

Supply and demand

by BRIAN LOCKHART

Supply and demand ? that's the way the world works when it comes to the economy.

If you produce a product or provide a service no one needs or wants, you will soon find yourself out of business.

On the flip side, if there is a high demand for something you have, you're going to get rich if you follow good business practices and make your product available.

Some countries base their entire economy around one or two key products that the rest of the world needs and is willing to pay for.

If your country is the only place in the entire world where the climate is suitable to grow 'dingo beans' and the rest of the world wants those beans, you have the start of a flourishing trade situation.

Much of the world economy is intertwined in a network of goods and services needed to keep the world supplied and moving forward.

Everyone uses a pencil at some time or another. Most children learn to write with a pencil.

A pencil is an inexpensive product. You can buy a handful at the dollar store for a buck.

But when you break down the process of how that pencil arrived on the store shelf, there's a lot more going on than you may realize.

The wood that creates the pencil comes from somewhere. People were paid to chop down that tree, transport the logs to the sawmill, and cut those logs into a usable shape.

Someone designed a saw, and someone else produced the saw that cut down the tree.

The yellow paint that covers the pencil was made by someone who procured the needed chemicals from someone else.

The little eraser at the top of the pencil came from a rubber-producing country that grew the plants and processed the latex into a usable product. The brass tip that holds the eraser came from a mine somewhere in the world.

The graphite that allows the pencil to write on the page also came from a mine somewhere in the world.

A lot of people were employed and made money from that little writing instrument.

Bullets and artillery shells are another product that are in high demand around the world.

You can't write your grocery list on a sheet of paper with an artillery shell, but you can use it to kill a lot of people.

Industry, business, and arms dealers make a lot of money by producing military weapons and everything that goes along with keeping the world's armies equipped. And they want to keep making money.

The U.K. just announced a £450 million military aid package for Ukraine to fund drones, anti-tank mines, radar systems, and critical repairs to military vehicles.

That kind of money is huge, but in terms of military weapons, it isn't all that much. However, it is still a lot of money that would be better used in other ways.

There are a lot of people who are hoping for war and a continued state of war. The more nations kill each other, the more money these people put in their pockets.

It has been theorized that the world is entering a stage of perpetual war and is being guided in that direction by the people who call the shots.

I used to dismiss this as some sort of conspiracy theory, however, events over recent years seem to point to a situation where there may be some truth in this.

A few years ago, a manufacturer in the US got into some trouble. It seems he had been clandestinely inserting bible verses by the number into the serial numbers of his products.

Apparently, 'love thy neighbour' doesn't sit well with government types.

This story in itself, wasn't a big deal. It was the information at the end of the story that caught my eye.

The company had a \$600 million contract with the US government to manufacture and supply rifle scopes for troops in Afghanistan.

I crunched a few numbers, and there is no way that dollar figure makes sense.

If this company is getting more than half a billion dollars just for rifle scopes, how much are the companies that supply the military with everything else put in the bank every year?

Half of Europe has already gone on high alert with calls to start mobilizing for war. The arms manufacturers and dealers must be shopping for new private airplanes and yachts knowing what may happen over the next few years.

When there is a demand, there will be a supply.

Unfortunately, the price may be paid by the next generation.