



LSE public lecture

Scroogenomics: Why You Shouldn't Buy Presents for Christmas

Professor Joel Waldfogel

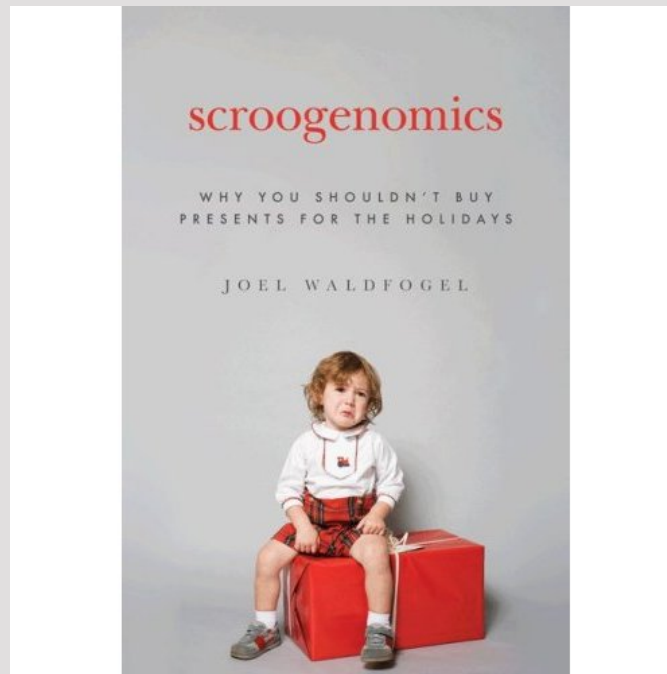
Chair of Business and Public Policy at the Wharton School, University of Pennsylvania

Martin Lewis

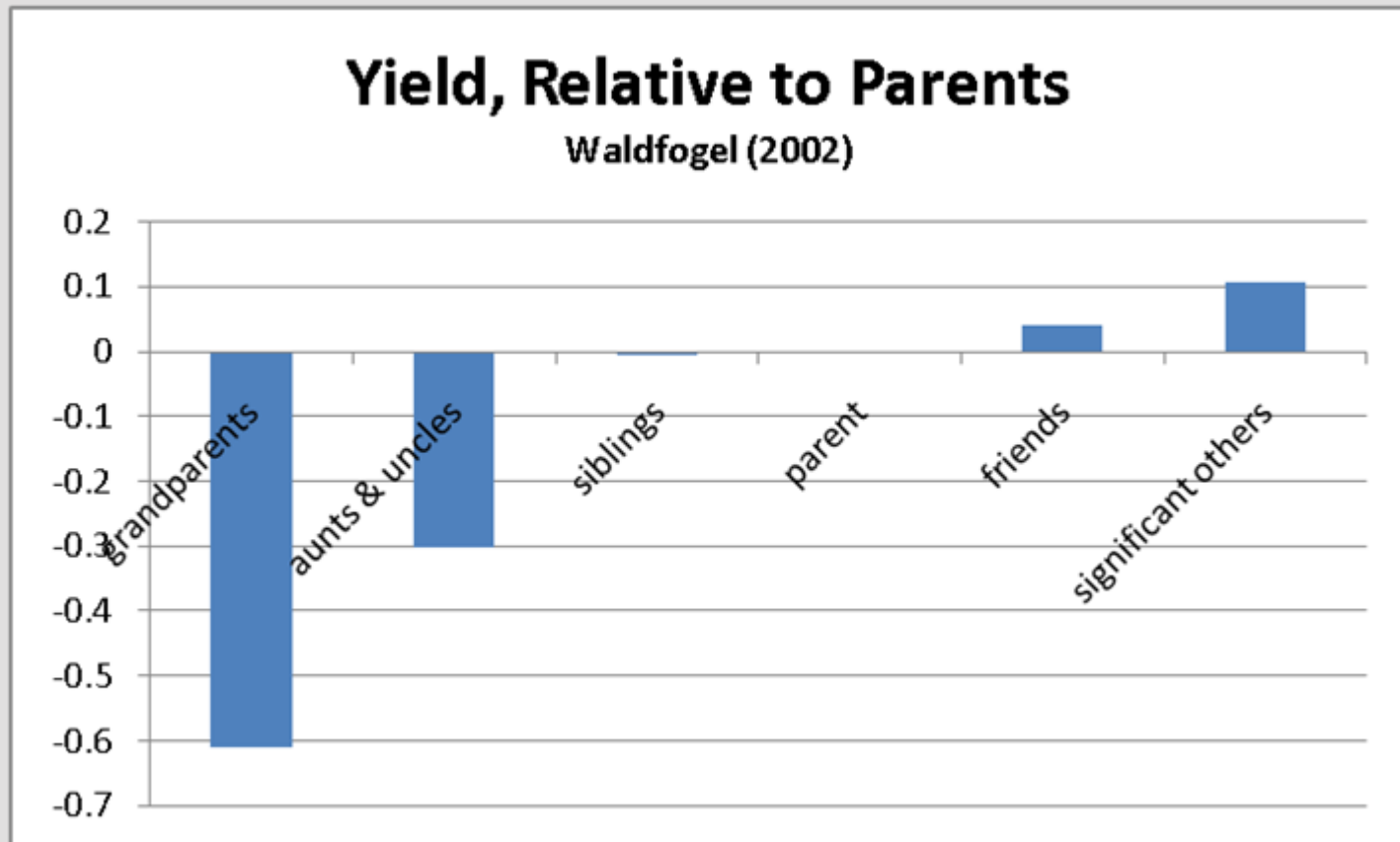
TV and radio presenter, Chair

scroogenomics:

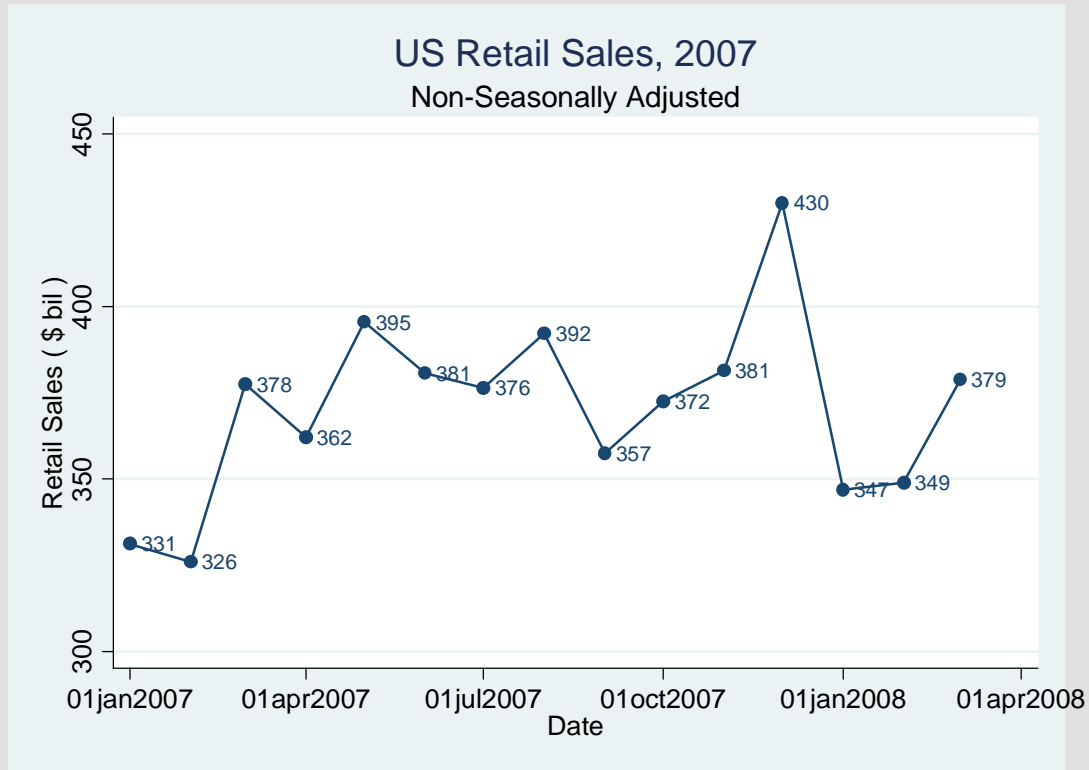
WHY YOU SHOULDN'T BUY PRESENTS FOR THE HOLIDAYS



yields among gifts

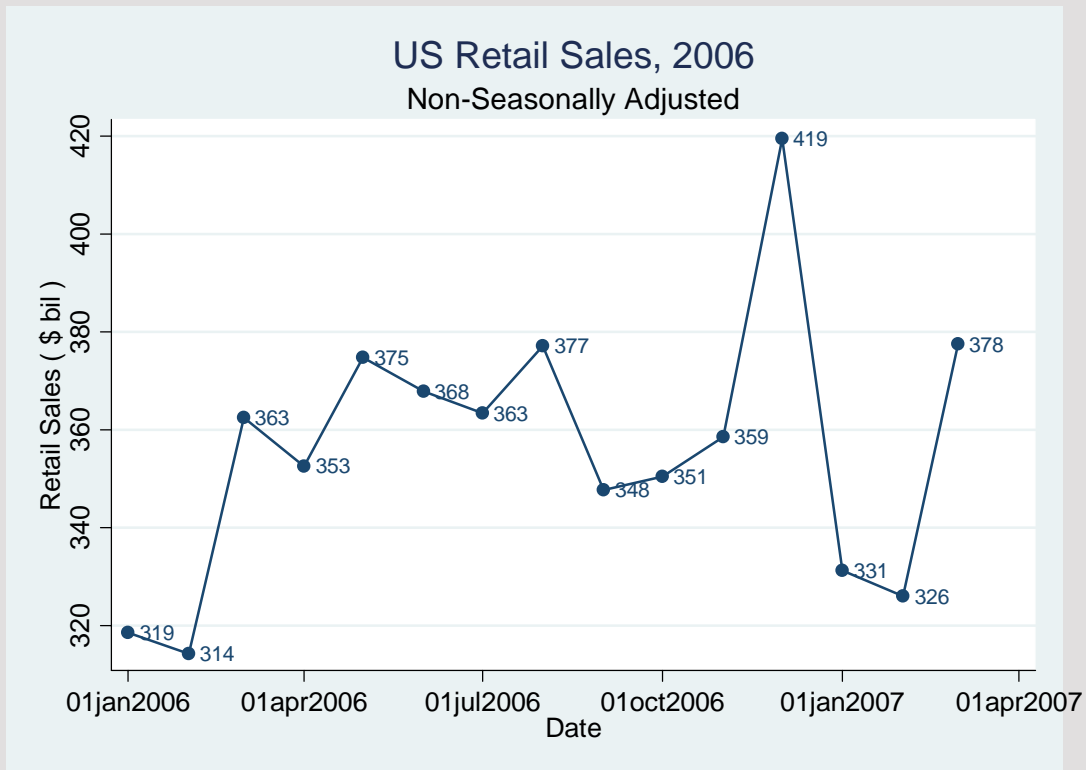


how much spending?

