

QUOTE OF THE DAY

"This union may never be perfect, but generation after generation has shown that it can always be perfected."

Barack Obama in a speech yesterday on the assumptions about race. A15

DOUBLE TAKE » DOLOUR AND DOLLARS

What makes a tightwad

Study finds that people who are stingy report feeling emotional pain when spending money

BY PHILIP JACKMAN

Why are some people tightwads? Is it, perhaps, an unusual physical characteristic coupled with an odd sartorial quirk? In other words, short arms and deep pockets? Or is there something more to it?

U.S. researchers have been trying to find the answer, polling 13,327 respondents over 31 months from late 2004.

The researchers were surprised to find that despite perceptions that people always overspend, chronic underspending was far more widespread than thought, with tightwads outnumbering spendthrifts by 3 to 2.

But researcher Scott Rick from the University of Pennsylvania said they found it wasn't the cost of an item or someone's income level that had an impact on their spending. Tightwads reported feeling an emotional pain when handing over their money. Spendthrifts, on the other hand, felt pleasure making a purchase.

Prof. Rick started off his research in this area when he was at Carnegie Mellon University and he and fellow researcher George Loewenstein were discussing their opposing spending habits. "He's the tightwad and I am a recovering spendthrift," Prof. Rick said in an interview from Philadelphia yesterday.

The resulting study, by Prof. Rick, Prof. Loewenstein and Cynthia Cryder, will be published in the Journal of Consumer Research.

In general, the researchers found that men are bigger tightwads than women; younger people are more likely to be spendthrifts than older people; and the more educated a person is, the more likely



Underspending was more widespread than thought. iSTOCKPHOTO

he or she is to cling on tightly to a dollar.

Also, however, "in subsequent research we found that the difference between a male tightwad and a male spendthrift is much bigger than the difference between a female tightwad and a female spendthrift."

Prof. Rick says that men's spending decisions seem to be simpler and are more likely to be based solely on how painful it is to make the purchase. Female spending habits, however, tend to be more complex. "Women take a lot more into account, such as how therapeutic spending will be and if it will improve their mood or not," he said.

The study also found that females were no more likely to be tightwads than spendthrifts but males were nearly three times more likely to feel pain when parting with cash than their free-spending peers. As for the difference between being a tightwad and merely being frugal, the researchers wrote: "The evidence suggests that frugality is driven by a pleasure of saving, as compared with tightwadism,

which is driven by a pain of paying."

But it is possible to get money out of tightwads.

They will use credit cards, although they are less likely to run up debts, and were also found to be more sensitive to marketing ploys designed to reduce spending pain.

For example, in one experiment, participants were asked if they would be willing to pay \$5 to have free DVDs shipped overnight rather than waiting four weeks for delivery. The cost was framed as either a "\$5 fee" or a "small \$5 fee." Spendthrifts were insensitive to the manipulation, but tightwads were 20 per cent more likely to pay the fee if it were called "small."

Interestingly, some of the 13,327 subjects in the study were readers of The Globe and Mail, who filled in an online survey that was linked to an earlier story on Prof. Rick's research that appeared on globeandmail.com.

"They were our most extreme group by far," said Prof. Rick. "Tightwads outnumbered spendthrifts 6 to 1." » With a report from Reuters

INSIDE INFORMATION

» BY PHILIP JACKMAN

Your guide to today's Globe

Director and writer produced classics

One adapted a celebrated novel into a great film. One wrote an acclaimed novel that became a classic movie.

Anthony Minghella won an Oscar for his adaptation of *The English Patient* by Canadian writer Michael Ondaatje. Arthur C. Clarke won worldwide acclaim for a novel that later entered movie history as 2001: *A Space Odyssey*. Mr. Minghella died yesterday aged 54. Mr. Clarke died yesterday aged 90.

OBITUARIES, R5 »

Striking at the heart of capitalism?

It has grown from a low-grade U.S. mortgage problem into a world financial crisis.

What's going on? asks Timothy Garton Ash. Are we simply in the midst of another gut-churning fluctuation in a world economy that always seems to find its footing? Or are we glimpsing an emergency that goes to the heart of modern global capitalism?

COMMENT, A17 »

From top gun to hired gun

When you've climbed the corporate ladder, what's next?

That was the question facing Emily Nakai, controller of a Vancouver food company. So she left the security of full-time employment and opted for the variety and flexibility of being a "hired gun," doing project work for companies on contract. And she's not alone.

GLOBE CAREERS, C1 »

Golfing among the bluebonnets

Austin, Tex., has a music scene rivaling Nashville and celebrates all things unorthodox.

It also has great golf courses that are drawing growing numbers of Canadians to the Sunbelt State — at its loveliest in the spring when the weather is mild and bluebonnets are in bloom.

