

Economics and life

The Economics of Christmas

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Macro effects

Weihnachtsgeschäft: Plus zwei Prozent

Umsatz Monate Nov + Dez und nominale Veränderung zu Vorjahr



Quelle: HDE-Berechnungen auf Basis Statistisches Bundesamt; HDE-Prognose 2015

Macro effects online

Online-Weihnachtsgeschäft: Plus zwölf Prozent

Jahresumsatz über 40 Milliarden Euro



Quelle: HDE-Prognose 2015; GfK; ohne Umsatzsteuer;
Angaben für Nonfood, FMCG, Entertainment, Tickets, Downloads, Reisen (o. Urlaubsreisen)

Micro effects

Seminal work:

- ▶ **Waldfoegel, J.**, “The Deadweight Loss of Christmas”, *The American Economic Review*, American Economic Association, 1993, 83, 1328-1336.

http://www.jstor.org/stable/2117564?seq=1#page_scan_tab_contentss

Discussions:

- ▶ **Waldfoegel, J.**, “The Deadweight Loss of Christmas: Reply”, *The American Economic Review*, American Economic Association, 1996, 86, 1306-1308.
- ▶ **John A. and J. F. S. List**, “The Deadweight Loss of Christmas: Comment”, *The American Economic Review*, American Economic Association, 1998, 88, 1350-1355.
- ▶ **Tremblay, C. H. and V. J., Tremblay**, “Children and the economics of Christmas gift-giving”, *Applied Economics Letters*, 1995, 2, 295-297.

Waldfoegel (1993) - The Deadweight Loss of Christmas Model

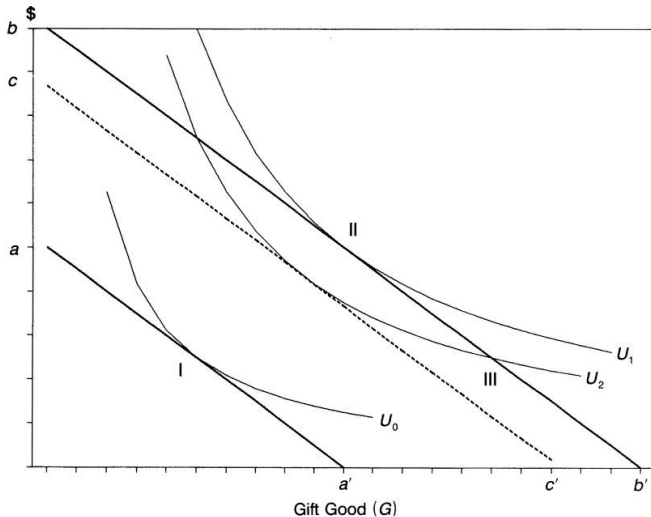


FIGURE 1. GIFT-GIVING AND DEADWEIGHT LOSS

Waldfoegel (1993) - The Deadweight Loss of Christmas

Empirical results

TABLE 1—AVERAGE AMOUNTS PAID AND VALUES OF GIFTS, BY RECIPIENT

Variable	Survey 1	Survey 2
Amount paid (\$)	438.2	508.9
Value (\$) ^a	313.4	462.1
Percentage ratio of average value to average price paid ^b	71.5	90.8
Average percentage yield ^c	66.1 (3.3)	87.1 (3.2)
Number of recipients	86	58

^a In survey 1, respondents valued their gifts by their willingness to pay for them. In survey 2, respondents valued their gifts as the money they would accept in lieu of the gifts (see text).

^b Ratio of average value to average price paid.

^c Average of $(value_i / price_i)$. The standard error of average yield is given in parentheses.

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Image references

- ▶ Etching created by Cadell and Davies (1811), John Horsburgh (1828) or R.C. Bell (1872). The original depiction of Smith was created in 1787 by James Tassie in the form of an enamel paste medallion. Smith did not usually sit for his portrait, so a considerable number of engravings and busts of Smith were made not from observation but from the same enamel medallion produced by Tassie, an artist who could convince Smith to sit. -
<https://commons.wikimedia.org/wiki/File:AdamSmith.jpg#/media/File:AdamSmith.jpg>
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- ▶ "Ford Motor Company assembly line" by Literary Digest 1928-01-07 Henry Ford Interview / Photographer unknown. Licensed under Public Domain via Commons - https://commons.wikimedia.org/wiki/File:Ford_Motor_Company_assembly_line.jpg#/media/File:Ford_Motor_Company_assembly_line.jpg
- ▶ 10050178586_aeae108e0f_o. Marco Simola for Center for International Forestry Research (CIFOR).
<https://www.flickr.com/photos/cifor/10050178586/in/album-72157635900008333/>
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