

**Discussion of**

**Allocation of Time and Consumption-Equivalent  
Welfare: A Case of South Korea**

**Ki Young Park and Soohyon Kim**

**Jinill Kim**  
**Korea University**

**April 27, 2017**

## Summary of the paper

- **excellent contribution in Welfare Economics**
  - *“Beyond ICW”*; Both data work and theory
- **17<sup>th</sup> KLIPS data**
  - **Cross sectional analysis (gender, income)**
  - **Time series analysis (2014 against 2004)**
- **Measuring consumption-equivalent welfare**
  - **To illustrate the factors in the measurement**
  - **“Misleading results if based on only income or C”**

## My comments

- **Putting this paper into perspective**
- **Putting this conference into perspective: ‘well-being’**
  - **$U(C,L)$  in micro vs. output and unemployment in macro**
    - **Micro: Labor is bad, and leisure is good.**
    - **Macro: Unemployment is bad, and work is good.**
  - **‘job-filled non-recovery’<sub>now</sub> vs. ‘jobless recovery’<sub>in 2000s</sub>**

## **A few key quotes**

- **“... high-income earners tend to enjoy less hours of leisure while they spend more money in leisure activities”**: quantity vs. quality a la Becker
- **“... a cross-sectional pattern that higher income is associated with lower level of leisure, while rising income induces more leisure over time”**: cross section vs. time series
- **“... child care as laborious work or leisure”**
  - labor vs. leisure (e.g. DMZ)
  - voluntary leisure or involuntary leisure: how to interpret time use data

## Some additional comments

- **inequality of income/consumption vs. that of leisure**
  - **What do we (want to) measure, literally speaking?**
  - ***“Bringing Leisure Distribution in From the Cold”***
- **(philosophical) meaning of household: *voluntary* division of labor vs. *involuntary* gender inequality**
- **What do we mean by comparing well-being?**
  - **Cross section: across countries; across people**
  - **Across time (learning by doing or habit formation for leisure in a dynamic model, e.g. work on immigrant happiness)**