

ECONOMICS and ECONOMY – ECONOMIC and ECONOMICAL

Economics is the science of the production and distribution of goods, the scientific study of a society's money, industry and trade (note that **economics** is an uncountable noun, plural in form but mostly singular in construction); **economy** indicates the financial state of a country, the control and management of the money, goods and other resources of a community or a country (e.g.: the UK *economy* is heading towards a bout of 'stagflation'; the *economies* of many developing countries are based on cash crops); **economy** can also mean “the deliberate saving of money through carefully controlled spending”; **economic** means: a) related to the economy (e.g.: *economic* growth leads to a per capita improvement in living standards), b) cost-effective (e.g.: we have to keep wage costs low to make it *economic* for us to continue production); the adjective **economical** (not wasteful) indicates something which does not require a great deal of money to operate (e.g.: I have a small car because it is more *economical* to run), it can also be used to refer to an efficient way of doing things (e.g.: holding business meetings at an airport can be an *economical* use of time). The verb **to economise** means to save money.

POLITICS and POLICY

Politics (usually followed by a singular verb but always with -s) is used to talk about government and related ideas (e.g.: I don't know much about *politics*, but I don't think this is a democracy; You talk beautifully – You should be in *politics*.)

Policy is used for people's rules of behaviour (not necessarily connected with politics) (e.g.: In what ways has Brexit impacted British foreign *policy*?; It is not my *policy* to believe everything I hear; It's the firm *policy* to employ a certain number of handicapped people).

N.B.: **policy** can also mean a written statement of a contract of insurance (e.g. Check the terms of the *policy* before you sign).