

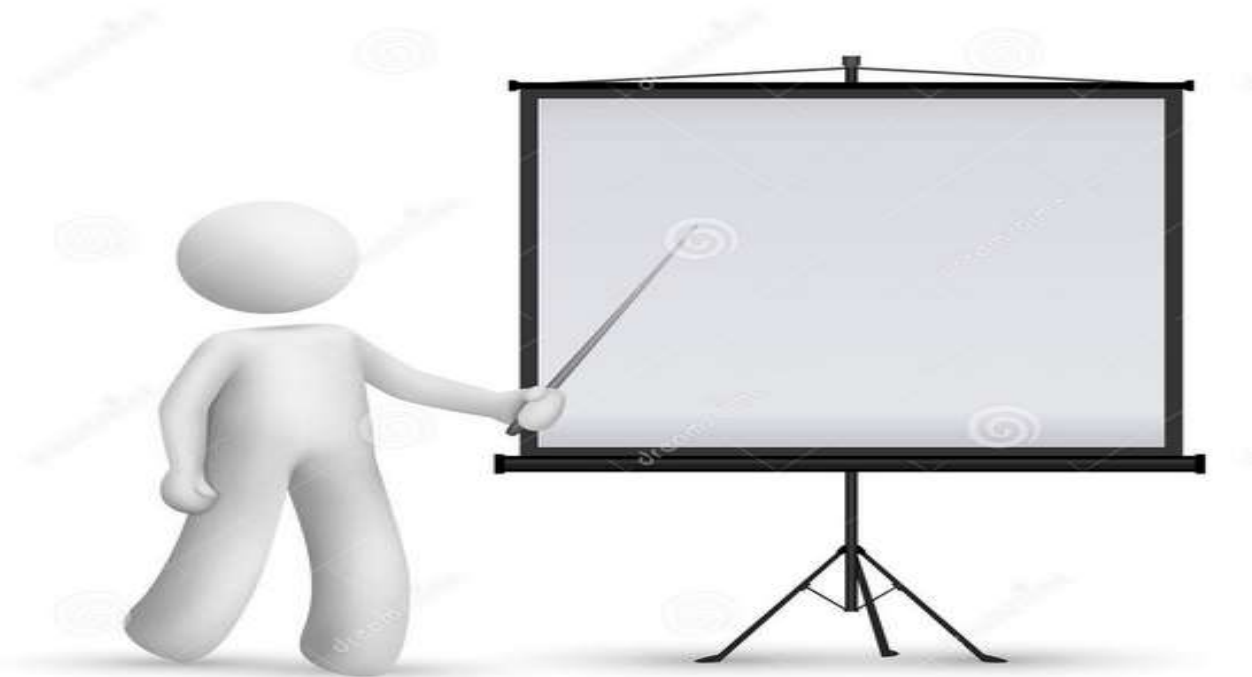
**Overview of Subject
matter of
Agriculture Economics**

**Dr.Ajay Kumar Srivastava
Teaching Associate**

Department of Agriculture Economics & Statistics

**ChandrasekharAzad University of
Agriculture & Technology Kanpur -
208001**

INTRODUCTION



- Meaning of Agriculture
- Meaning of Economics
- Meaning of Agricultural Economics
- Definition of Agriculture Economics
- Component of Agriculture Economics
- Subject Matter of Economics

➤ **Meaning of Agriculture:**

The word agriculture comes from the Latin words **ager**, referring to the soil and **cultura**, to its cultivation .

Agriculture can be defined as the cultivation of soil, or production of crop plants or live stock product .it is synonymous with farming .

➤ **Meaning of Economics:**

The word economics has been derived from the Greek word “OIKONOMICAS” with “OIKO” meaning a household and “NOMOS” means management.

The Greek Philosopher Aristotle was the first who started the field of economics ,he defined economics as “the household management”

He wrote the first book on economics titled as “Economica”

Definitions of Agriculture Economics:

Agricultural economics is an applied field of economics in which the principles of choice are applied in the use of scarce resources such as Land, Labour capital and management in farming and allied activities.

Prof. Hibbard “Agricultural economics is the study of relationship arising from the wealth – getting and wealth –using activity of man in agriculture ”

Prof. Gray Agricultural economics as “the science in which the principles and method of economics are applied to the special conditions of agricultural industry”

Snodgras and Wallace Agricultural economics as “an applied phase of social science of economics in which attentions is given to all aspects of problem related to agriculture”

Component of Agriculture Economics:

- ❖ Microeconomics
- ❖ Macroeconomics
- ❖ Agricultural Production Economics
- ❖ Farm Management
- ❖ Agricultural Marketing & Price analysis
- ❖ Agricultural Finance

Subject Matter of Economics:

1.Divisions of Economics

a. Traditional Approach:

- Consumption
- Production
- Exchange
- Distribution

b. Modern Approach:

- Microeconomics
- Macroeconomics

Microeconomics:

The term “Microeconomics” has been derived from the Greek word “MICROS” meaning small. In other words micro means million part. It is otherwise known as price theory .it focuses on price determination .Microeconomics fundamentally deals with economic behavior of individual economic units .Microeconomics covers theory of consumer behavior, theory of value (product pricing and factor pricing) and theory of economic welfare.

Macroeconomics:

The term macroeconomics has been derived from the Greek Word “MACROS” meaning Large. Macroeconomics otherwise is called income theory .It treats the economic system as a whole, rather than treating the individual economic units of which it is composed. Macroeconomics is concerned with the value of the overall flow of resources. Thus it covers, theory of income and employment, theory of money and prices, banking theory of economic growth ,price formulation and analysis.

microeconomics and macroeconomics , both are essential for a thorough understanding of the economy.

THANK YOU