GLOBE TRAVEL, R14 »

Today's online poll

When co-workers take popular holidays off, leaving you stuck on the job: I end up covering their workload. I wish I was off work too. I get more work done. I score brownie points with the boss.

GLOBEANDMAIL.COM »

CORRECTION

Professor Conrad Heidenreich, quoted in an article in Saturday's Focus section, has no doubt that Samuel Champlain was born in Brouage in southwestern France, but said the year of Champlain's birth is unknown.

WEATHER

Vancouver 9/3, Cloudy
Edmonton 3/-7, Cloudy periods
Calgary 5/-6, Variably cloudy
Winnipeg -4/-14, Sunny
Toronto 3/-4, Rain
Ottawa 5/-5, Rain
Montreal 4/-4, Rain
Halifax 2/-4, Sunny

Full Weather Coverage L5

THE REGULARS

Births and Deaths
Review, page R10
Comics and Puzzles
Review, page R4
Sudoku
Life, page L5
Horoscope
Life, page L4
Obituaries
Review, page R5

Facts and Arguments
Life, page L6
Classified
Review, page R10

Subscriptions and delivery
1-800-387-5400

TODAY'S COLUMNISTS

Roy MacGregor Gainey A7
Christie Blatchford Trial A8
John Ibbitson Obama A15
Jeffrey Simpson A win? A17
Neil Reynolds Rebellion B2

Patricia Best Business B2
Marcus Gee Asia B12
Fabrice Taylor VOX B15
Andrew Willis Streetwise B15
Beppi Crosariol Decanter L1

Rob Feenie Food L2
Leslie Beck Health L4
Mathew Ingram New Media R3
Kate Taylor Television R3
Lorne Rubenstein Golf R7

THE GLOBE AND MAIL IS A DIVISION OF CTVglobemedia

NEWS SECTION: NATIONAL EDITOR, DAVID WALMSLEY » FOREIGN EDITOR, STEPHEN NORTHFIELD » TORONTO EDITOR, GREGORY BOYD BELL » DEPUTY NATIONAL EDITOR, LESLIE SHEPHERD



Made For Each Other

Lucida®, Tiffany's exclusive diamond engagement ring with matching wedding band in platinum. Rings, from \$1,700. Band, \$825.

TIFFANY & Co.

TORONTO 85 BLOOR STREET WEST 416 921 3900
VANCOUVER 723 BURRARD STREET 604 630 1300
FOR ORDERS OR INQUIRIES, PLEASE CALL
A TIFFANY PERSONAL SHOPPER AT 800 265 1251
TIFFANY.CA

CHÂTEAU D'IVOIRE

JEWELLERS



Iresistible

2020, rue de la Montagne, Montréal
Tel: 514.845.4651 Toll-Free: 1.888.883.8283

www.chateaudivoire.com

STOLLERY'S

No.1

On Bloor St. Toronto
A tradition for 107 years.

Presents

DELMOD

Ready
for
Spring...

Casual
Coordinates and
tailored classics
for the woman
who demands the
very best.

Sizes 6 to 16

30,000 Sq. Ft. Four floors of Men's and Women's Fine Clothing
(416) 922-6173, Toll free 1-800-540-5892
Email: stollerys@stollerys.com, Fax: (416) 922-3377
Monday thru Saturday 10am-6pm. Sunday 12 noon-5pm
Closed Good Friday and Easter Sunday

BVLGARI



"BVLGARI BVLGARI"

MECHANICAL MOVEMENT WITH AUTOMATIC WINDING.
STEEL CASE. ANTI-REFLECTIVE SAPPHIRE CRYSTAL.
CLOU DE PARIS DIAL WITH APPLIED INDEXES AND RÉHAUT.
BVLGARI MANUFACTURED STEEL BRACELET.

CHÂTEAU D'IVOIRE

JOAILLIERS

MONTREAL • 2020 RUE DE LA MONTAGNE, 514 845 4651
SANS FRAIS | 888 883 8283

"With a Betz pool, you can play now and pay later!"



Now you don't have to wait to have the Betz pool you've always wanted. Thanks to a special low-interest arrangement with a major financial institution, you can now spread the cost of your pool over the length of time that's right for you — on approved credit.

And remember, the Betz name stands for the industry's finest workmanship... quality so good, you get our famous all-inclusive "Bumper to Bumper" guarantee.

So why wait? Get the Betz pool you've always dreamed of, and play now...pay later!



5 Year "Bumper-to-Bumper" Guarantee on all concrete & vinyl pools.

www.betzpools.com

Toronto (416) 798-7955 • Stauffville (905) 640-1424