The paper 'On the source of risk aversion in Indonesia using micro data 2007' deals with novel and important question in individual risk preferences. A major contribution of the paper is the way how newly conceptual and econometric problems are counted. Using 2007 Indonesian micro data, the author finds that shocks and predetermined characteristics weakly affect individual risk preferences, while demographic factors, individual's wealth and time preference have stronger impact.

However, there are specific comments on the paper which are worth for further consideration:

1. In the discussion about a decreasing absolute risk aversion with wealth, it should be stated that this is a case only if the Arrow-Pratt measure of Absolute Risk Aversion is non-decreasing.
2. In the paper, while the author discusses the first option of constructing the measure of risk aversion (ordered basing on the riskiness of choices), it is not used in regression analysis. The author states in the paper that "Option 1) is probably the second best option albeit difficulties in interpreting the coefficient if we use standard OLS to do the estimation." It is not clear why one should use an Ordinary Least Squares estimation, when this measure is an ordered categorical variable.
3. Data represents only 83% of Indonesian population due to its heavy distribution is some regions. It is not clear in the paper whether population weights were used in estimating different regressions and extracting the sample statistics.
4. The paper states that respondents who answered "Do not know" could be ruled out from the sample. The concern is whether the author tried to control for sample selection in regressions.
5. Education variables, both parental and individual education, are presented in sample statistics as categorical variables. However, in regressions these variables were transformed to dummy variables. It might be better if there is a consistency in variables used in both descriptive statistics and regression analysis. Alternatively, years of schooling could be used as a continuous variable for education depending on the availability of this information in the survey data.

6. While the both education, parental and individual, were controlled in regressions, the information on the reference groups is absent in the paper discussions and tables' notes. A reader not acquaint with Indonesian educational system might be guessing about the reference group between no education or secondary education.
7. In the following sentence on page 9 of the paper "Paiella (2008) suggest the use of parental education as an instrument for wealth, but previous studies argued that parent's education can explain variations in ARA, hence violates the exclusion restriction assumption", it might be appropriate to list those studies which the author refers to.
8. Still the author discusses about possibility of endogeneity of variables of interests, it is not clear in the paper why using the quintile regression overcomes this problem. Instead, the instrumental variables (for example using the historical information) could be used in IV regressions. The validity of these instruments, as well as the exogeneity of variables of interest, could be tested using existed tests.
9. On the page 9, in discussing the summary statistics, the author states that "It seems also that an educated non-Javanese male with educated parents tend to be more willing to take risk", while it is not clear in the paragraph how one could observe such relationship from summary statistics.
10. According to the paper's discussion, all dependent variables are categorical numbers: ARA consisting of eight values and RAs consisting of five values. While Ordinary Least Squares is used in estimating the marginal effects of independent variables, it might be better if ordered response models are used instead.
11. In Table 8, other specifications with controlling for TE in the 1st and 2nd regressions, PC in the 3rd, and both PC and TE in the 4th might be considered.
12. In regressions reported the in Table 10, the variable *Disaster* should be included as a separate variable.
13. It might be appropriate to use the word "Muslim" than "Islam" in individual characteristics.