

# **SUPPLY AND DEMAND**



# SUPPLY AND DEMAND

BY

HUBERT D. HENDERSON

M.A.

FELLOW OF CLARE COLLEGE, CAMBRIDGE

LECTURER IN ECONOMICS IN THE UNIVERSITY OF CAMBRIDGE

WITH AN INTRODUCTION BY

J. M. KEYNES

M.A., C.B.

FELLOW OF KING'S COLLEGE, CAMBRIDGE



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## INTRODUCTION

THE Theory of Economics does not furnish a body of settled conclusions immediately applicable to policy. It is a method rather than a doctrine, an apparatus of the mind, a technique of thinking, which helps its possessor to draw correct conclusions. It is not difficult in the sense in which mathematical and scientific techniques are difficult; but the fact that its modes of expression are much less precise than these, renders decidedly difficult the task of conveying it correctly to the minds of learners.

Before Adam Smith this apparatus of thought scarcely existed. Between his time and this it has been steadily enlarged and improved. Nor is there any branch of knowledge in the formation of which Englishmen can claim a more predominant part. It is not complete yet, but important improvements in its elements are becoming rare. The main task of the professional economist now consists, either in obtaining a wide knowledge of *relevant* facts and exercising skill in the application of economic principles to them, or in expounding the elements of his method in a lucid, accurate and illuminating way, so that, through his instruction, the number of those who can think for themselves may be increased.

This Series is directed towards the latter aim. It

is intended to convey to the ordinary reader and to the uninitiated student some conception of the general principles of thought which economists now apply to economic problems. The writers are not concerned to make original contributions to knowledge, or even to attempt a complete summary of all the principles of the subject. They have been more anxious to avoid obscure forms of expression than difficult ideas; and their object has been to expound to intelligent readers, previously unfamiliar with the subject, the most significant elements of economic method. Most of the omissions of matter often treated in textbooks are intentional; for as a subject develops, it is important, especially in books meant to be introductory, to discard the marks of the chrysalid stage before thought had wings.

Even on matters of principle there is not yet a complete unanimity of opinion amongst professors. Generally speaking, the writers of these volumes believe themselves to be orthodox members of the Cambridge School of Economics. At any rate, most of their ideas about the subject, and even their prejudices, are traceable to the contact they have enjoyed with the writings and lectures of the two economists who have chiefly influenced Cambridge thought for the past fifty years, Dr. Marshall and Professor Pigou.

J. M. KEYNES.

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