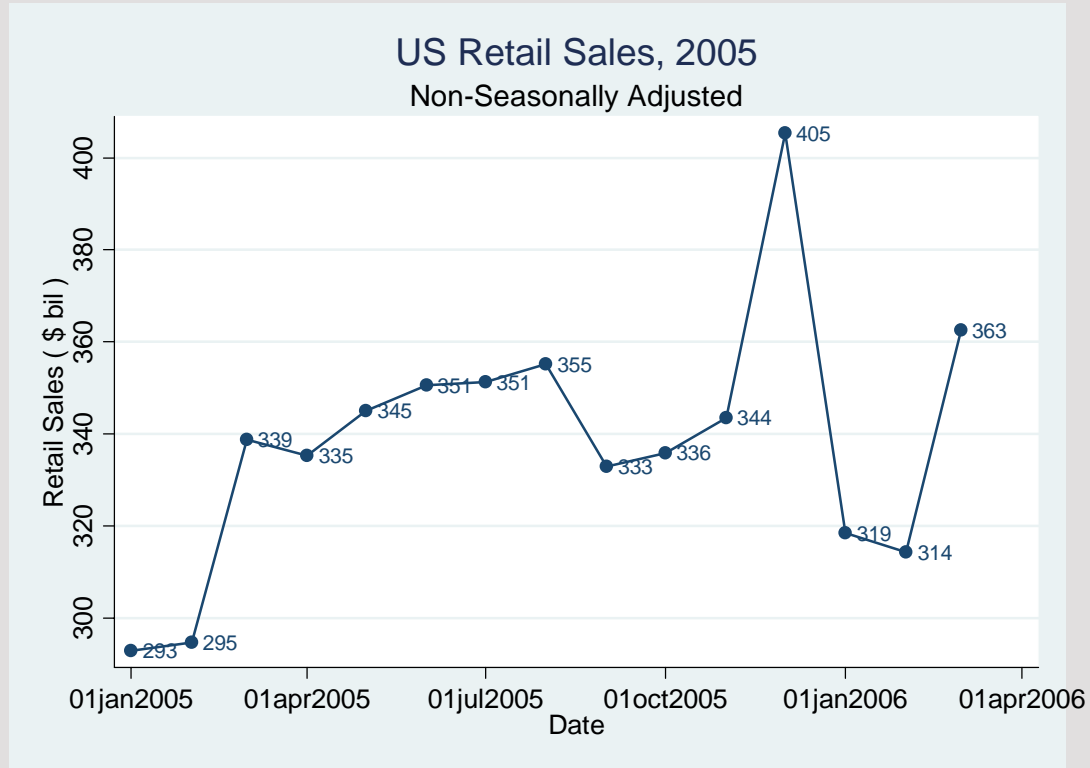


- Dec – $0.5(\text{Jan} + \text{Nov}) \approx \65 billion

ditto for 2006

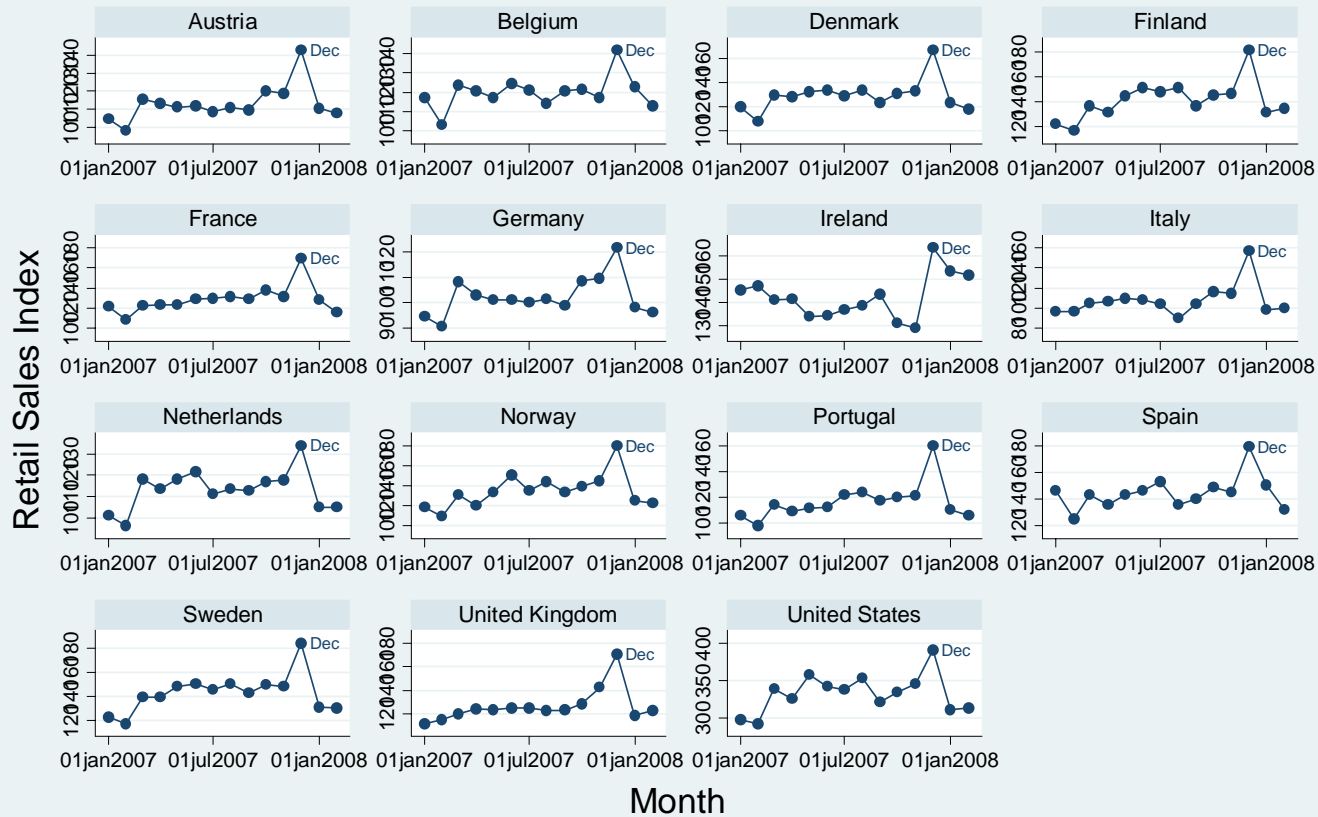


...and 2005



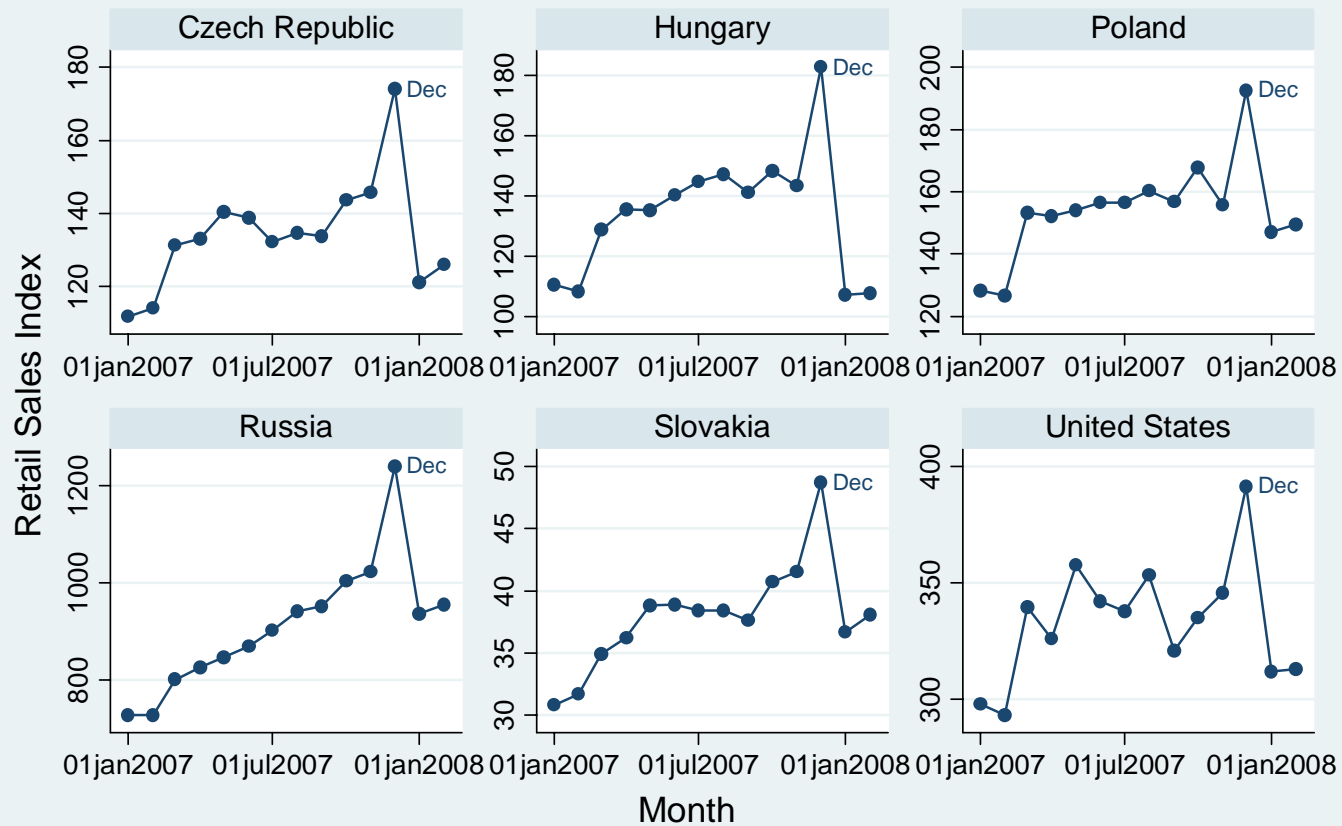
are we alone?

Western Europe and the US, 2007



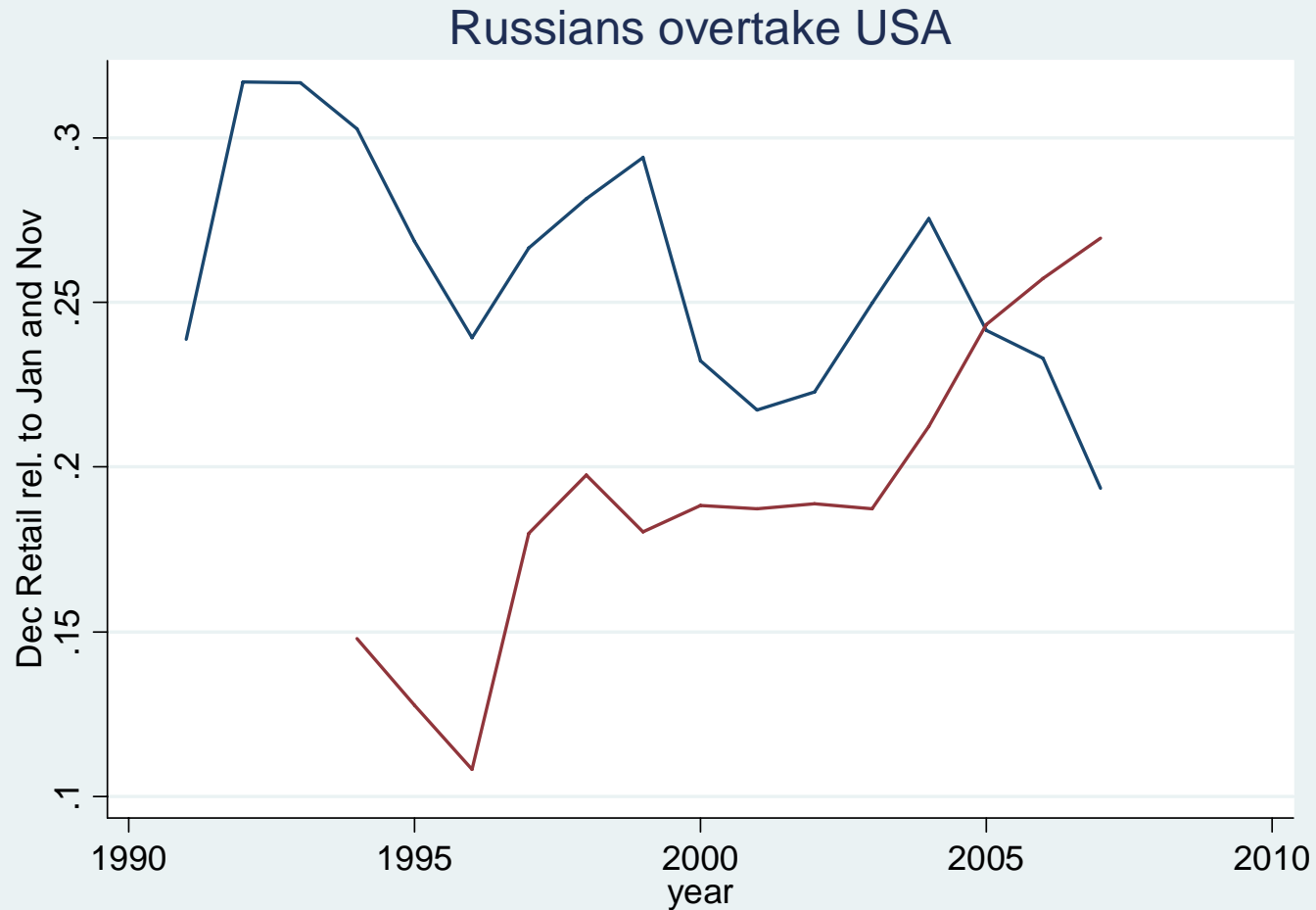
more company

Eastern Europe and the US, 2007



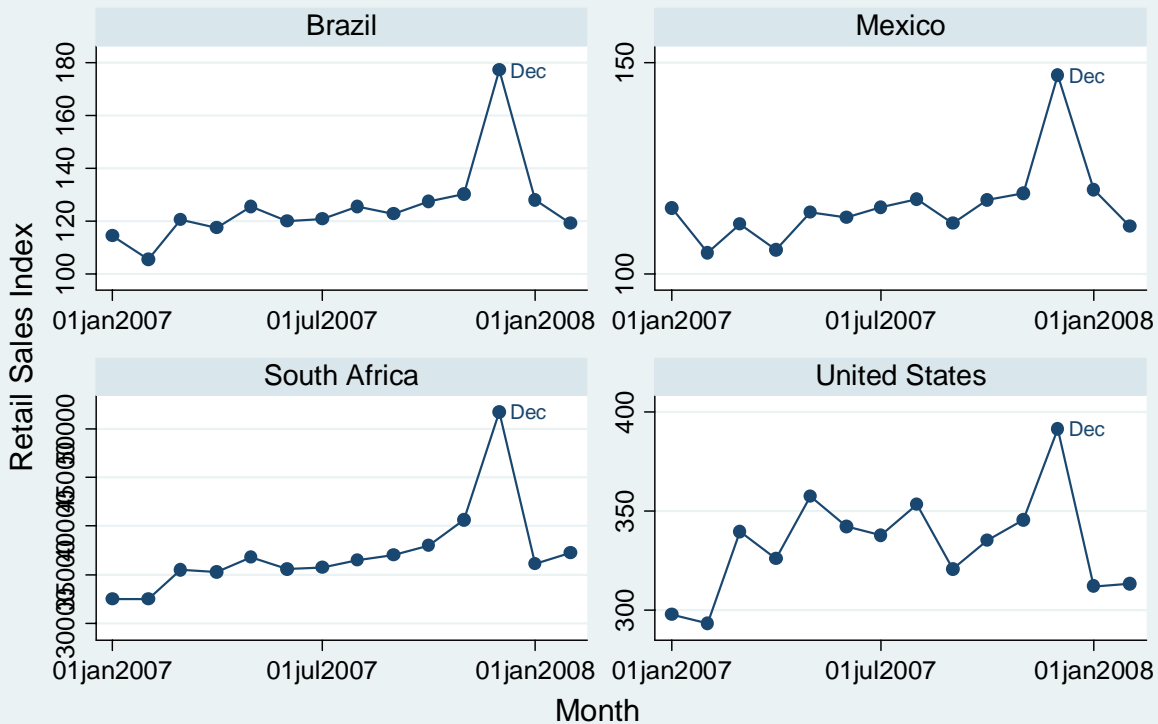
Graphs by icountry

santa claus gap?



