
Subject: Re: A question on Iraq expenditures
Posted by [R315r4z0r](#) on Wed, 28 Nov 2007 02:55:56 GMT
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Kinda-sorta.

Now I shall explain something you probably already know:

- Due to the War, oil imports ceased
- supply went down
- price went up
- since people need gas, personal income money went down
- less money = less demand
- less demand = more left over (more supply)
- Company of product needs to balance the price at an equilibrium, thus using the quantity demanded compared to the quantity supplied to calculate the highest price people would willingly buy at.
- People buy product & pay tax
- tax goes to government to fund war effort.

Like I said, chees soda, you probably already knew that, but I was explaining it to the other people I originally had a response to.
