

[Working Papers](#)

# Numeracy, financial literacy, and financial decision-making

Annamaria Lusardi

SHARE   

WORKING PAPER 17821

DOI 10.3386/w17821

ISSUE DATE February 2012

Financial decisions, be they related to asset building or debt management, require the capacity to do calculations, including some complex ones. But how numerate are individuals, in particular when it comes to calculations related to financial decisions? Studies and surveys implemented in both the United States and in other countries that are described in this paper show the level of numeracy among the population to be very low. Moreover, lack of numeracy is not only widespread but is particularly severe among some demographic groups, such as women, the elderly, and those with low educational attainment. This has potential consequences for individuals and for society as a whole because numeracy is found to be linked to many financial decisions. Now more than ever, numeracy and financial literacy are lifetime skills necessary to succeed in today's complex economic environment.

[Download a PDF](#)

## Acknowledgements and Disclosures



## Download Citation



# Published Versions

“[Numeracy, Financial Literacy, and Financial Decision-Making](#),” in Numeracy, 5(1), Article 2, January 2012. [Winner of the inaugural Steen Award]

# Related

## TOPICS

[Microeconomics](#)

[Behavioral Economics](#)

## PROGRAMS

[Economics of Aging](#)

# More from NBER

In addition to [working papers](#), the NBER disseminates affiliates’ latest findings through a range of free periodicals — the [NBER Reporter](#), the [NBER Digest](#), the [Bulletin on Retirement and Disability](#), the [Bulletin on Health](#), and the [Bulletin on Entrepreneurship](#) — as well as online [conference reports](#), [video lectures](#), and [interviews](#).



15<sup>th</sup> Annual Martin Feldstein Lecture:

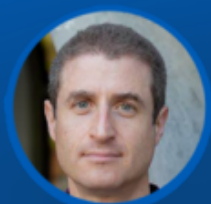
## **The Next Flight of the Bumblebee: The Path to Common Fiscal Policy in the Eurozone**

Mario Draghi, former President, European  
Central Bank and former Prime Minister, Italy  
Summer Institute, 2023

**2023, 15th Annual Feldstein Lecture, Mario Draghi, "The Next Flight of the Bumblebee: The Path to Common Fiscal Policy in the Eurozone"**

LECTURE

Dr. Mario Draghi, who served as President of the European Central Bank and Prime Minister of Italy, presented the 2023...




Methods Lecture:

## **Linear Panel Event Studies**

Jesse M. Shapiro, Harvard University and NBER  
Liyang Sun, CEMFI  
July 28, 2023

**2023 Methods Lectures, Jesse Shapiro and Liyang (Sophie) Sun, "Linear Panel Event Studies"**

Overview: Linear panel event studies are increasingly used to estimate and plot causal effects of changes in policies...



Panel Discussion:

## Long-Term Dynamics of the Employment-to-Population Ratio

Karen Glenn, Social Security Administration  
Stephen Goss, Social Security Administration  
Nicole Maestas, Harvard University and NBER  
Julie Topoleski, Congressional Budget Office  
July 26, 2023

**2023, SI Economics of Social Security, Panel Discussion, "Long-Term Dynamics of the Employment-to-Population Ratio"**

Supported by the Alfred P. Sloan Foundation, the National Science Foundation, and the Lynde and Harry Bradley...

FOLLOW



**National Bureau of Economic Research**

[Contact Us](#)

1050 Massachusetts Avenue  
Cambridge, MA 02138

[617-868-3900](tel:617-868-3900)  
[info@nber.org](mailto:info@nber.org)  
[webaccessibility@nber.org](mailto:webaccessibility@nber.org)

[HOMEPAGE](#)

© 2024 NATIONAL BUREAU OF ECONOMIC RESEARCH. ALL RIGHTS RESERVED.