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Hemline Theory: The Economic Runway



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Women's skirts get shorter when the economy is thriving.

At least, according to the Hemline Theory.

This theory simply claims that when the economy does well, hemlines move up to match the feel-good vibe of the period, only to drop down with recessions, reflecting the somber mood of empty bank accounts. (Komar, 2020).

Let's break down some of the most iconic decades in fashion, and what was going on in the world of finance at the time.

*Hey there! This blog post talks about an entertaining idea called the Hemline Theory. It suggests that how long or short women's skirts are throughout history **could** have something to do with how well the economy is doing.*

But guess what? It's more like a fun guessing game than a real way to predict the economy.

*Just so you know, this Hemline Theory is **NOT** something you can count on. It's not backed up by solid evidence. The financial markets are complex and influenced by numerous factors far beyond women's fashion trends.*

So, don't go making any big financial decisions based on what you read here.

This is more like a casual chat about trends and history, not serious financial advice. Talk directly to your financial advisor for guidelines based on your unique situation. And remember, even if things seem to match up sometimes, it doesn't mean one causes the other. Take it all with a bit of a wink and a nod.

1920s

The 1920s, often referred to as the Roaring Twenties, was a period of social and cultural change in the United States.

riding the high of post-WWI life!

The stock market was booming, and there was a sense of excitement about life. Everything was ritzy!

Short skirts, particularly the iconic flapper dresses, became fashionable, reflecting the bold and carefree spirit of the time.

I'm sure you can picture *The Great Gatsby*, right?



Arthur Henri Poole
"The Healy's"
August 13, 1928



Herbert E. French
"Suzette Dewey"
December 29, 1927

The Jazz Age, characterized by the popularity of jazz music and lively social scenes, was also a key cultural aspect of the 1920s.

However, this mini-utopia ended quickly with the stock market crash of 1929, jump starting the Great Depression of the 30s.

1930s

The 1930s witnessed a stark contrast to the happiness of the previous decade.

The Great Depression was a time of severe economic downturn, with high unemployment, widespread poverty, and a decline in production.



Giorgio Monteforti and his
aunt Giulia Monteforti
1930

Mrs. Foote
1934

Mrs. Gardner &
Mrs. Roosevelt
1936

The frivolity of the flapper era gave way to a more somber and restrained approach to clothing, reflecting the overall mood of the times.

1960s

The 1960s was a decade of immense social change, often referred to as the Cultural Revolution.

By this time, post-WWII recovery was well underway. The global stage was stable, so we began to look inward.

This period saw the rise of youth counterculture, civil rights movements, and a rejection of traditional norms.

Enter the miniskirt.

The miniskirt became a symbol of this shift, challenging conventional ideas about fashion and femininity.



National Organization for
Women (NOW) Members
1968

Mary Quant selecting fabric
1967

Mary Quant, a British fashion designer, is credited with popularizing the miniskirt during this era. Quant passed recently in 2023.

The 1960s also experienced economic growth, particularly in the mid-1960s, contributing to a sense of optimism.

The stock market performed well, aligning with the energetic and forward-looking spirit of the decade.

1970s

The 1970s posed economic challenges, including oil crises, high inflation, and stagflation (a combination of high inflation and economic stagnation).

The Vietnam war led to really high government debt, so the 70s economic policy suffered.

These factors influenced a more conservative approach to fashion in the 1970s. Skirt lengths tended to be longer, and styles became more modest overall.

The influence of the hippie movement also played a role.

Try to keep it groovy, man.



Modelos de Paco Rabane
1972

Cher (with Sonny)
1970s

The economic difficulties of the decade were reflected in a shift towards practical and less extravagant clothing choices, emphasizing comfort and functionality over flashy trends.

Today

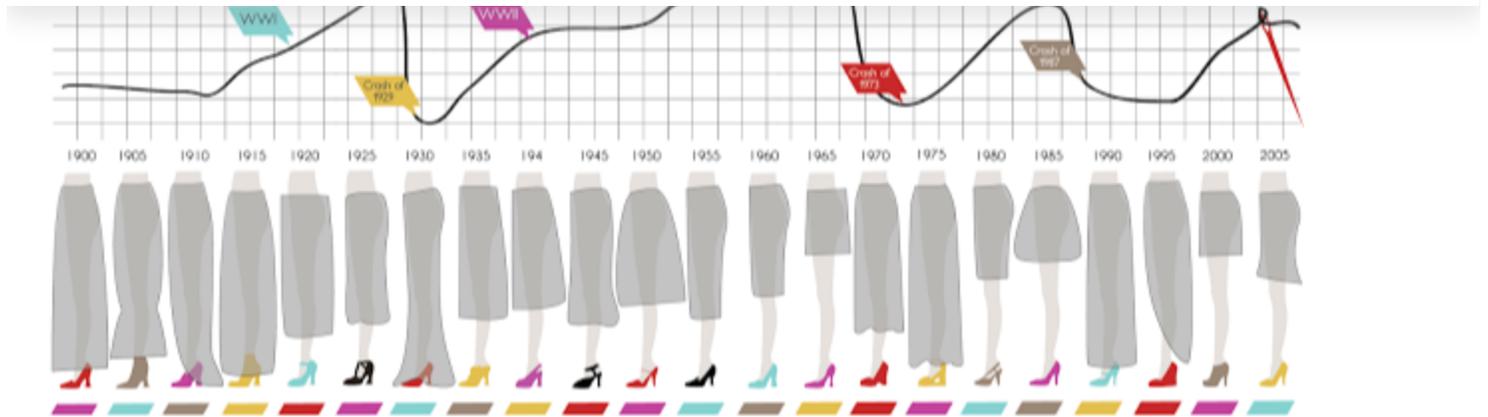
Of course, there is so much more to the current economic standings other than what is trending right now.

With fast fashion and microtrends appearing more rapidly than ever, tracking one core trend for the last decade is nearly impossible.

Over time, the hemline theory will continue to be disproved.

But observing it as a whole, the data gets pretty interesting.

Check out this graphic from FashionBlogga to see how much it has changed over the years:



Luckily, educated financial decisions are **not** made based on the length of women's skirts.

Thorough research and evaluation go into developing trustworthy investment models. It takes time.

Work with a trusted financial advisor. One who can acknowledge economic interests but separate them from the truth.

After all, the next market move is likely to be more complex than the length of the latest skirt on the runway.



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