

Political economy, stemming from Greek "polis" (state) and "oikonomos" (household manager), examines a nation's governance considering political and economic aspects. Historically encompassing what's now "Economics," it emerged in the 16th century as moral philosophy focused on "household management." Various definitions highlight its core: managing wealth (Adam Smith), exchanges (Gaetan Pirou), scarce resources (Raymond Barre), choices (Lionel Robbins), and production/distribution (Oskar Lange). Early .development included the 16th–18th century Mercantilist school emphasizing state economic control