

This paper studies the determinants of the preferences for leisure. A standard dynamic general equilibrium model is solved and calibrated to pin down the weight for leisure in the utility function. The exercise has been done for 52 countries from 1950 to 2009. Then, the weight is used as a dependent variable in several regressions. The independent variables include the GDP per capita, the degree of openness, the temperature, the unemployment rate, real wages, the degree of unionization, the percentage of young population, and the percentage of government expenditure. The results are consistent across the different econometric specifications. GDP per capita, openness, and temperature positively affect the weight of leisure. Some of the regressions also suggest that unemployment, unionization, and share of young population are positively correlated to the weight of leisure.

Comments:

I am mostly concerned by the possible endogeneity of some independent variables used in the regressions. For example, it is plausible to think that individual weight of leisure determines the effort put in looking for a job, and hence the unemployment rate in a country. The authors may think of a possible IV strategy to solve this issue. There is a similar problem for the variable “unionization”.

I would also add some gender-specific variables among the controls. For example, the ratio of males to females, disaggregated in few age groups.