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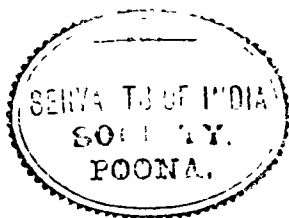
A COURSE IN THE ELEMENTS OF ECONOMICS

BY

DR. PRAPHULLACHANDRA BASU

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AUTHOR OF "ECONOMIC DEVELOPMENT OF INDIA," "INDO-ARYAN POLITY,"
"THE CONDITIONS OF MIDDLE CLASS LIFE IN CALCUTTA," ETC.



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PREFACE

As a teacher of economics in several universities in India I have constantly met with one great difficulty among the students who have primarily to depend upon books written by English and American authors, viz., that the principles of economics are explained with a background of social conditions and institutions which are alien to the experience of Indian students. They have to study the economic conditions of India separately from the study of economic principles. The two are not co-ordinated in their study because they are not placed in their proper relation in our textbooks. I have attempted to remedy this defect in the study of economics in India by developing the principles with Indian background and illustrating them from the facts of Indian economic life.

In a book like this, which is meant primarily for students, there is not much scope for anything which is new and original. My main effort has been directed towards explaining the fundamental principles in clear and unambiguous language. Therefore, I have generally avoided discussions of divergent opinions among economic writers, which tend more to confuse than to help the beginner. I have felt that a good grounding of the principles can be obtained by this method, which is of great use to students in pursuing the higher study of economics in which opinions and arguments of experts are to be tackled.

On a few topics there has been a departure from ordinary textbooks. I have put the definitions of ordinary economic terms in one convenient chapter. In economics the various branches are closely inter-related. It is impossible to deal with one branch without using terms which really belong to another topic. Students are usually confused if such terms are introduced without any previous explanation. For this reason the definitions have been

collated together towards the beginning of the book. Another point on which I have deviated from ordinary textbooks is the treatment of the law of diminishing return, which is usually treated as applicable to agricultural land. But this law is of universal application in production. I have, therefore, treated it as such along with the other laws of production and have particularly emphasized the relation of these laws. Again, Indian students rarely find the facts of Indian currency, finance, exchange, and co-operation in a convenient form in any of the textbooks that they have to read. For each of these there are separate books, but they are too big to be handled by the beginner. I have tried to put them in convenient forms to be readily useful to Indian students. In one case I have introduced a wholly new thing. In Chapter XXII I have developed and formulated a law of consumption which is my own.

It is to be hoped that the book will also be found useful by the wider public who have little time or opportunity to go to big books for a working knowledge of economic principles in general, and who will find them in the present book in handy form and in special relation to the economic facts of Indian life.

P. B.

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