

Bags o' money . . . eastern style

Are you short of money? For instant relief, pack up and move to eastern Europe. Incredible as it sounds, citizens of communist countries have more money than they can spend.

Trouble, however, exists even in Leninist Paradise. Walk into a Polish or Czech store with a fistful of zlotys or korunas and you will quickly discover there is little to buy. Black paint or vegetable scrapers may be stacked high, things that people really want, like VCRs, cars or chic clothing, are unavailable. Why?

Here's with me for a little economics. The iron law of supply and demand tells us that when a product is artificially priced below its fair market value, it will become scarce as demand outstrips supply. Underpriced goods mean shortages.

Communist regimes underprice goods and services. Consumers have more money than there are goods to buy. Shortages are inevitable. What happens? Rationing. This means long lines, empty store shelves and a thriving black market. Who cares? We should, because Ontario and Canada are headed in the same direction. Ontario's leftward-leaning government, by completing the forced socialization of our medical system, has now ensured that patients here will soon resemble those wretched consumers of eastern Europe who pass endless hours in queues, lining vainly at "the authorities."

Any good economist will tell you that Ontario has priced medical services far below their real value. (People who think their OHIP premiums actually cover expenses should see a doctor.) Underpricing, as we have seen, brings scarcity.

Eric IV ARGOLIS



Exhibit A is rent control. Politicians earned lots of votes by artificially depressing rental rates — and created today's acute housing shortage. There are few apartments to rent and nobody sane would build rent-controlled apartments. How do the politicians who created this mess respond to people howling for rental space? By washing tens of millions on shoddy government housing. You can also bet that the first people to get such subsidized apartments are NDP party faithful — just as communist party members in east Europe get preference in housing.

Our once excellent medical system will now go the way of Toronto housing. Doctors are human beings, not "state services." If they can't raise prices and earn an acceptable income they will either pack up and leave Canada or else increase volume. Patients, packed into crowded waiting rooms, will be shot through doctors' offices like autos through a car-wash.

Further down the road, bankruptcy threatens all of Canada's provincial health programs as medical costs inexorably rise. Yet the politicians, who continue to per-

petrate the fraud of "free health care," will be no more likely to prescribe the bitter medicine of realistic health premiums than they have been to allow economically sound rents.

So, don't blame doctors for our current aches and pains. They are right to protest and strike. Imagine the response if the government told auto workers that they could not earn over \$6.50 an hour, or told lawyers — from whose ranks come most of our politicians — that they could only charge legal-aid fees. Of course, it's easy and politically safe to pick on landlords and doctors.

But why stop there. If medicine and housing are so vital that their prices must be fixed, then what about food and drugs? Let's replace Loblaw's and Boots by the Ontario Food Control Board and the Ontario Drug Control Board. Surely Premier Peterson and the NDP can do better at pricing beans, catalloupes or diapers than the free market. Let's also fix accountants' fees and, to be fair, executive salaries.

Don't laugh. Out of every dollar spent in Canada, our ever-growing governments spend 55¢. We have government price fixing of oil, dairy products, wheat and other foods, some drugs, liquor, medical services, mail, communications and transport.

Canada's magnificent postal system, the envy of the civilized world, is testimony to how efficiently government runs our "services." Thank our politicians for taking us a giant step closer to socialism. Doctors are the latest but not the last victims. At this rate of progress, we could end up in another decade much like those enviably booming economies, Poland and Romania.