and still more company

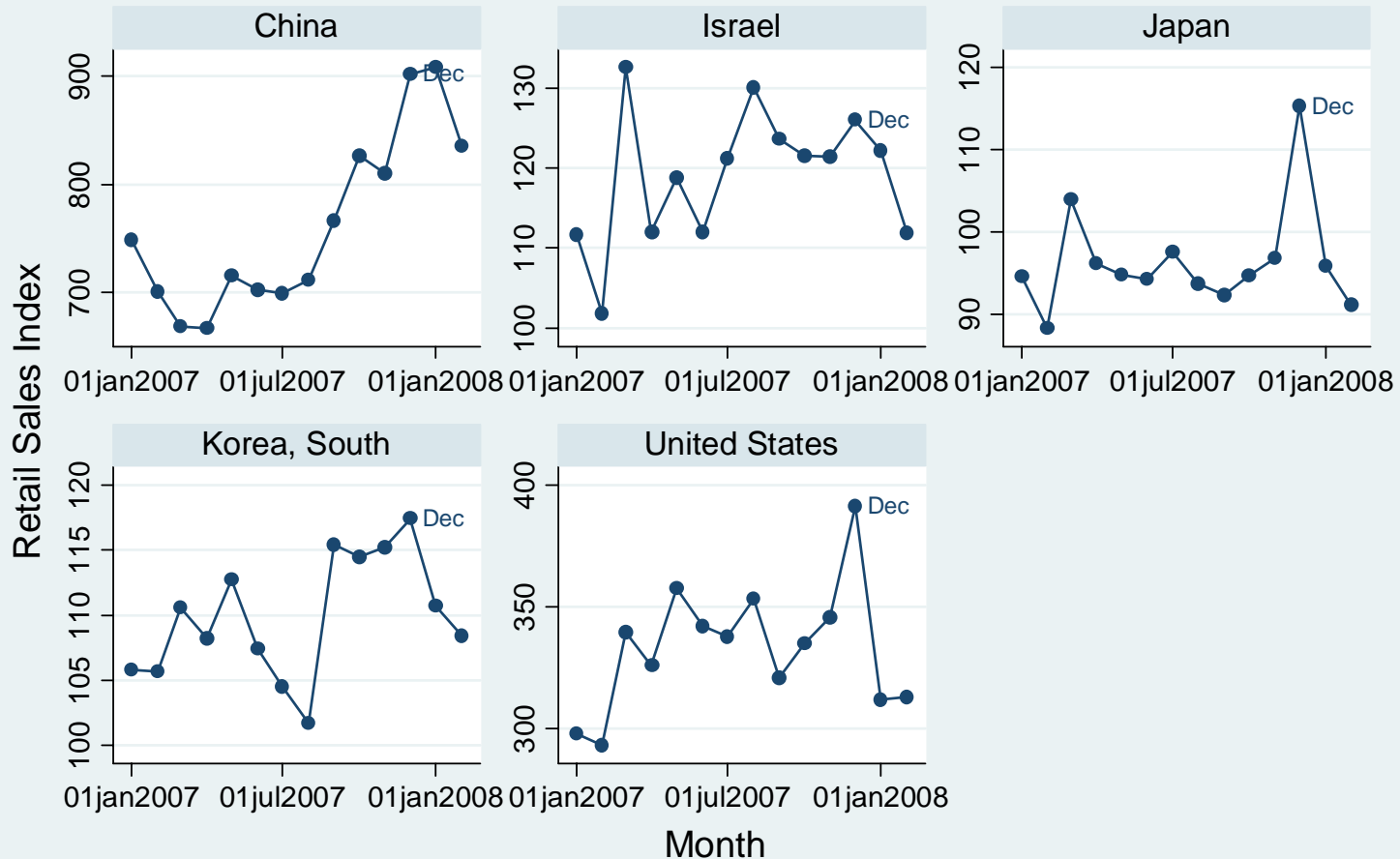
Mexico, Brazil, South Africa and the US, 2007



