arrive at this phenomenon in the definition of economics, it has taken almost 235 years.