

Non-Market Accounts

Comments at BEA Advisory Committee
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New NRC study, *Beyond the Market*

Two papers in JLN volume discuss this

I will mention only one issue: time use

Time Use

Centrality of time use in non-market accounts:

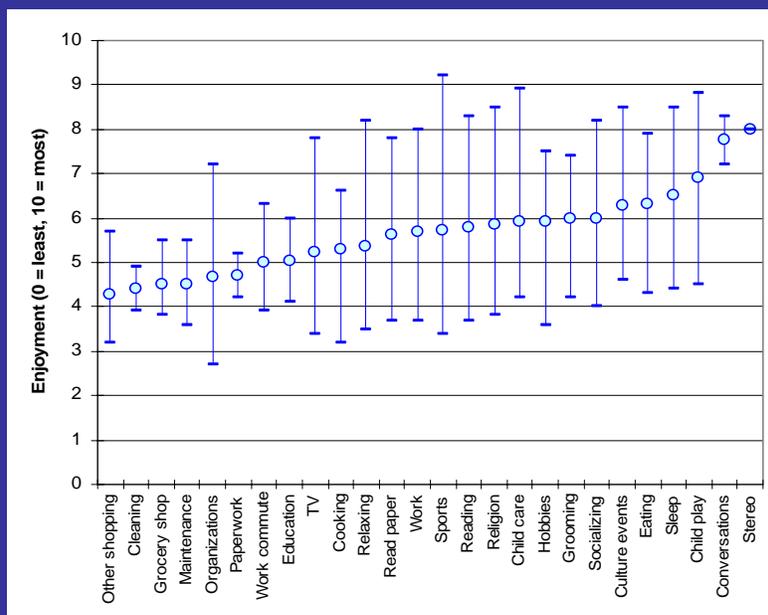
- Likely to be preponderant non-market input into non-market production (think of cooking)
- Exciting prospect on new time use survey (ATUS)
- We at Yale are sponsoring compilation of historical time use surveys for construction of accounts
- But several thorny issues remain in using them for non-market accounts. Especially:
 - Simultaneous use
 - Valuation of time

Pricing time use

Pricing time use will be serious problem

- Usual convention is after-tax wage
- Surveys suggest that this does not predict intrinsic value of activity (see next slide)
- Almost certainly not correct because time non-storable
- Value of time might vary by factor of 10 over course of day
- Must tackle this if we are to get good non-market accounts

Ranking of Enjoyment of Different Activities from Surveys



Nordhaus in JLN, drawn from John Robinson and Geoffrey Godbey,
Time for Life: The Surprising Ways Americans Use Their Time,