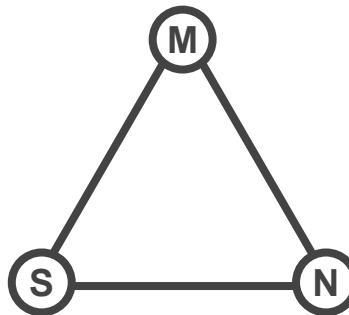


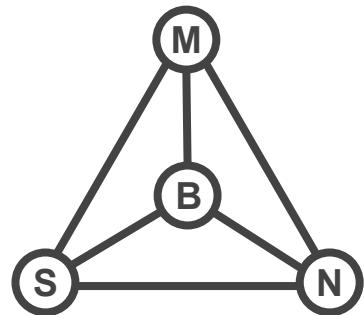
Restructuring Supply and Demand



Supply and demand (need) do not present a strong relationship. They are unbalanced and do not have a built in moderating influence.



When a three way relationship is represented symbolically, as it is above, it is easier to see when that system is balanced.



Including the *lines of force* in the symbol can help guide us towards balance. This gives us something to visualize and measure.



The business owner alone has many decisions to make. How much of a product should be supplied? At what quality? At what price? Too low a price and not enough profit will be too high

and the product may not sell. There is also marketing to consider. How many dollars should be spent advertising? Employees want to be paid well and have benefits. All of this needs to be balanced and is difficult without extra information.



Likewise, the consumer has many decisions to make. How much should be purchased when an item comes on sale? What quality level can be afforded? If more is bought

at a lower quality, but that product does not serve the need, what good is it? How much effort should be put into sourcing common goods? How far should one travel to get what one needs? What happens if there is a downturn in the economy and a job is lost? These are all concerns from the consumer's point of view.



In some industries, there is a link between the supply and demand. This is the case with taxi dispatchers and dispatchers for emergency services. They moderate who needs what and serve as a link between those requesting the service and those able to supply the need. In many cases in the private sector, the consumer is left to fend for themselves to find what they need. Only in special cases may they have a person to help them. This could be a friend, a child, a parent.



In general, the economic system is set up so that suppliers and consumers respond to economic based indicators. If the price goes up, less will be purchased. If the price goes down, more will be purchased. It is up to suppliers to gauge how much and of what product to supply. The consumer is free to buy as much as they wish, providing they have the funds to do so. A downturn in the economy could result in less money being available to purchase goods and services and thus make things difficult.



For suppliers that are able, they may obtain help to determine what product to sell and at what price. More commonly, they will hire a marketer to help them advertise

their goods, or advertise "in house". The assumption is that the more they can convince people to buy their product through greater awareness or other strategies, the more successful they will be and hence, the more money they will make. This approach often ignores other businesses in the same sector or ecological concerns.



By the same token, a wise consumer who is able may obtain help from neighbours, friends or family members to help them determine where to buy, what to buy or how much to buy. They can research the product and are free to purchase from anywhere, as long as they are able to afford it. This approach works as long as the consumer has the necessary skills to do so and is able to afford what they need. It ignores the business owner as there is no commitment to purchase from anyone in particular if they choose not to do so.



When the supplier begins to take a holistic view and seeks to obtain balance between their own needs, the needs of other business in the same sector, the needs of the consumer and the needs of the environment, then long term sustainable practices can start to be found and implemented. There can be movement from *competition* to *cooperation*. However, a business only can control their own actions. Other businesses and consumers can still do as they choose. If these other players do not have long term sustainability in mind, then they could undercut other businesses.



A further step towards balance is taken when the consumer also seeks balance, cooperation and long term sustainability. They may be met by the supplier who wishes to do the same. However, if there is no systematic way to help ensure that what they purchase is balanced by what is supplied, the entire system could still be out of whack.



The "missing link" is found when *an entirely new sector* is imagined that has *as their full time occupation*, the job of matching supply to demand. If this happens, then symbolically, there can be real, long term sustainable practices as work is done to ensure that balance is obtained. When a supplier has too much stock on hand, they might have to dispose of it. Rather, a person can work to match supply to need at a sufficient level of detail so that there is more balance in the local economy and thus a better chance at long term sustainability.