Graphs by icountry

China, Israel: no; Japan: yes

Asia, Israel, and the US, 2007



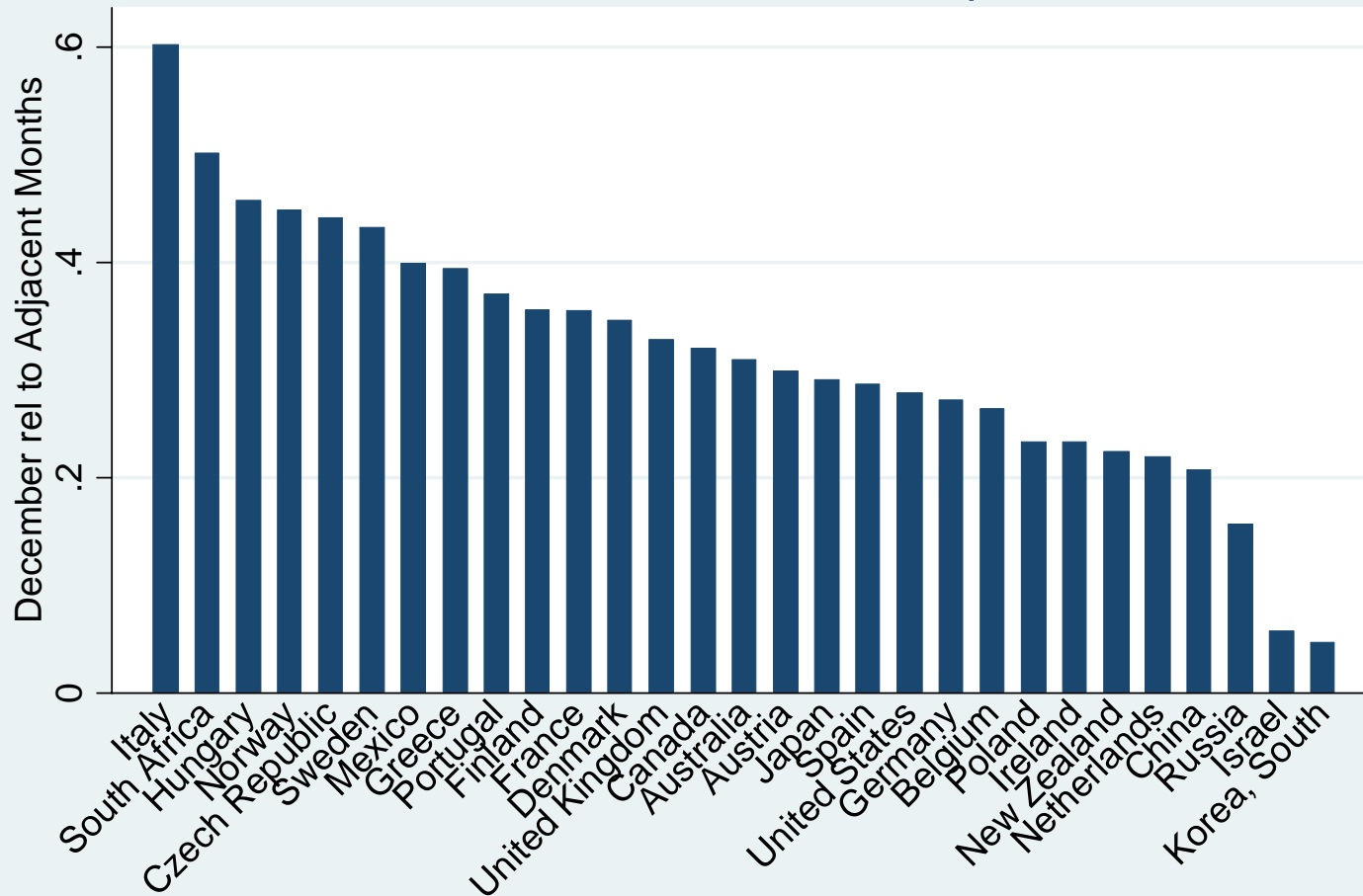
Graphs by icountry

december bump: 2000s



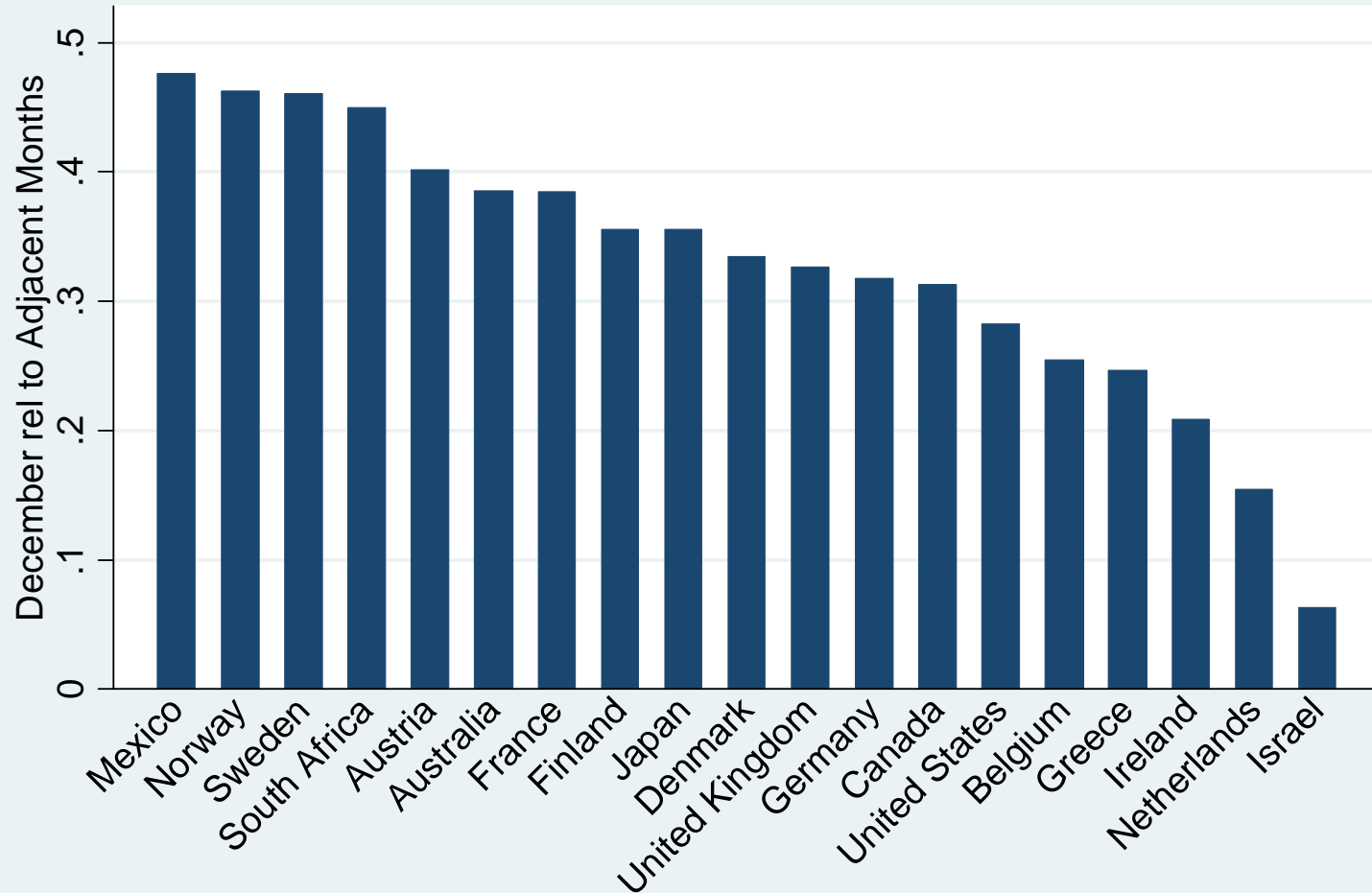
1990s

December Retail Sales Bump, 1990s



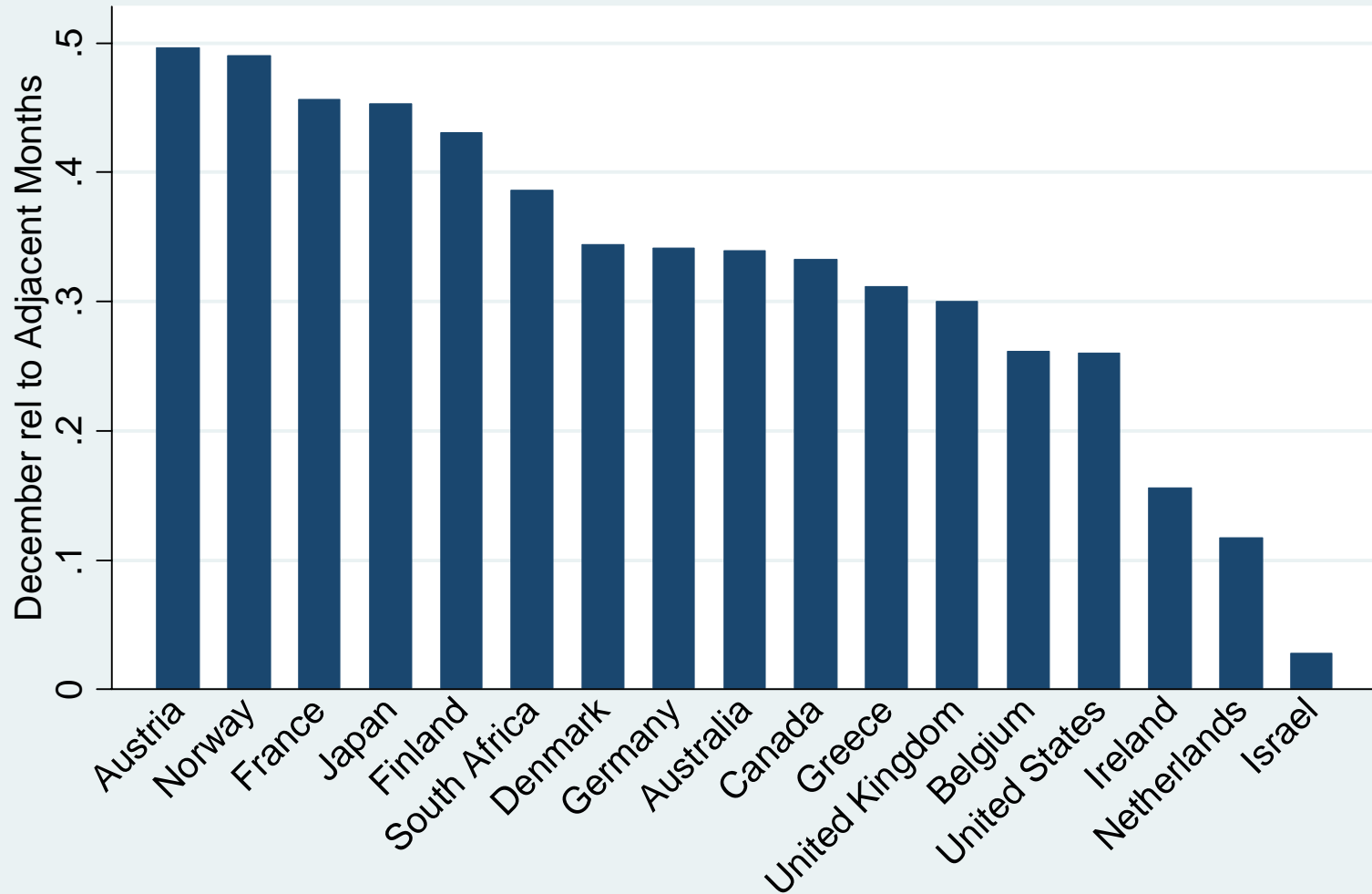
1980s

December Retail Sales Bump, 1980s



