

ECONOMICS: Economics is a Social science It studies the Economic Behaviour of Man It studies the relationship between ends and scarce means, which have alternative uses. Adam Smith is considered as the father of Economics. Alfred Marshall is considered as the father of Modern Economics. Now a days Economics deals with Production, Distribution, Exchange and Consumption.

WHAT IS STATISTICS? Statistics is a Science, which deals with Collection, Classification, Interpretation and Presentation of data systematically. The word Statistics is used both in Singular and Plural senses. In Singular sense Statistics means the methods used for collection, Classification, Interpretation and Presentation of numerical data. In Plural sense Statistics mean numerical data systematically collected.

FUNCTIONS OF STATISTICS

1. It simplifies complexities.
2. It presents the data in a definite form.
3. It presents the data in a precise form.
4. It helps condensation of data.
5. It enables comparison of data.
6. It helps in testing.
7. It helps in prediction.
8. It helps in formulation of policies.
9. It enlarges human experience.

LIMITATION OF STATISTICS

1. Statistics Studies Only Quantitative Data
2. Statistics does not study individual cases.
3. Statistical results are true only on an average
4. Statistics does not reveal the entire story of the problem.
5. Statistical methods can be used only by an Expert.

DISTRUST OF STATISTICS

By distrust we mean

1. Lack of confidence in statistical statements and statistical methods.
2. Statistics can prove anything.
3. Whether statistics is good or bad depend on its use.

USES OF STATISTICS IN ECONOMICS:

1. Statistics is an inevitable tool in the hands of Economists.
2. Formulation of Economic policies.
3. Helps for Economic planning.
4. Complex Economic data¹ can be reduced.

QUANTITATIVE AND QUALITATIVE DATA: The data which can be Measurable is called quantitative data. Eg. Price, Height, Weight, Income etc.

The data which cannot be measurable is called Qualitative data. Eg. Honesty, aptitude, beauty etc.

PREVIOUS QUESTIONS

- 1) Statistics helps the economics in various ways. Cite three instances for it. (MARCH 2018)
- 2) Statistics is used in Singular and Plural sense. Elucidate. (MARCH 2011)

¹ PREPARED BY RAJESH. S K.T.C.T.E.M.H.S.S KADUVAYIL, THIRUVANANTHAPURAM

- 3) Statistics plays a vital role in decision making. Discuss. (MARCH 2012)
- 4) Tell your friend in Science Stream, Why you learn Statistics along with Economics. (MARCH 2013)
- 5) The Government and policy makers use Statistical data to formulate suitable policies of Economic development. Illustrate with two examples. (MARCH 2014)
- 6) Complete the following on the basis of hints given.
Statistics in singular sense: Statistical Methods
Statistics in plural sense: (MARCH 2015)
- 7) Explain the use of Statistics. (SEPTEMBER 2015)
- 8) Write any two examples each² for Quantitative and Qualitative data. (MARCH 2016)
- 9) Find the odd one and justify your answer.
a) Honesty, Weight, Personality, Income.
b) Aptitude, Intelligence, Honesty, Salary. (SEPTEMBER 2016)

