



# Economics

- Economics focuses primarily with the theoretical aspect, associated with concepts, theories, models and building theoretical

Vs

# Business Economics



- Whereas Business Economics devotes with the practical aspect, and is associated with the applications of the selected theories and concepts to solve business problems and help the business decision making



# Economics

- The Economics has both micro and macro aspects within its purview

Vs

# Business Economics



- Business Economics is fundamentally micro-economic in nature. It studies the activities of an individual firm or unit. There is an extensive application of the concepts and theories of microeconomics in it.



# Economics

- The Economics is concerned with both positive and normative economics

Vs

# Business Economics



- Business Economics is essentially normative in nature.
- Business Economics explains what objectives and avenues a business should pursue and how they are to be. Therefore, it is normative in nature



# Economics

- Economics studies the complex economic phenomena and rational human behaviour by developing certain meaningful and consistent assumptions, hypothesis and developing models.

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# Business Economics



- Business Economics endeavours to solve real life complex business problems. It selectively applies economic models with required modifications to solve the business problems.



# Economics

Vs

# Business Economics



- Economics concentrates only the economic aspect of the problems



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- Business Economics deals with some non-economic aspects of the problems along with the economic aspects.





# Economics

Vs

# Business Economics



- Economics has within its ambit not only profit maximization but also other aspects like Utility maximization, distribution theories of wage, rent interest and welfare economics as well.

- Business Economics focuses on the theory of profit only



# Economics

- Economics carefully analyse and interpret how the activities of individuals will affect the progress of a country ( Inflation, Savings, Unemployment, Consumption, aggregate demand...)

Vs

# Business Economics



- Whereas Business is more concerned about how the actions of their employees and management will affect the progress of the company and maximization of shareholder's wealth