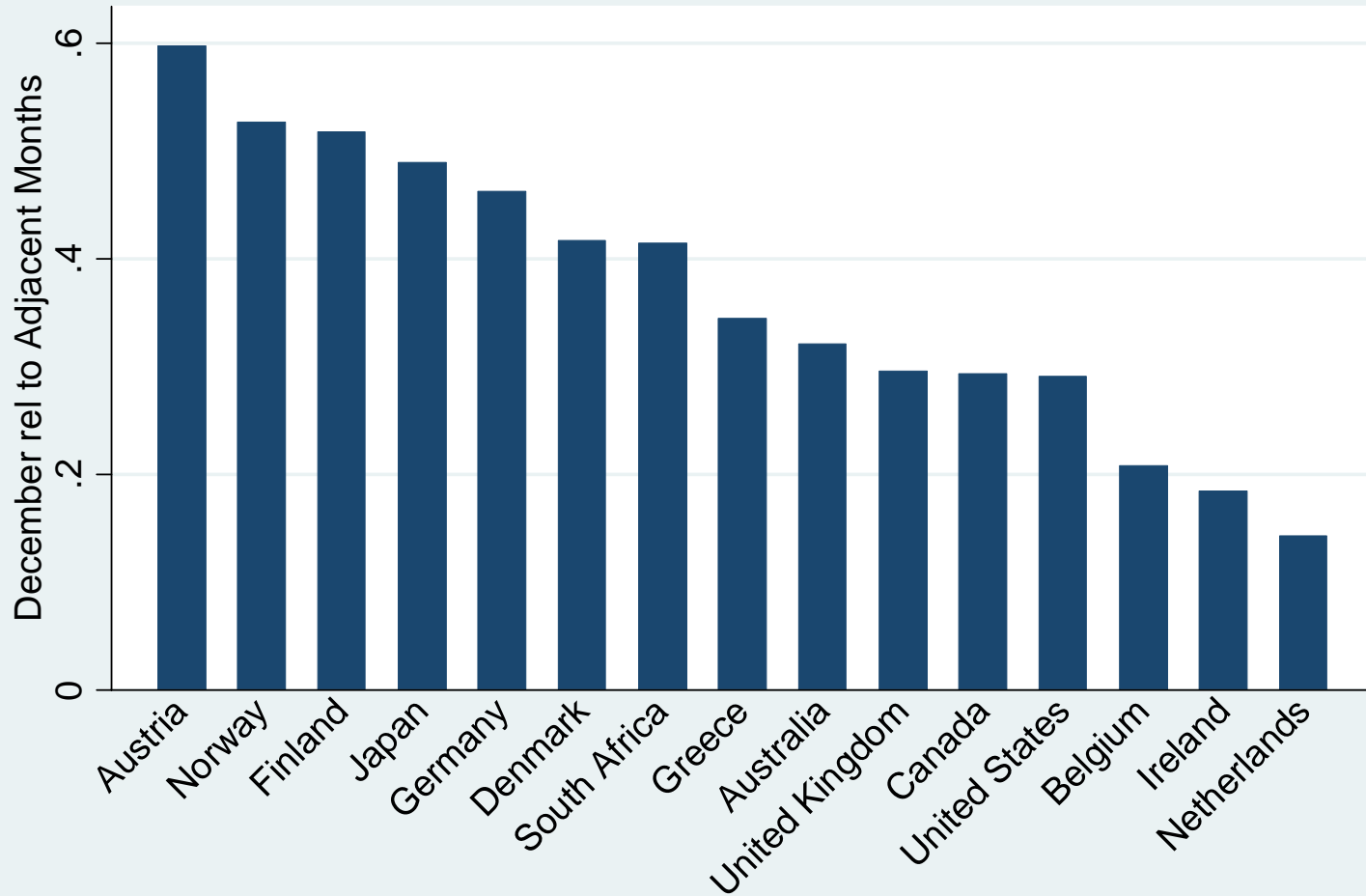
1970s

December Retail Sales Bump, 1970s

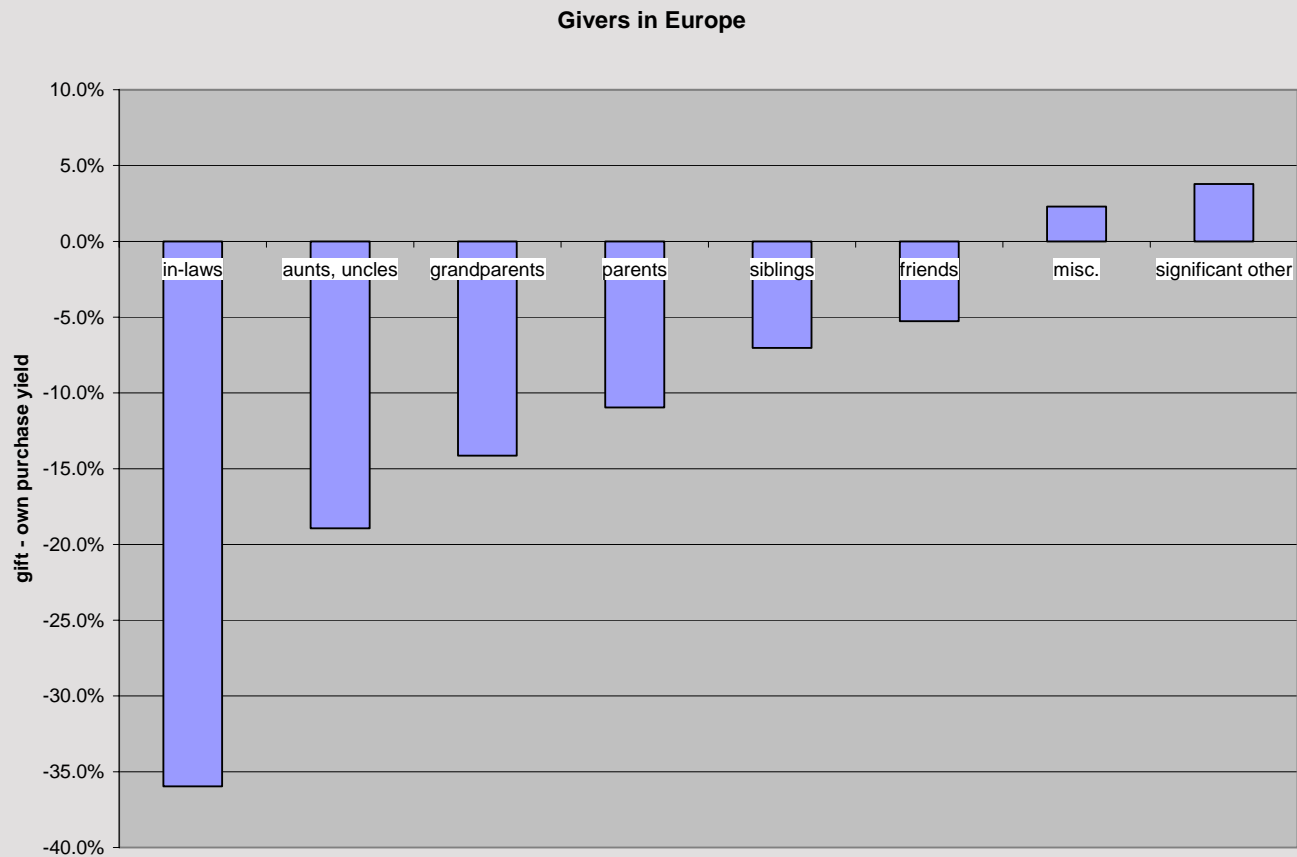


1960s

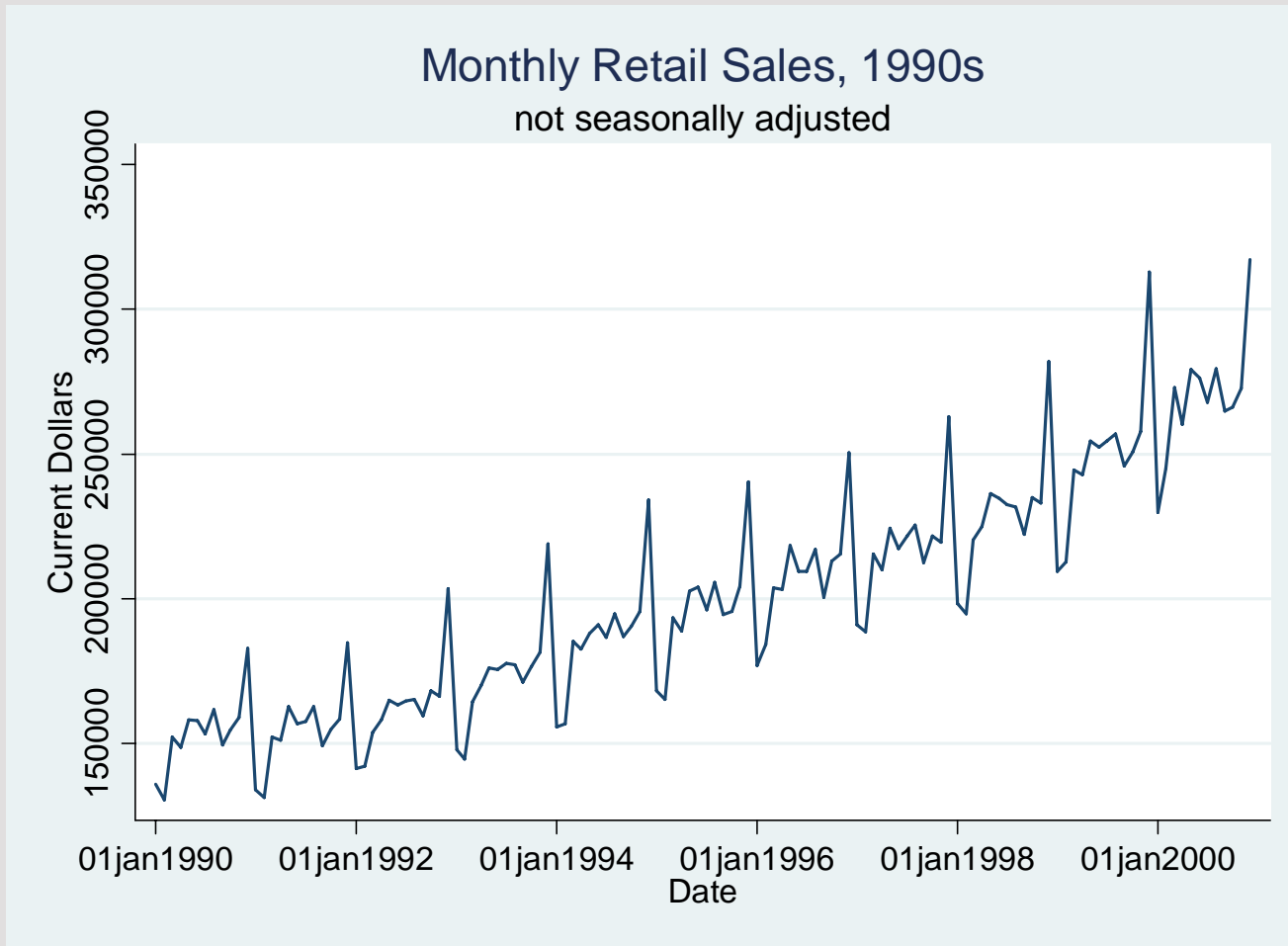
December Retail Sales Bump, 1960s



gift yields in europe

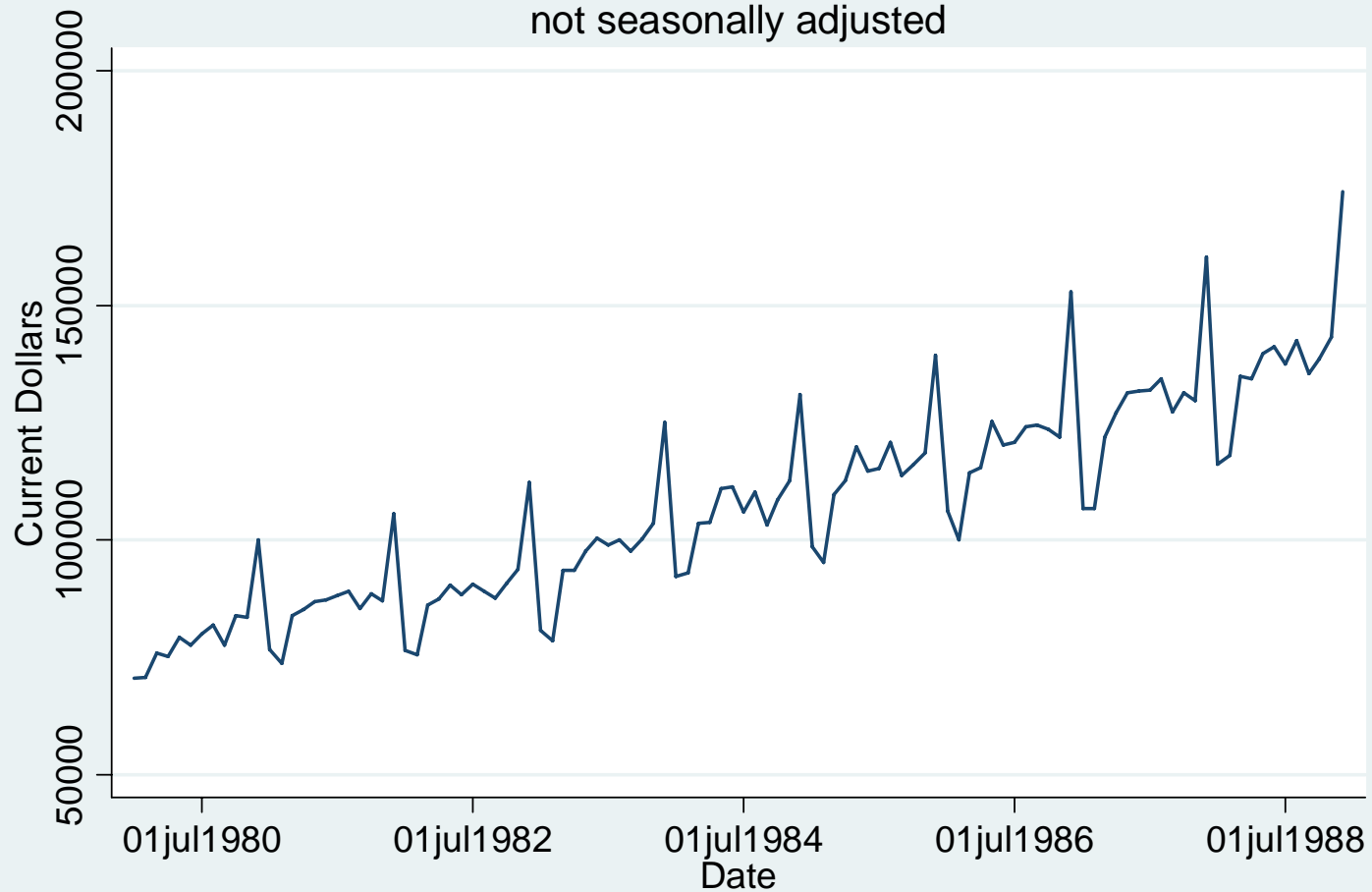


did our generation invent the vulgar commercialization of Xmas?



