
Subject: Re: goatse is now ILLEGAL in the US!
Posted by [cheesesoda](#) on Thu, 27 Jul 2006 16:09:17 GMT
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Oh, to add to my previous post.

On too many jobs being lost... it's true. Like I said, it would cost more to produce the good/service.

You're not only paying more for wages, but the resources that you purchase from other companies to create your good now costs more because of raised prices (thanks to higher wages). That hits you two ways. In order to maximize profits, downsizing the company due to issues like this is bound to happen. You can only raise the prices so much and have people buy so much of it. The simple law of Supply and Demand controls that aspect. Once you maximize your profits according to Supply and Demand, you have to cut costs. How do you cut costs? Get rid of what isn't necessary any more. Now that demand has lowered because of higher prices, companies don't need to produce as much. You need to minimize losses, and if you can't produce as much, you don't need as much labor to produce less of your good/service. Jobs are then cut.
