

defined as "The common sense made difficult." And, to a degree it is true. For the next 14 days we'll prove it from this platform. And, as a matter of fact, as one of my colleagues pointed out this morning, I'm setting the stage for this utter confusion.

Economics, then, is the science that deals with human wants and their satisfaction. It is a study of those activities of man concerned with the production, distribution and consumption of goods and services. As a social science it is denied many of the means of experimentation and research that are open to the natural sciences. Human beings have wills of their own and resent being treated as guinea pigs for the purpose of social experimentation. The economist, then, can thus not make use of the test tube, but is forced to rely largely on the more indirect methods of observing mans' actions in society. Under such circumstances, when the economist wishes to ascertain the effect of a single cause he is forced to make a mental abstraction to allow for the influences of other causes in which he may not be interested at the moment, but this may be of great importance in producing the actual result that is under observation.

The phrase, "other things being equal," - *Satirius Pariabus* (phonetic spelling) - is therefore a standard idea, although it is recognized that in the actual world things never remain the same. As a warning, I would like to project that you will save yourselves many hours of bewilderment if you take special care to familiarize yourselves with the assumptions that underly the formulation of economic principles. Failure to recognize the significance of these assumptions may lead you to conclude that something is all right in theory, but all wrong in practice. Nothing that is wrong in practice is ever right in theory. If the conclusions of theory do not harmonize with apparent results in practice, either the theory itself is wrong, or we are attempting to apply the theory to practical conditions without recognizing