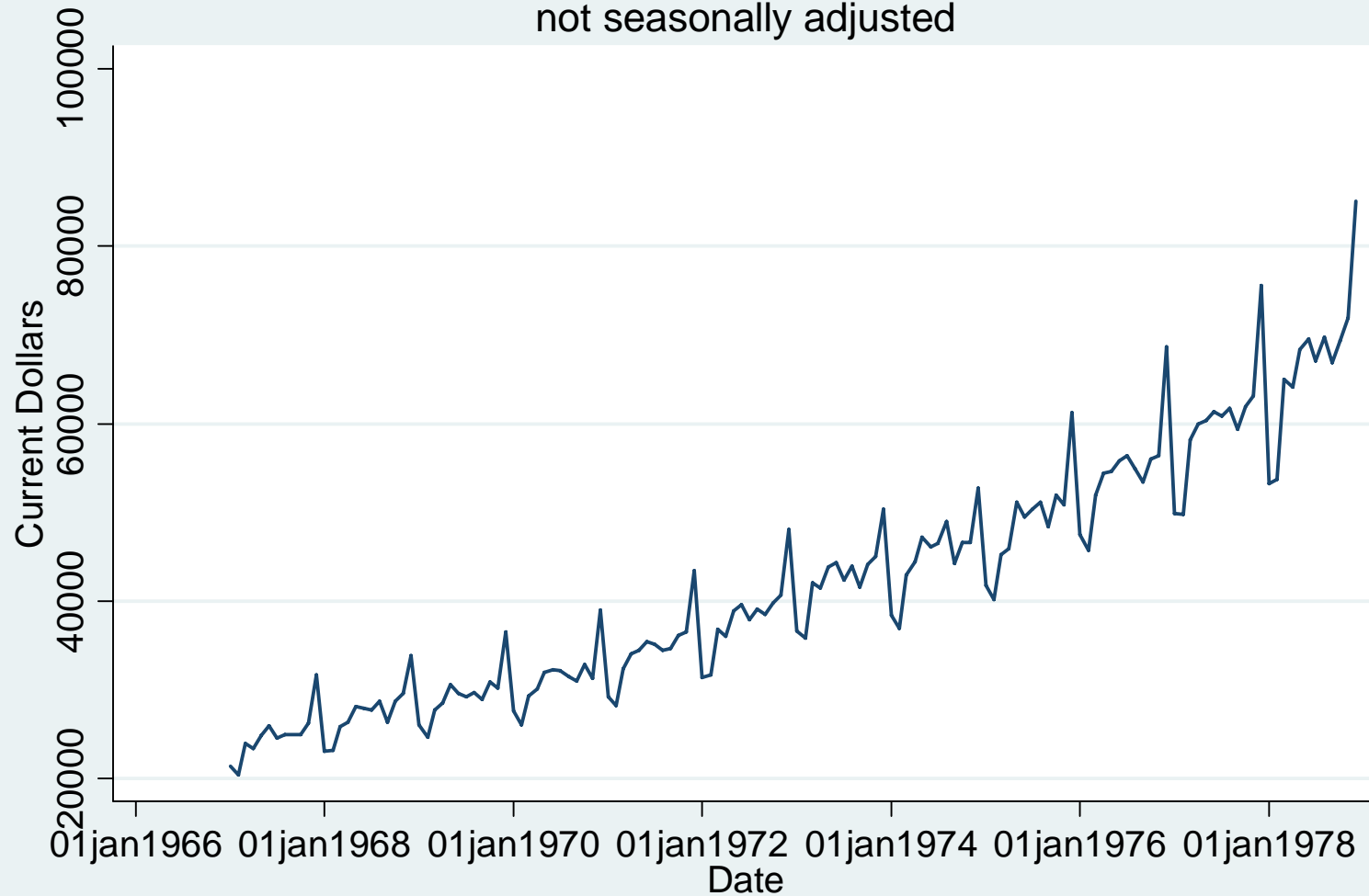
Monthly Retail Sales, 1980s

not seasonally adjusted

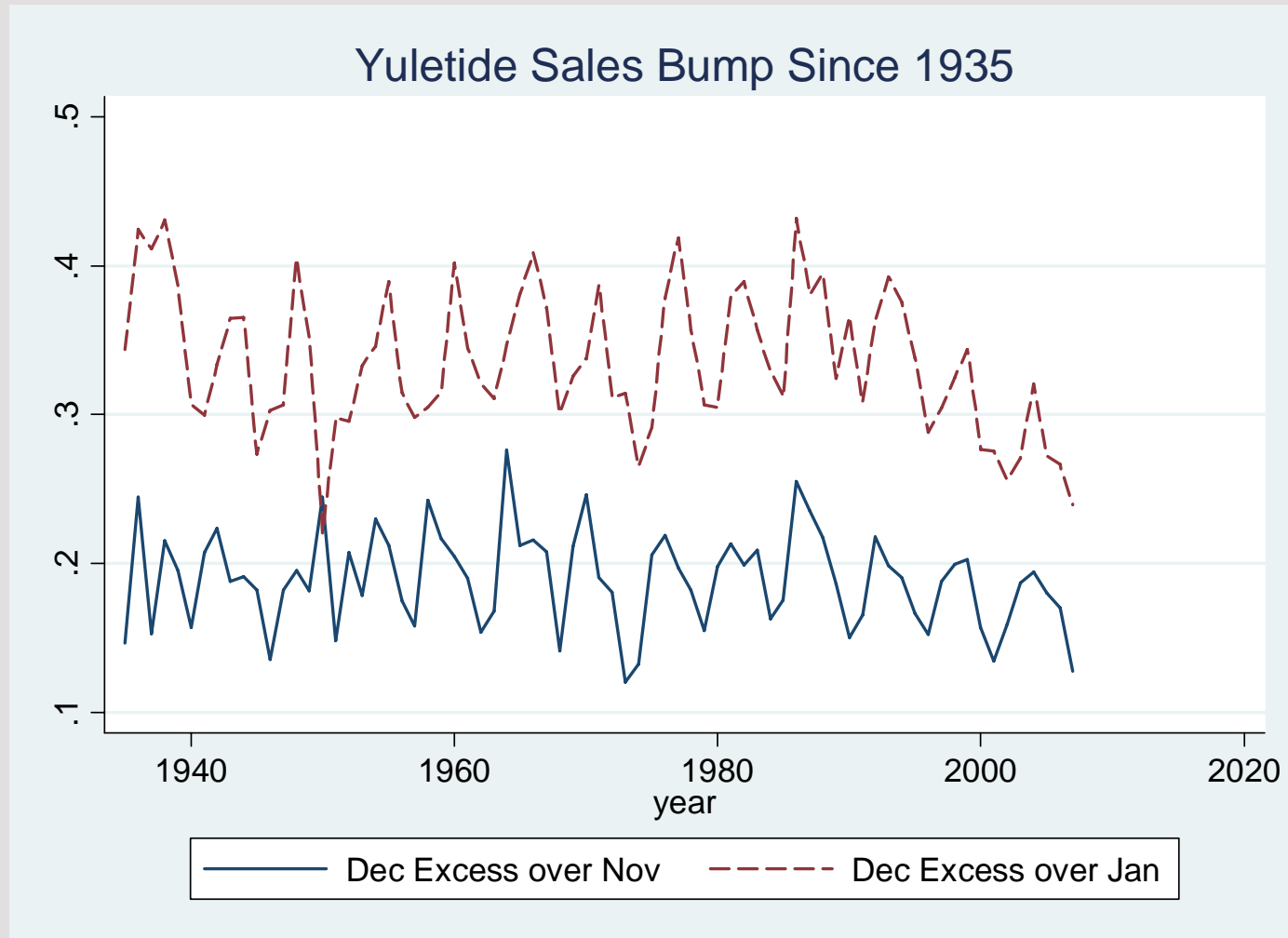


Monthly Retail Sales, 1970s

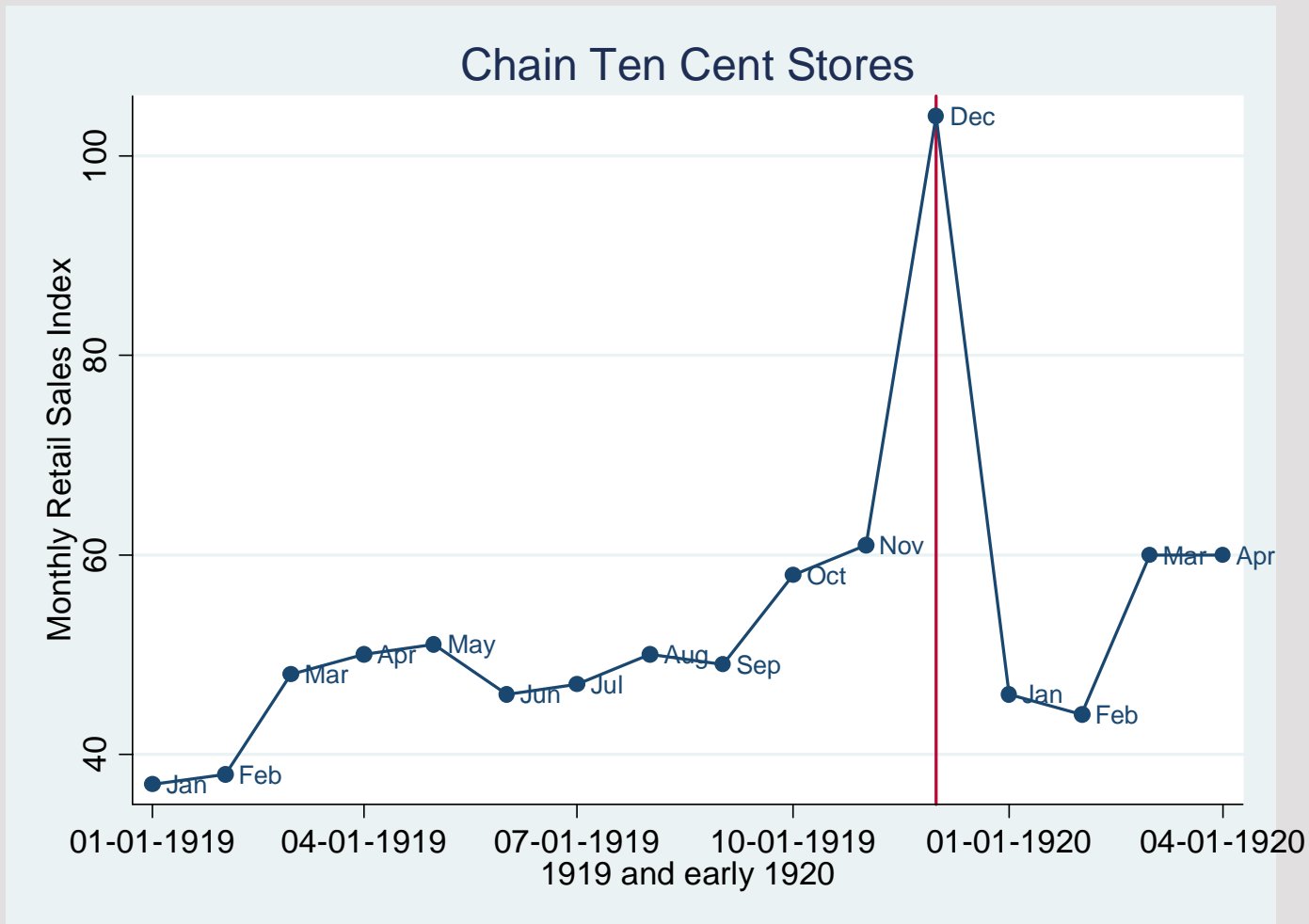
not seasonally adjusted



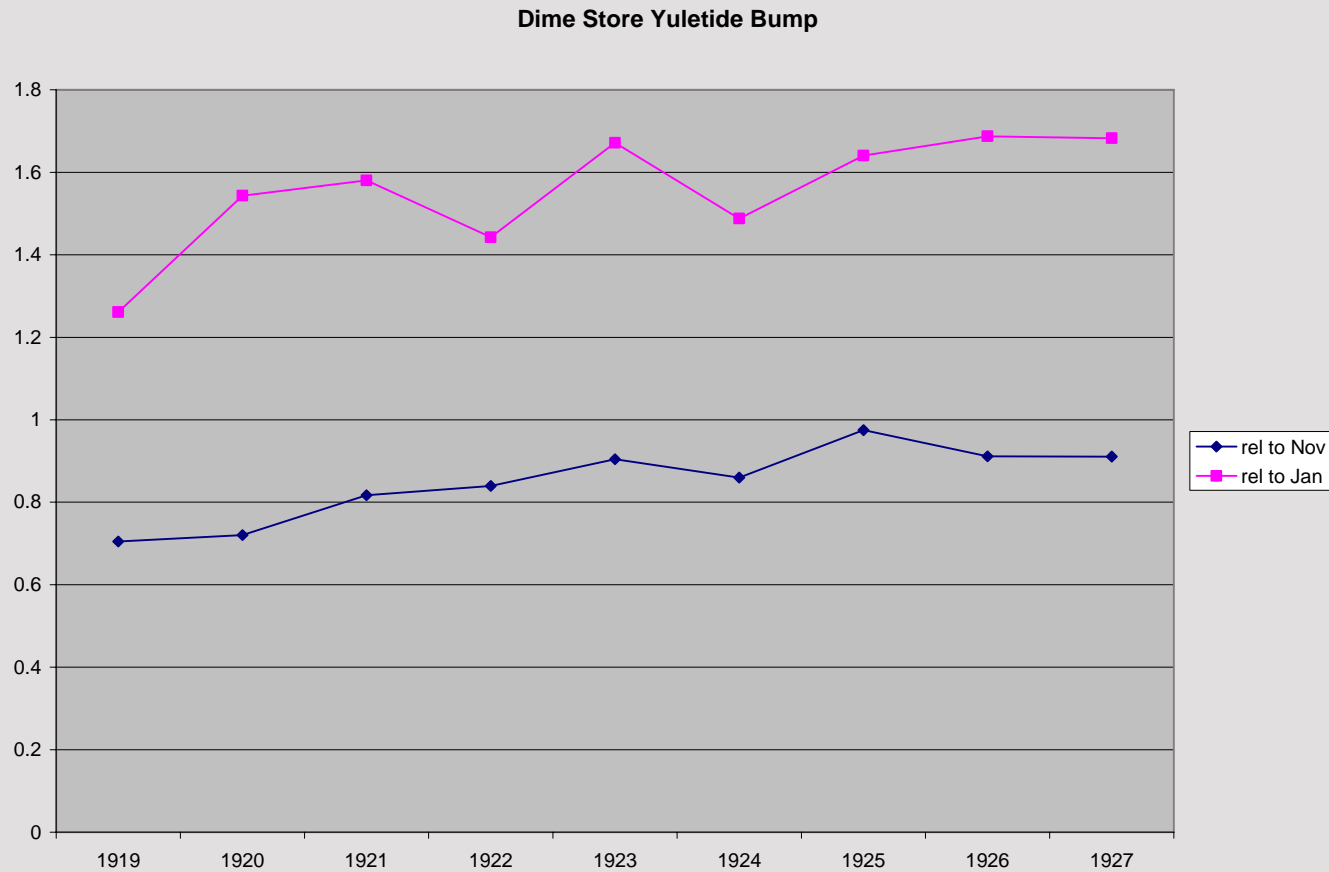
...and so on, back to the 1930s



even earlier: dime stores, 1919



dime store bump, 1920s

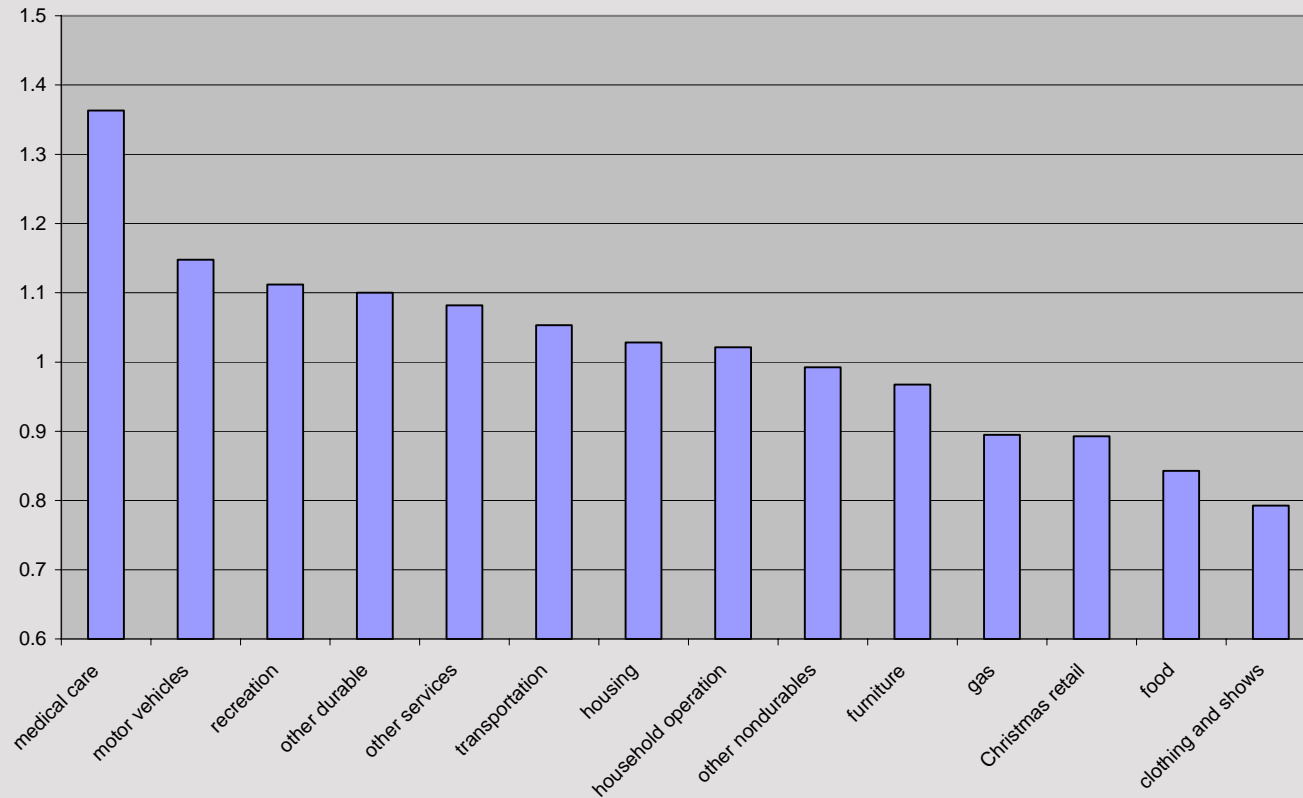


the shrinking xmas share

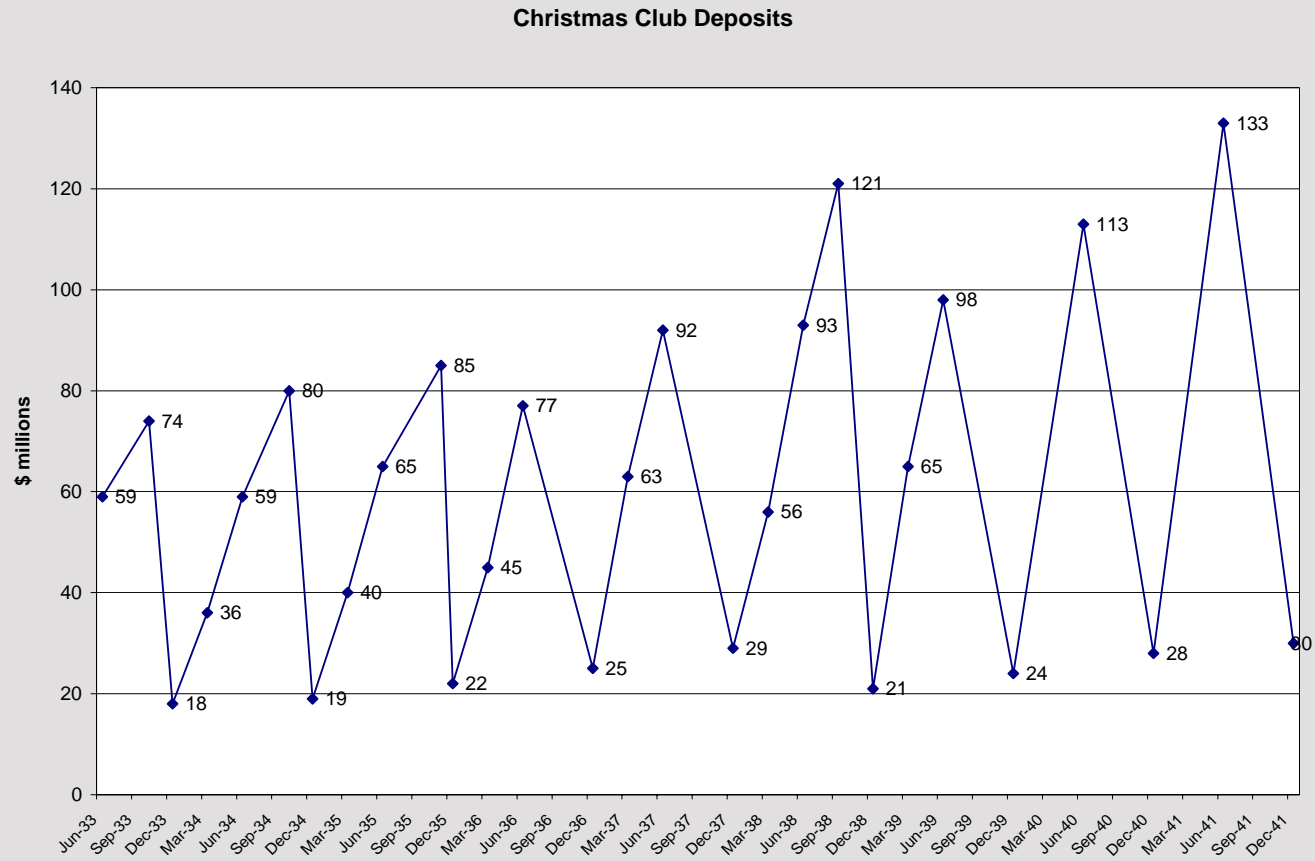


xmas is like...

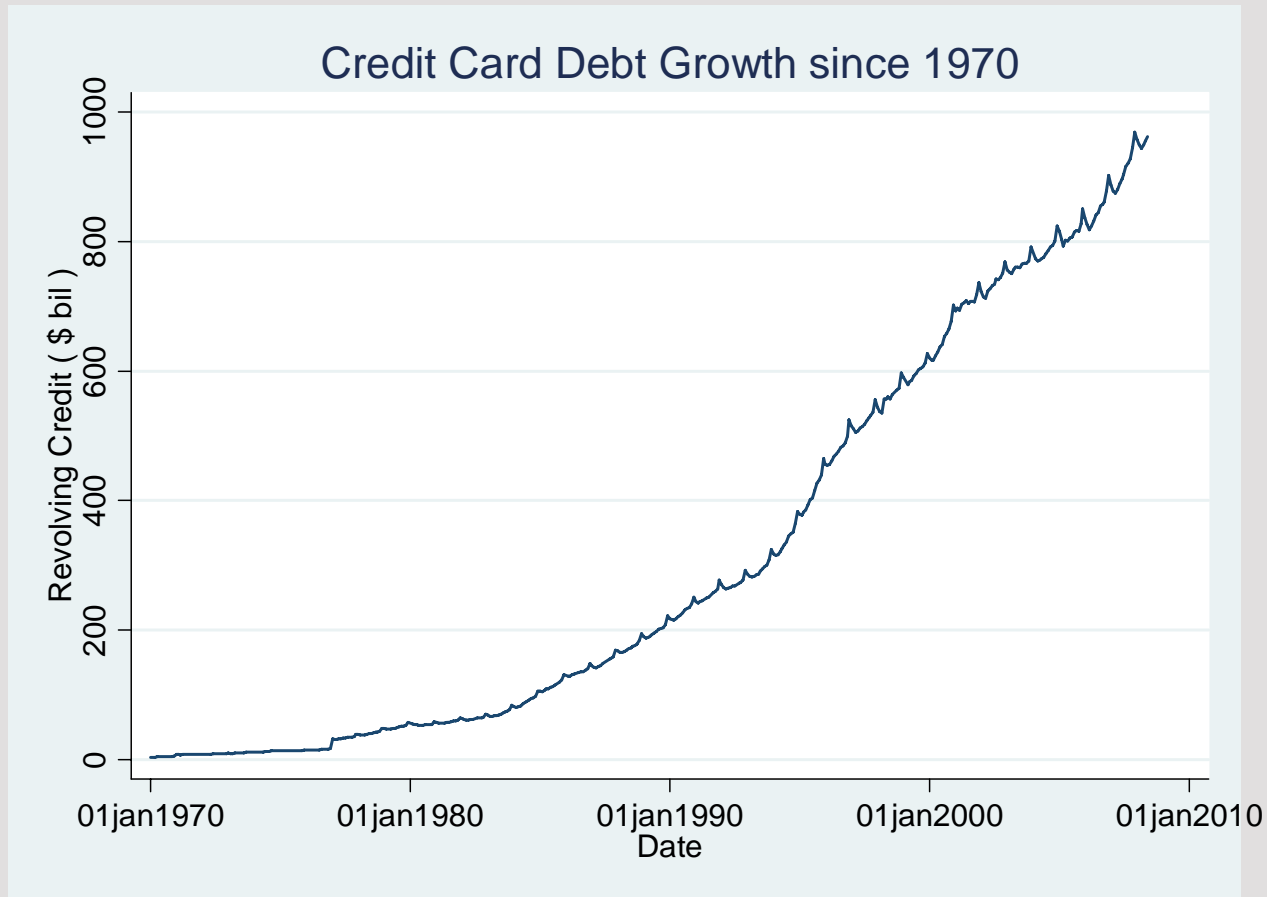
Luxuries, Necessities, and Christmas: Evidence over Time



