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TRIBUNE-REVIEW

# Freaky forecasts: You might be surprised by indicators used in predictions

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Sunday, March 20, 2011

Numbers crunching, actuarial tables and statistical projections can help predict economic trends, life expectancy or divorce rates.

Sometimes, though, it helps to look at men's underwear sales. Or the way you smile in your third-grade photo.

They may sound like old-country superstition or urban legend, but these things have been used by economists and scientists to provide a glimpse into the future.

In ancient Rome, soothsayers known as haruspex divined the future by examining the entrails of sacrificial animals. People in the Middle Ages are said to have practiced tyromancy, or prediction by observing the coagulation of cheese.

We've come a long way. Or have we?

Kiplinger, which publishes financial advice and business forecasts, recently cited a rebound in men's underwear sales as one sign that the economy may be snapping back.

"Essentially the theory is the rate at which men replace underwear is very stable,' says Melissa Bristow, managing editor at Kiplinger, which is based in Washington. "They don't vary much from year to year. There's a small change downward when times are tough."

The most famous proponent of the boxer-and-brief theory is former Federal Reserve chairman Alan Greenspan. Men's underwear sales almost never changed, he told NPR in 2008. Thus, when sales dipped, it signaled trouble. Sure enough, a slump in men's underwear accompanied the Great Recession of 2009.

"Indeed, they dropped by about 2.5 percent in 2009," Bristow says. "They've leveled off now, but they have not really started to come back up. The fact that they've started to level off indicates that people are no longer worried as much."

Want to know if your marriage will last? A clue may lie in the way you smile in your grade school photo. In 2009, researchers at DePauw University in Indiana conducted two studies that showed the intensity of one's smile could forecast whether or not they got divorced.

"The degree to which people smile in photographs predicts whether or not they'll stay married," says Matt Hertenstein, associate professor of psychology at DePauw University and the lead author of the studies. One study examined photos of children whose average age was 10. Another looked at photos in a college yearbooks. In both cases, the people with the brighter, more intense smiles were more likely to stay together.

The bottom 10 percent of the "smilers" in the college sample, or those with the least intense smiles, were five times more likely to obtain a divorce, compared to those who smiled the most, Hertenstein says.

One theory is that a big smile indicates a healthy emotional disposition, one of the essentials to staying married, he says. Another is that people who smile are sociable and tend to attract others like them.

"A person's smile in a photograph is not their marital destiny," Hertenstein says. "... (One) must always keep in mind that we're talking about averages and groups of people and general trends that the data tells us. I'm confident in the fact that smiles correlate with life outcomes, one of which is divorce."

Ken Goldstein is an economist with the Conference Board, a New York research association that has produced the Consumer Confidence Index every month since 1967.

"There's a real common-sense way to figure some things out," he says. "For example, if your morning commute from the suburbs to Pittsburgh has taken less time lately, it could be because the number of people working has dropped. Conversely, if your commute is taking an extra five minutes and you're leaning on the horn a little more, it might mean that more people are driving to Downtown Pittsburgh."

Is the waiter at the sandwich shop near your office more surly than usual? That could mean more people are dining out. Busy clerks and baristas have less time to be pleasant.

"If he or she is more nice, obviously they're working harder to get that check because things might be slow," Goldstein says.

While he tries to forecast consumer sentiment with numbers, consumers have their own set of subjective criteria by which they decide if things are good or bad, he says. Perception is reality, after all.

"When economics and good common sense concur, therein lies truth -- similar to (Mario) Lemieux suggesting hockey would be better off without the fighting," he says.