

## **Household spending, leisure and well-being in retirement**

**Faculty Member:** [Cormac O'Dea](#)

### **Proposal Description:**

An area of controversy in economics is how households adjust their consumption and leisure decisions as they approach and enter into retirement. Previous research has documented significant drops in households' spending at retirement, which potentially indicates that they have under-saved in preparation for old age and therefore suffer a fall in living standards. However, other papers have suggested that, as the opportunity cost of leisure falls at retirement, households optimally switch leisure for consumption and therefore falls in spending do not reflect drops in living standards.

I am seeking assistance on understanding how households re-optimize their decisions around retirement. This project aims to document the extent to which these changes in spending and time use differ across different types of households, and ultimately, to understand what drives these difference.

The successful applicant will get the opportunity to work with the key data sets (including the Panel Study of Income Dynamics) used in academic research seeking to understand patterns and inequalities in household income and spending in the US.

Please get in touch if you would like to know more about the project.

### **Requisite Skills and Qualifications:**

Experience with a statistical/econometric software package (STATA or R) is essential.

**Award:** Shawn Luciani

**Tobin Application Link:** [Tobin Application](#)

**Project Type:** Tobin RA

**Project Type Year:** Fall 2018 Tobin Research Projects

**Project Year:** 2018

**Term:** Fall 2018

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