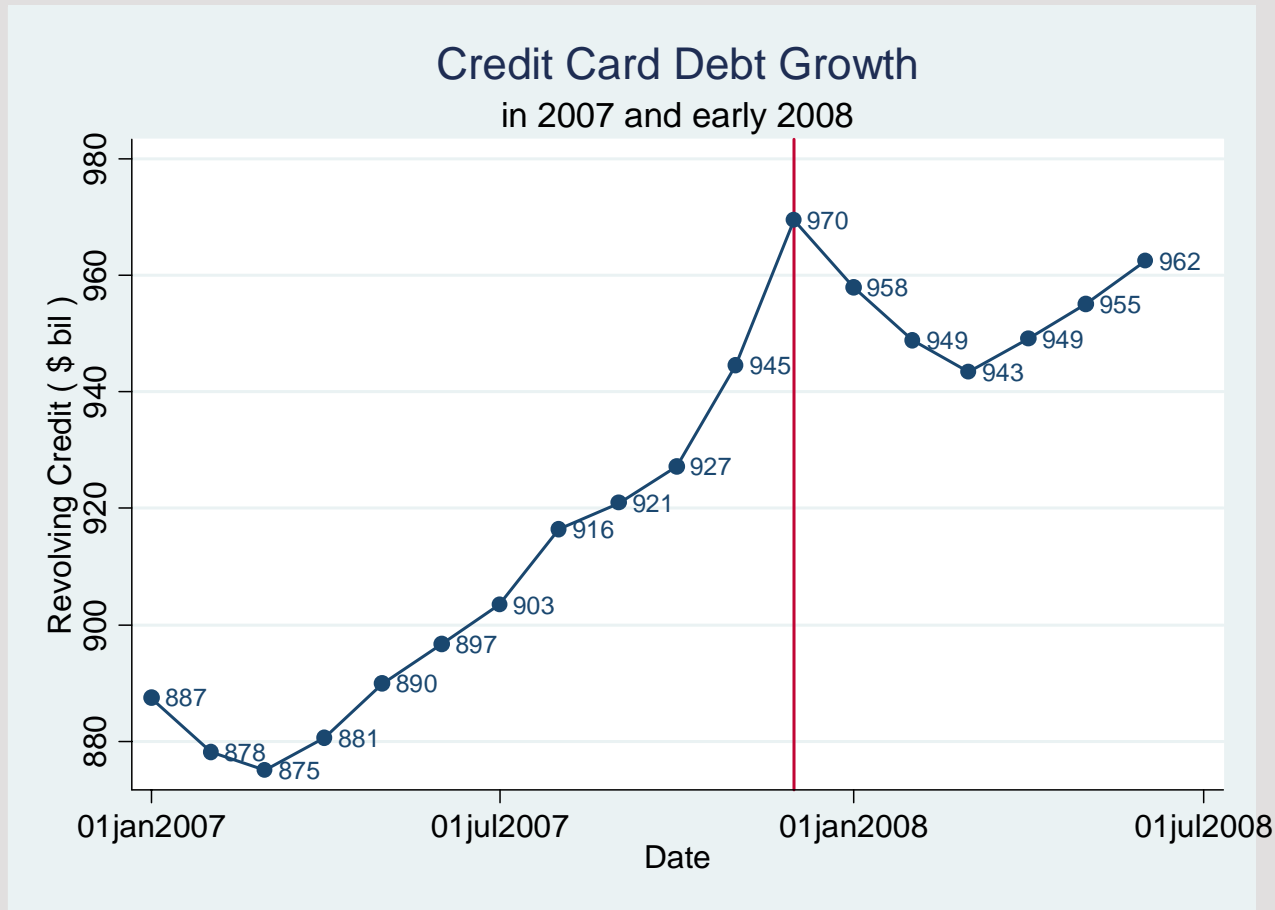
old-fashioned xmas finance



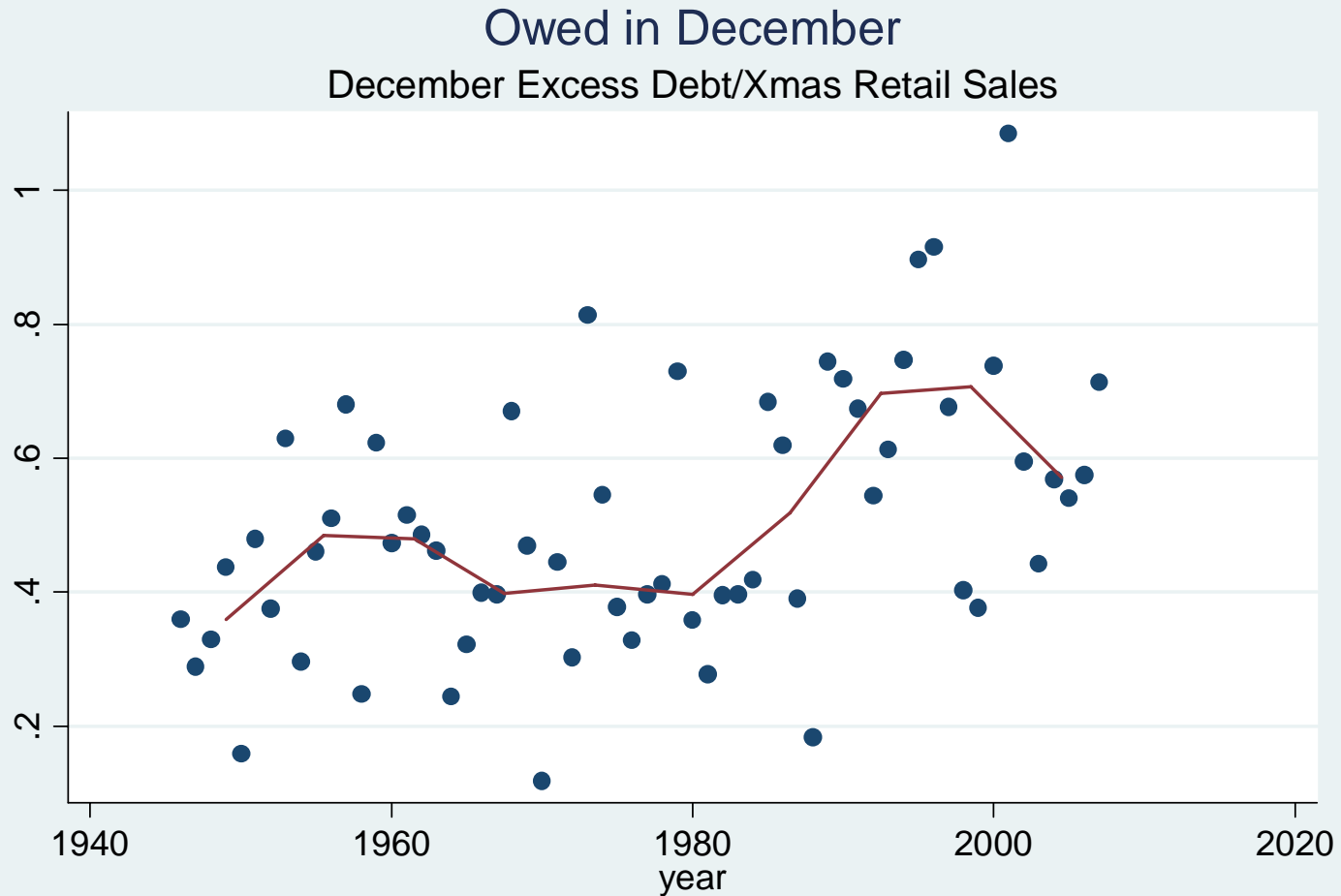
comes the credit card



spending and indebtedness

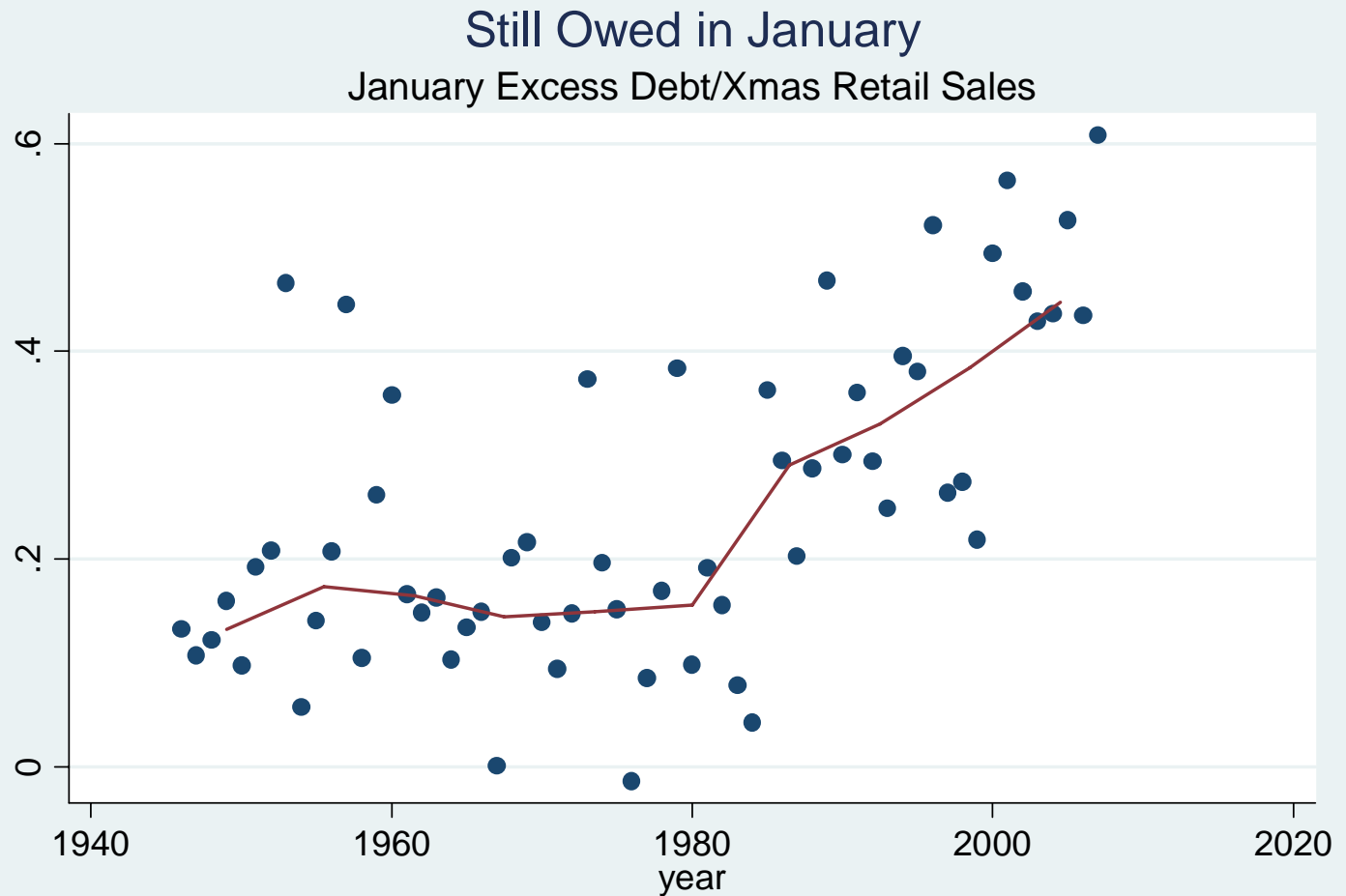


xmas plastic share



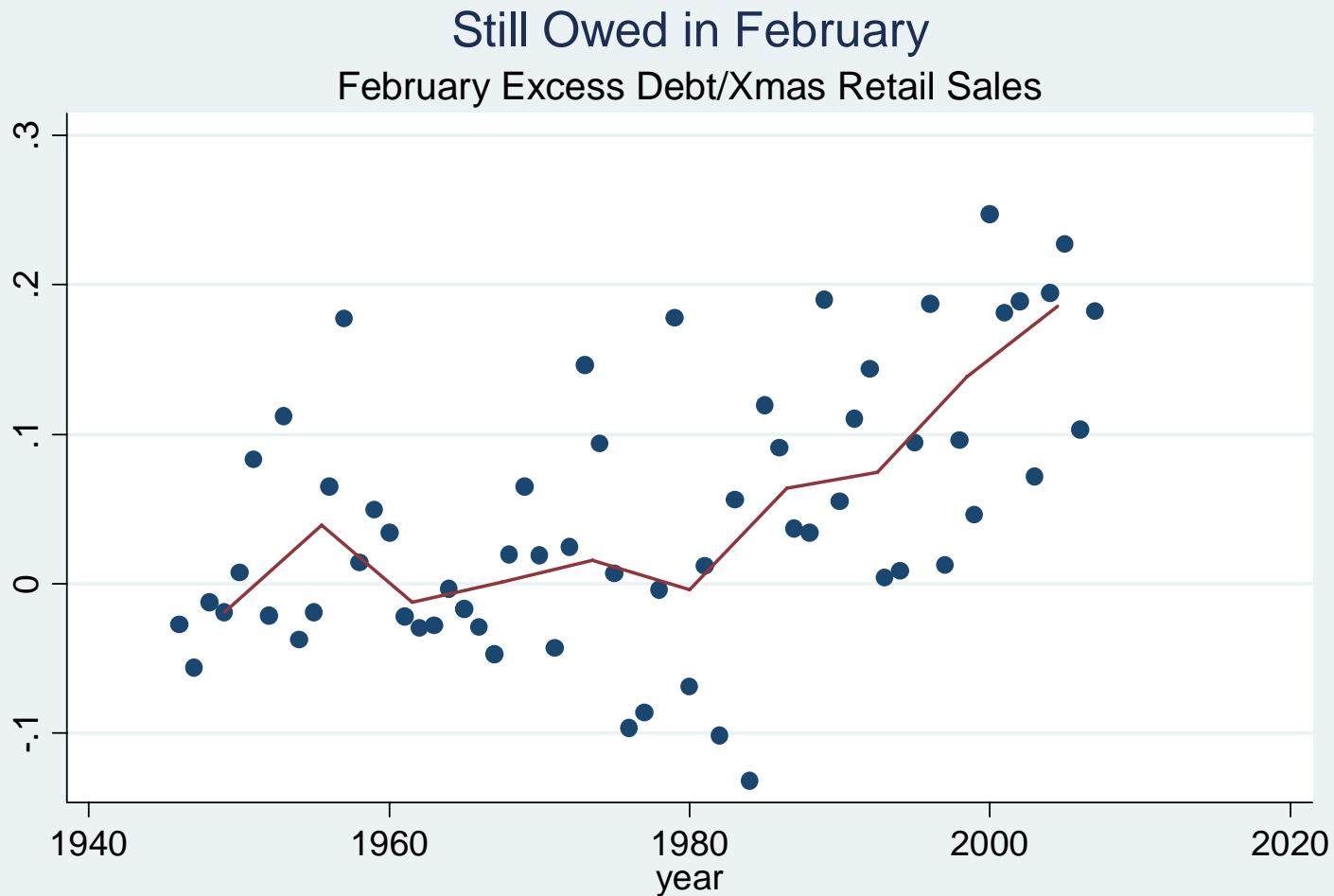
Debt excess (above linear trend between September and the following March) relative to December retail sales less October's.

