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STATISTICS

CH- Introduction to statistics.

Q. What are different kind of human activities Explain?

A: Depending on the wants human activities are categorised as follows :-

1. Economic activities
2. Non- Economic activities

ECONOMIC ACTIVITIES

Those activities which are ~~f~~ performed to earn a living are known as economic activities these are related to use of scarce resources for satisfaction of unlimited wants. These activities are classified as follows :-

1. PRODUCTION: An activity which is concerned with increasing the utility or value of goods & services is known as production.
   Utility can be created in the form of:
   → TIME UTILITY
   → PLACE UTILITY
   → FORM UTILITY etc...

2. CONSUMPTION: It is concerned with the use of goods and services for direct satisfaction of human wants. If there is no consumption, there ~~will~~

would be no production in economy.

3. INVESTMENT : It is an activity which is concerned with utilisation of part of production for increasing capacity of future production of goods and services.

for eg: ~~installa~~ installation of a large printing press by a publisher.

4. EXCHANGE : It is concerned with activity of sale & purchase of goods and services, it is also known as product pricing which is related to ~~[illegible]~~ determination of price of the product.

5. DISTRIBUTION : This activity is concerned with distribution of production among factors of production. This is basically related to factor pricing where the production is distributed in the form of rent, intrest, wages etc...

land ←
labour
capital
enterpreneure

NON-ECONOMIC ACTIVITIES

Those activities which have no economic aspect or which are not concerned with money are non-economic activities which include social, religious, charitable & parental activities.

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Q. Explain economics as a science.

A. Science can be classified as natural science & social science. physics, chemistry etc. are natural science where the results are obtained in controlled conditions.

whereas, economics is a social science because it is systematic study of economic activities.

following are the arguments in favour of economics as a science:

1. Systematised study : The study of economics is systematically devided into production, exchang and consumption and economics as a science studies the human behaviour on maximum satisfaction of wants of consumers and profits of producers.

2. Scientific law : As any other law of science law of economics are also universelly applicable like law of demand, law of supply are applicable to all kinds of economies.

3. Cause and effect relationship : like any law of science economic laws also ~~create~~ astablish a cause and effect relationship. Like for eg: Incase of law of demand it explains if price increases the demand will fall.

4. Verification of law : like other sciences law of economics can also be verified through investigation. On the basis of above arguments

we can say that economics is a social science & not a physical one.

Q. Explain economics as a positive science and a normitive science.

A.

I A positive science is a one which makes a discription of a activity.
It answers questions like what is what was, it does not suggest about facts.
According to professer robins economics should be neutral b/w the ends, It deals with what is the problem and how are problems solved.
some eg of eco as a positive science are:
1. India is the largest populated country in the world.
2. Prices have been Increasing in India.
3. There is lot of unemployment in India.

II (Alfred Marshall) Economics as a Normative Science, A normative science is the one which explains what ought to be or what ought to have happen. In other words it deals with how the economic problems should be solved. The normative statements are opinions of different people related right or wrong of a particular policy, so the economics which deals with normitive statements is called as normitive economics.
Some eg of normative science are:
1. Free education should be given to poor
2. Our education system should be modified

in such a way that it makes people employable.

Q. Explain eco as an art.

A. Art is a practical application of a knowledge for achieving some definate objective. Economics as an art gives us practical guidence in solving various economic problems. To understand economics as an art lets take an eg that there is shortage of oil in India told by positive science govt. should find new resources for oil suggested by normitive science in an order to do this govt. has followed the path of planning, the path of planning is an art as it is practical application of knowledge with a view to achieve some specific objectives, so we can say eco is science as well as art.

theory to practical