Subject: Scrap the income tax! Posted by msgtpain on Tue, 26 Apr 2005 03:34:40 GMT View Forum Message <> Reply to Message

That's way to broad of an analogy to be applied across the board. It's true that any item which has an R&D price associated will typically have a downward curved lifecycle, especially if there is a copyright or patent involved. However, the majority of the products consumers buy do not fall under this roof. The clothes you buy, the food you eat, the vacations you take, electronics, small appliances etc are all priced by supply and demand. If there is no decline in demand, and no shortage of supply, there will be no logical reason for the producers to reduce the price, unless forced to do so by the G Man, and is this really want we want? Uncle Sam price capping our markets? How many times over the last year has the price of a barrel of oil gone down, but the price at the pump remained the same or increased? Only once in my lifetime that I can remember (1999) has the price of a gallon of gasoline gone down below the pre shortage price; do you believe you'll see \$1.68/gallon gas again, even if the cost of a barrel returns to \$28? only time will tell.

Consumers will only see price breaks if the largest of the corporations pass on the tax relief in the prices of their products and the smaller competitors are forced to follow. Custom products, niche markets and trends will always go for whatever the market can bear.