still owed in Jan



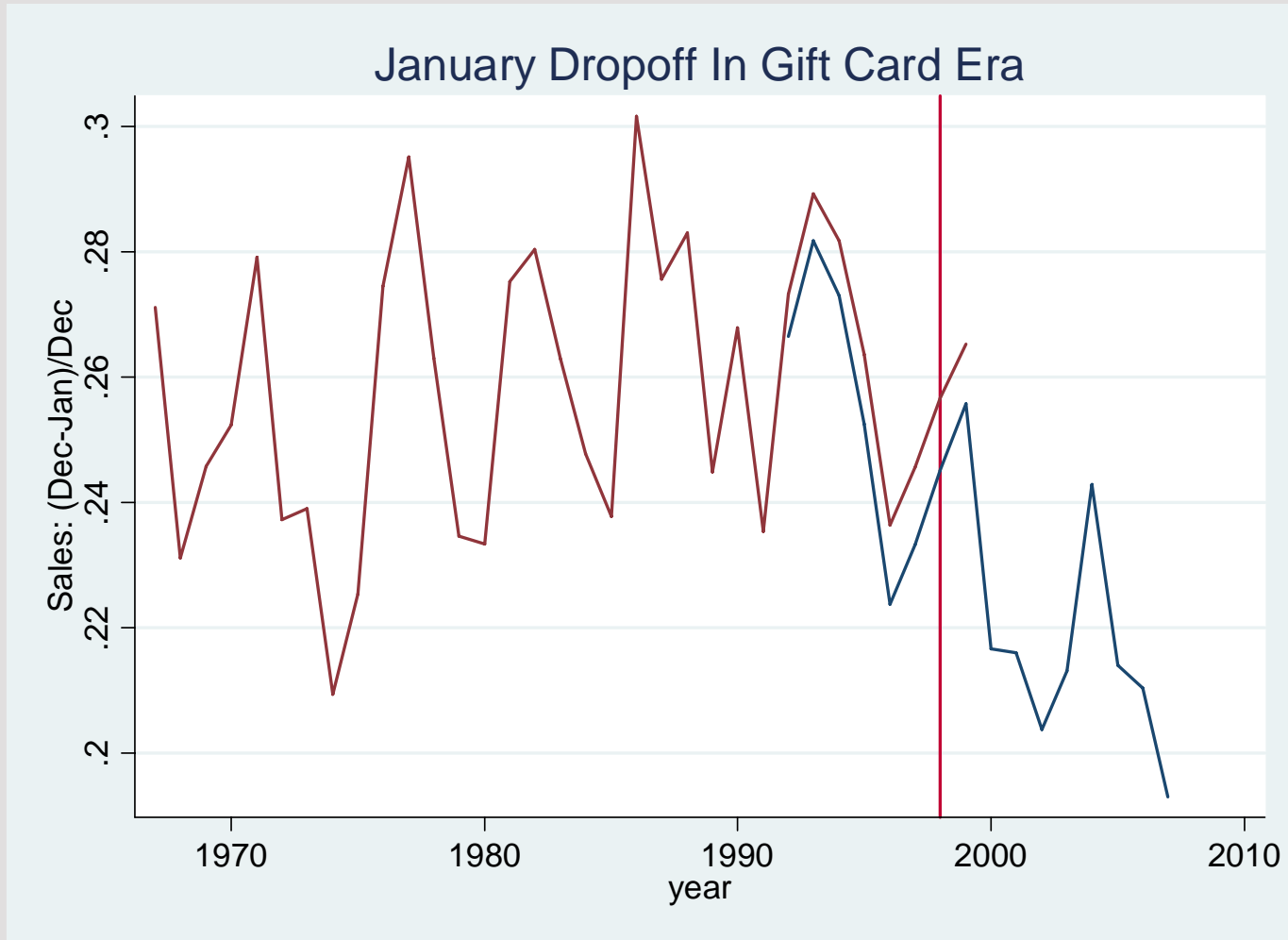
Debt excess (above linear trend between September and the following March) relative to December retail sales less October's.

still owed in Feb

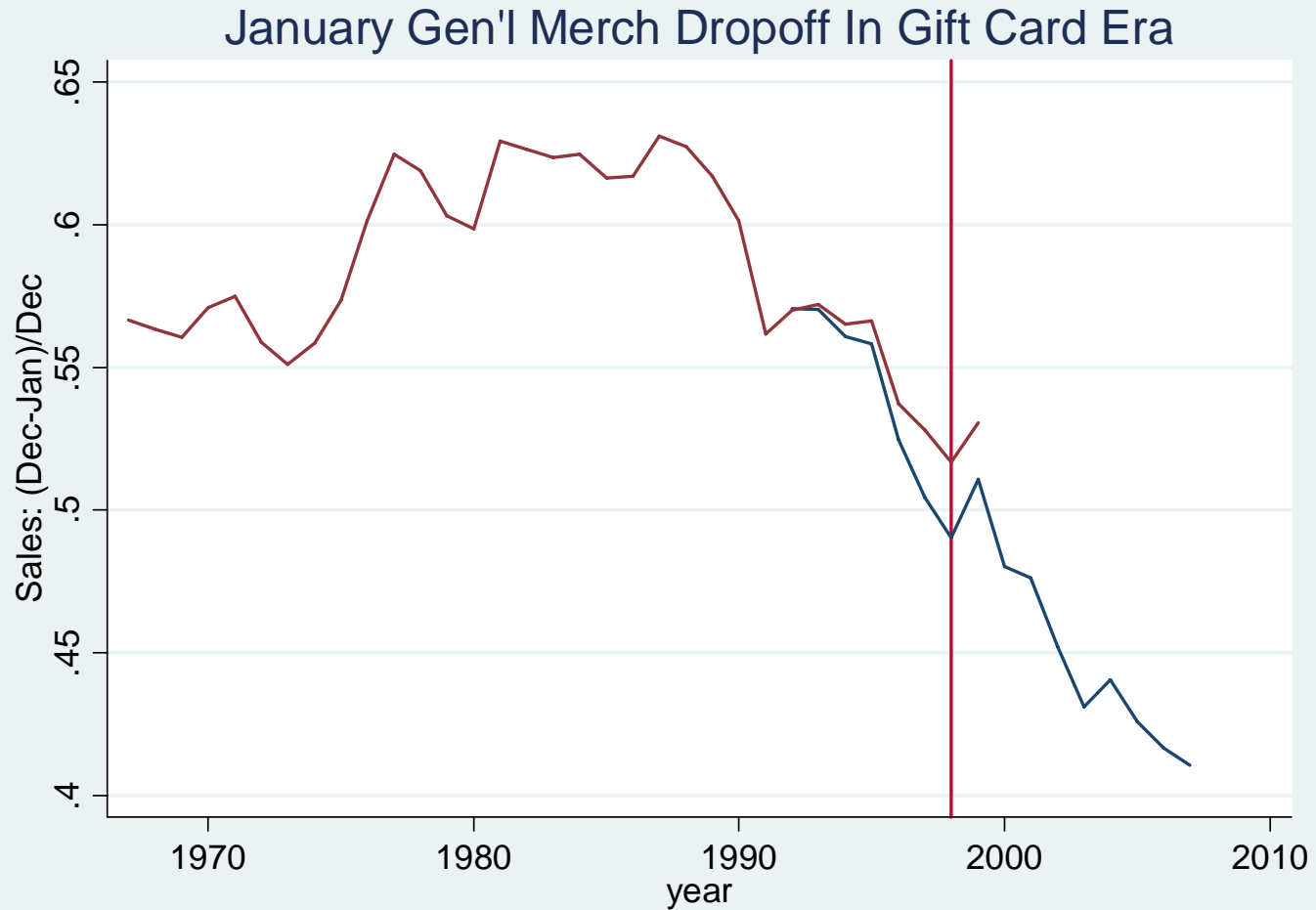


Debt excess (above linear trend between September and the following March) relative to December retail sales less October's.

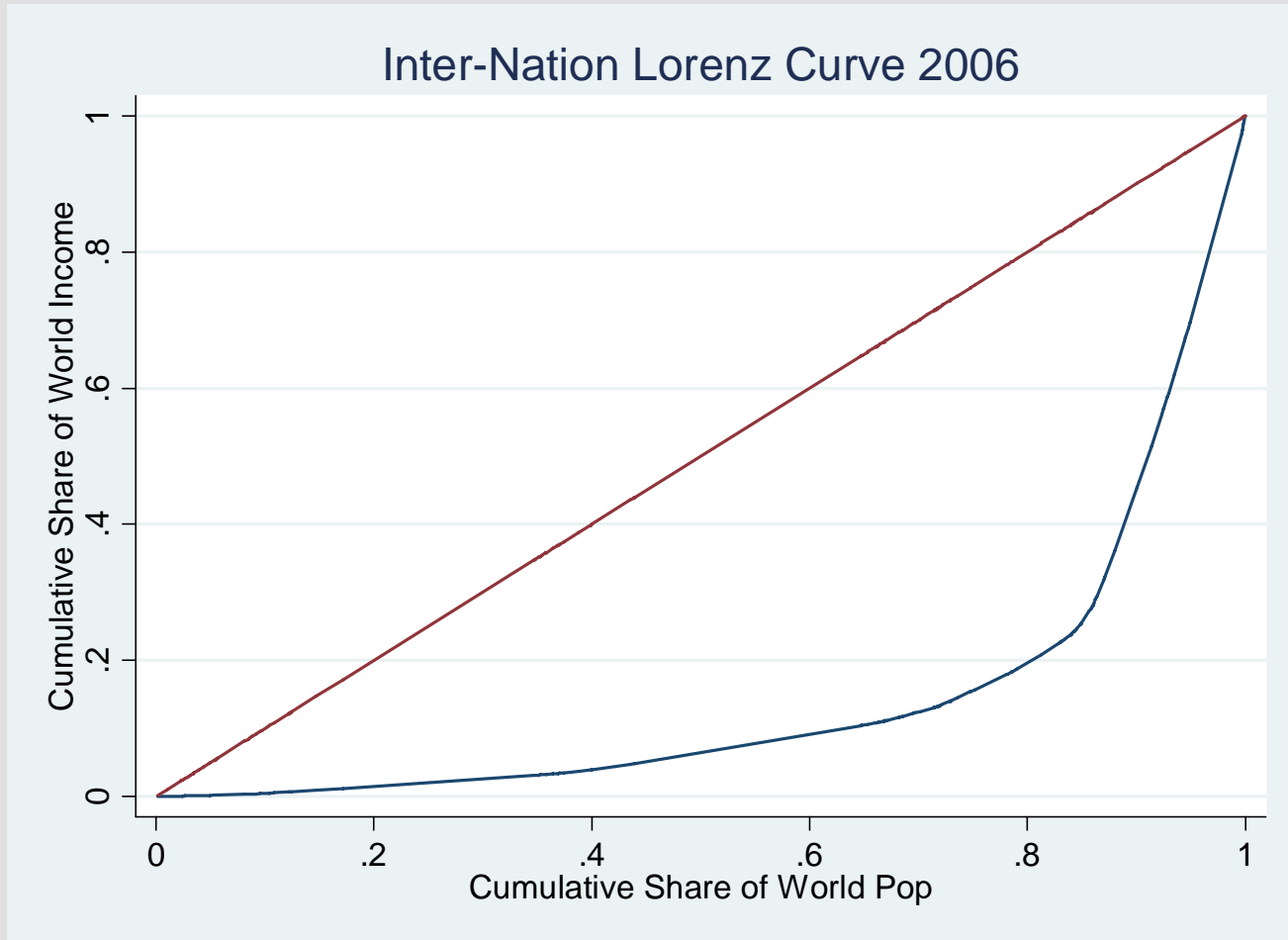
gift cards and the january dropoff



department store dropoff

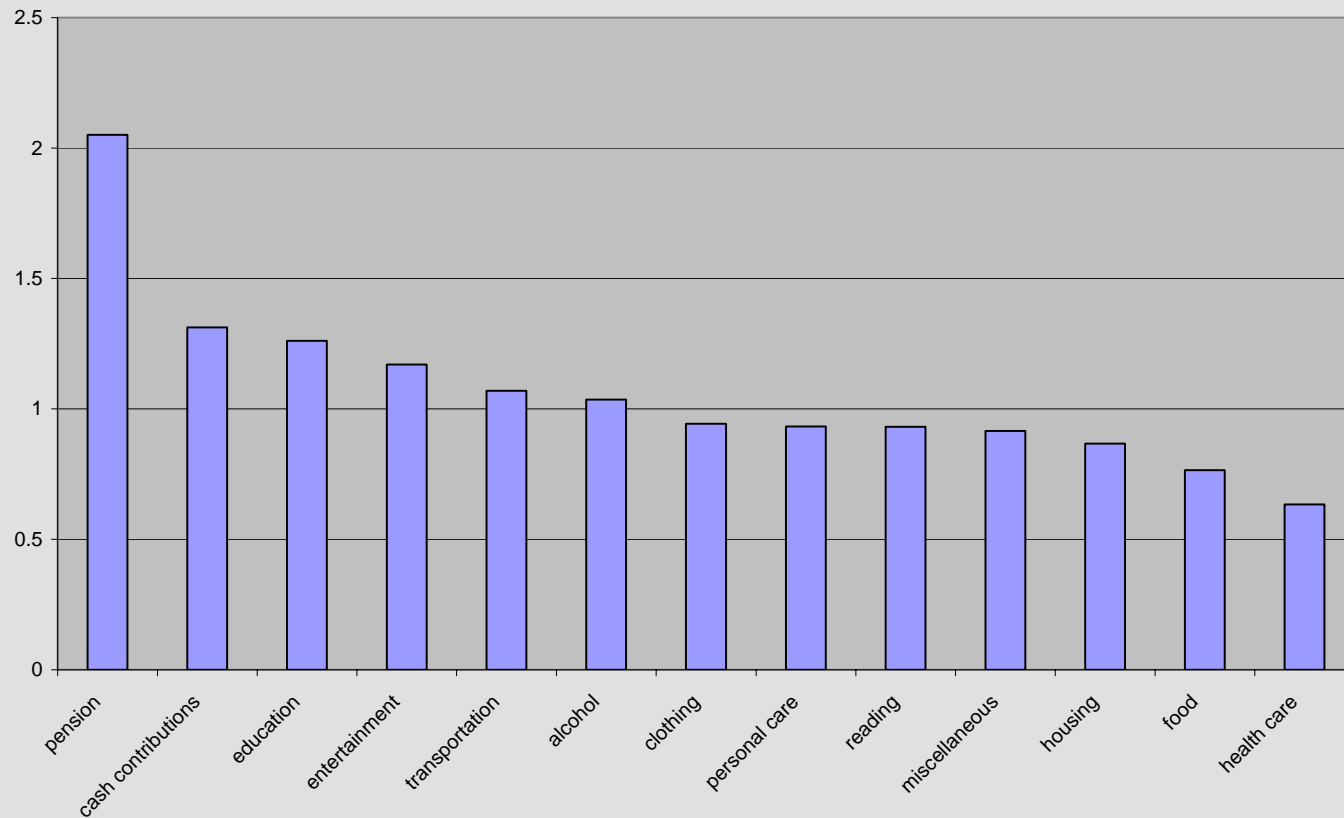


unequal world income



giving is a luxury activity

Luxuries and Necessities: Current Expenditures



the end

- I wish you happy – and efficient - holidays



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Chair of Business and Public Policy at the Wharton School, University of Pennsylvania

Martin Lewis

TV and radio presenter, Chair