Inflation hindering free development of love

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I have noted with much apprehension the recent rise in
the charge per couple for the parties. Post-game parties
which used to cost $3.50 per couple now run $4.

If a boy buys a bottle of liquor for about $4 (rotgut), he
will spend $8 for 2 1/2 hours of dancing. Girls have always
been expensive, but now the nationwide inflation is hindering
the free development of love!

In all seriousness, few students can afford such prices.
What, however, can be done?

The social chairmen claim that
it is impossible to charge any
less. The Baker-Will Rice party
of the UCLA weekend lost $100,
even though the charge was
$4 per couple.

Economic Theory

The fixed cost of a party is
the cost of the band. This year
the price of a fair band is
around $200, up around $50
from last year. The other major
cost is that of the dance hall.
At the recent Baker-Will Rice
dance the room cost $1.75 per
time person (a minimum number
of people are guaranteed).
For the sake of argument,
assume that this charge is
typical. Then the gross cost
will be 200 plus 1.75P, where P
is the number of people who
attend. The revenue of the
party is the charge per person
times the number of people
attending.

If the desire is to have the
net cost equal zero (break
even), the revenue must equal
the gross cost:
P = 200 + 1.75P
2P = 200 + 1.75P
P = 200 / 0.75
P = $266.67

In other words, if 400 people
were to come to a party (a
rather large turnout), each
couple should pay $4.50. At the
present charge of $4 per
couple, 800 people would have
to come to the dance. THAT
would be quite a turnout!

Gross Cost

There are two ways in which
the cost of the parties to the
individual student can be re-
duced. The first way is for the
colleges to continue to subsid-
ize the parties. Of course, this
method reduces the amount of
money available for the more
popular college parties.

Also, subsidizing a party is
nothing more than having the
majority of students help pay
for the parties attended by
others.

A second solution would be
to reduce the gross cost of the
parties. Since the price of the
bands is a fixed cost, the gross
Cost only can be reduced by
cutting the amount spent on the
dance rooms. The places cost
about the same.

The only way the cost can be
reduced substantially would be
to hold the parties on cam-
pus. In this manner the cost of
the parties could be reduced to
as low as $1 per couple (for 400
people attending).

Liquor on Campus

Such a solution offers sev-
eral advantages. First, a great-
er number of people could come
to the parties because of the
lower costs. Second, the parties
would not need to be subsidized.
The people attending would pay
for their own party.

Third, the location of the
party would enable people with-
out cars to attend the parties.

There is, of course, one prob-
lem that would arise. Would
there be any liquor allowed at
the parties on campus? Under
the present rules the answer to
this question would be in the
negative. (The one exception
to this rule is the President's
Christmas Party.)

This situation is rather un-
fortunate because without liq-
uor privileges at these parties
it is highly unlikely that they
will be moved on campus. The
present situation of high prices
and subsidies will remain.

Inflation

The problem facing the social
chairmen should be obvious.
Prices are rising, and the stu-
dent's pocketbooks remain the
same size. There is a solution
—the one I have suggested
here. However, to work out
such a plan will take lengthy
discussions with the adminis-
tration in order to work out a
compromise on the liquor prob-
lem.

Perhaps the leadership for
such negotiations should come
from the Councilman-at-Large.
Or, if not, the colleges need to
take a united front on the is-
ue. At any rate, I feel that
the problem of high costs at
the parties must be examined
and a solution must be found.