

The Impacts of Price

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The L.A. Times has a story this morning about the difficulties that small businesses are already seeing with the increased price of gas. Because there are a lot of fuel costs that are a part of running florists, pizza delivery service and lawn care services the article points to the hard impact on businesses that are still trying to absorb the costs of the gas price increase and dealing with the great difficulty in passing these costs on to customers.

On the other side of the country The Washington Post is pointing to the increasing habit through which commuters adjust their travel path so that it intersects a coffee shop. As they point out, this is making it more difficult to plan traffic layouts, and predict traffic flow patterns.

The two stories, while at present relatively unrelated, since they deal with different sectors of the economy, may ultimately converge, as the price of gas continues to stay high, or move higher, and in the search to find that additional \$50 or \$70 a week for the gas bill, commuters reluctantly drop the morning coffee.

I was trying to see, while in the UK, how folk were coping with a cost of living that now seems much higher than ours. Relative to the cost of living when I left (I could survive on \$25 a week), the steady increase in house prices , and other necessities seem to have risen to incredible levels. Since , in many jobs, wages are still less than over here, you wonder how the everyday person can cope.

When I was young a lot of our entertainment in the evening centered around the pub, and it was often a struggle to get, through the crowd, to the bar for another round, even when relatively sober. I was in a fair number of pubs over the last week. Business was relatively good it seemed at all of them, yet looking back, mainly it was folk having a meal rather than just a drink. I could lean against a bar, and even have the occasional word with the barman. There weren't the crowded bars of even a few years ago and the age group, in general, was a lot older that it used to be. Now it could just be that I no longer care to go to the sort of pub that students and young families attend, but if, as it seemed, the British are cutting back on their long love affair with beer, how much longer will the similar American love for coffee stand undamaged by the rising fuel costs?

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