

## Hands-Off, Hands-On, or Theory versus Practice

by Anne Emerson

This is now page seven of Economic Ideas for General Readers. I have been temporarily distracted from my Ultimate Goal – to tell you THAT about Supply and Demand WHICH you probably already know. Why is telling you about Supply and Demand my Ultimate Goal? Perhaps my countless readers are dying to know more about Supply and Demand from a real expert (me). Or maybe they think economics is about Supply and Demand, and they would like me to confirm their suspicions so they can say they knew it all along. (Are you still reading? Thanks! There IS a point to this.) The talk-about-it game is Theory, or “Hands-Off” and do a thought-experiment.

Alrighty then. Everyone knows that some things require people to touch them in order for them to work properly. The get-it-done game is Practice, or “Hands-On” and do the work. Little babies, for example, need to be cuddled and fed. And whom should you ask regarding the proper way to cuddle and feed little babies? Other little babies? Mothers? Nannies? Child psychologists? Indigenous peoples? Farm people? Please join the game here... Name your expert! But please be sure that your expert doesn't make a lot of money giving you advice, just in case they get mixed up about whose interest they are serving... (yours, theirs, or the baby's?)

Moving right along to an example that will confirm the point (but only if you understand the reference): There's a story in Christians' Old Testament Bible about King Solomon and two women fighting over a baby. You might ask a REAL person of God about it, if you are not familiar with the story of King Solomon and the women who wanted to fight over possession of a baby.

The women forgot he was a wise man, when he invited them to have a tug-of-war, one at each end of the baby! He awarded the baby to the woman who let go first, because she cared about the baby's welfare. But many years have passed since then, and some people have become very sophisticated. Such games get tougher, the more they're played. Let's suppose that the women could anticipate – and ignore – Solomon's decision awarding the baby to the woman who let go. (They can fight on, defying the King who represents the law of the land.) Or let's suppose they planned ahead of time to get King Solomon snatched away, before he could stop the strongest woman from winning.



Food Fight; adults only...

And what does this (fight over a baby) have to do with economics, you may be wondering. Let me try to remember... Oh yes, it has to do with the difference between theory and practice. Let's take an example from everyday electronics now. When you put something important together, you have to know which manufacturer produces a wire that is safe; how to make the device look attractive, so that people want it around and they don't trip over the wires; you have to know which products work well together, etc. If you don't, it may not do what theory says it should do. (Do it right, win the fight; lose the baby.) Or, using it may have unexpected consequences – cause a fire; crash a plane. (Do it right, win the fight; win a broken baby.)

So, in theory, we can make an economy that adjusts so that as many people as possible can live lives in their preferred level of material comfort. That's rather like a mother thinking strength is her best advantage (win the fight, lose the baby), or me knowing how wires ought to fit together (plug this in there, but the battery is not made correctly and catches on fire). Oops! And page seven is filled up.