**Writing Contest: Runner-up**

**The Must-have Christmas Toy: A Look at the Economic Problem Posed in the Movie, Jingle All the Way**

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Jingle All the Way

Jingle All The Way is a comical movie about a dad that does everything in his power to obtain a "Turbo Man" action figure that just happens to be the hottest-selling toy for Christmas. Arnold Schwarzenegger, playing the role of Howard Langston, is forced into a Christmas Eve last-minute shopping spree for the action figure he promised his son. The movie exaggerates the real problems and activities that occur when demand for a product far exceeds supply. Under economics principles, when demand exceeds supply, the immediate reaction will be to drive up prices and lead to consumers being willing to take extraordinary steps to obtain the necessary product. Jingle All the Way illustrates these principles in a humorous manner.

The shortage of the "Turbo Man" action figure as pictured in Jingle All the Way can be compared to the real-life shortages of Beanie Babies or Tickle-Me-Elmo dolls during prior Christmases. Many times a single toy will become extremely popular right before Christmas time and the supply of that toy will fall short of demand. Given the emotional nature of children&##8217;s Christmas requests and the successful brand differentiation attained through advertising, other products cannot be successfully substituted for the requested toy. Also, given the time constraints of needing the toy by Christmas, the manufacturer may not be able to adequately increase the supply when needed. The result is a disruption in the market place leading to opportunities for price gouging and unusual behavior as consumers cannot obtain the needed products. These factors are all present in Jingle All the Way as the Turbo Man toy has really been advertised (the boy asks for the toy by quoting the entire commercial) and promoted (Turbo Man is the main feature of the Christmas parade) and the father feels that his son will feel like a "real loser" and not love his dad as much if he doesn&##8217;t get the authentic Turbo Man figure for Christmas. The supply and demand curves shown below are based on theoretical data because the movies doesn&##8217;t provide price or demand numbers:

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Normally, in a market economy, the supply and demand would even out where they intersect and the product would be in "equilibrium." This toy has however, has been commercialized and hyped up to the point that the demand curve has shifted to the right (yellow line), meaning more people are willing to spend more money. Due to the time restraint (by Christmas day), the supply curve is unable to adjust and reach equilibrium meaning that according to the graph 125,000 figures will be available for sale and yet there is now a demand for 175,000 leading to a shortage of 50,000 Turbo Man figures.

As a result, stores run out of the figure and consumers resort to extraordinary measures to obtain the figures. In the movie, one store gets in a limited shipment and holds a raffle that will be used to determine who will get the opportunity to buy an action figure. Yet before the raffle starts the manager says that "in accordance to the law of supply and demand the list price of each figure has just doubled" illustrating that price will increase when there is a shortage. Customers, including the Dad, fight with each other just to get the opportunity to participate in the lottery to buy the more expensive figures. Due to the shortage, the desperate dad is forced to do everything in his power to get the toy and his costs are more than just money. The cost of something is not only what you pay but also what you give up to get it. He makes the decision to spend hours on Christmas Eve trying to get the toy rather than spending quality time with his family. This tradeoff is a tough one especially when Howard learns that the neighbor that he is jealous of is spending time with his family. The dad also incurs costs in terms of giving up his morals. He gets into legal trouble as he becomes entangled in a fight with another father trying to find the same toy and also as he tries to steal the toy from a neighbor.

This shortage also leads to a "black market" run by con artists who charge outrageous prices for low quality replicas. In the movie, Howard is conned by some "Santas" who promise him a Turbo Man for $300 and then cheat him by giving him a cheap replica.

Jingle All the Way is a comic exaggeration of how an economic shortage can drive consumers to extreme behavior and it is unlikely that a real consumer would behave as outrageously as the movie&##8217;s main character. However, it does depict a real problem and the fact that our behavior can be driven by shortages. Many parents really have spent hours away from their families and engaged in some pushing and shoving or even resorting to "black markets" or extraordinary prices to obtain that "must-have Christmas toy."

Works Cited

Cole, Dathan, Personal interview. 2 Feb. 2004