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Numeracy, financial literacy, and financial decision-making

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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.

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

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N. Gregory Mankiw, Harvard University and NBER
July 10, 2025

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Raj Chetty, Harvard University and NBER
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2025 Methods Lecture, Raj Chetty and Kosuke Imai, "Uncovering Causal Mechanisms: Mediation Analysis and Surrogate Indices"

PRESENTERS: [RAJ CHETTY](#) & [KOSUKE IMAI](#)

SlidesBackground materials on mediationImai, Kosuke, Dustin Tingley, and Teppei Yamamoto. (2013). "Experimental Designs...

A blue banner for a panel discussion. On the left, there are five circular headshots of the panelists: Molly Dahl, Sophie Shin, Mark Warshawsky, Sven Sinclair, and Polina Vlasenko. To the right of the headshots, the text reads: "Economics of Social Security, Summer Institute 2025", "Panel Discussion: Challenges of Long-Term Social Security Forecasting", and the names of the panelists with their affiliations: Molly Dahl, Congressional Budget Office; Sophie Shin, Penn Wharton Budget Model; Mark Warshawsky, American Enterprise Institute; and Sven Sinclair and Polina Vlasenko, Social Security Administration. The date "July 23, 2025" is at the bottom right.

Economics of Social Security, Summer Institute 2025
Panel Discussion: Challenges of Long-Term Social Security Forecasting
Molly Dahl, Congressional Budget Office
Sophie Shin, Penn Wharton Budget Model
Mark Warshawsky, American Enterprise Institute
Sven Sinclair and Polina Vlasenko, Social Security Administration
July 23, 2025

2025, Economics of Social Security Panel, "Challenges of Long-Term Social Security Forecasting"

PANEL DISCUSSION

PRESENTERS: MOLLY DAHL, SOPHIE SHIN, [MARK WARSHAWSKY](#), SVEN SINCLAIR & POLINA VLASENKO

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