



Provincial Department of Education Sabaragamuwa-
Weekly School

Subject: Economics

Week - 2

Grade - 12

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Competency 01 - Comparatively analyses basic economic problems and the alternative ways of solving the basic economic problems in an economic system.

Competency Level : Investigates the subject field of Economics.

Definitions of Economics –

“The subject which studies the relationship between scarce resources with alternative sources uses and human wants is called Economics.”

Economics is the science which studies how unlimited human wants are fulfilled through limited resources.

The importance of learning Economics -

1. Important in ruling a country.
2. Important as a successful citizen.
3. Ability to understand economic phenomenon well.
4. Important in efficient decision making as investors, consumers and as producers.
5. Important to vote for a party.
6. Important to make logical decisions for students.
7. Important in selecting a better job.

Excercises

1. What is called microeconomics?
2. Give some examples for the units that studied under microeconomics?
3. What is called macroeconomics?
4. Give some examples for the units that studied under macroeconomics?
5. Briefly explain the words “positive statements” and “normative statements” with examples.

