Table 1: Endogenous

Variable	<b>L</b> ATEX	Description
C	C	Total consumption
cm	$c_M$	Market consumption
ch	$c_H$	Home consumption
1	l	Leisure
hm	$h_M$	Market hours
hh	$h_H$	Home hours
k	k	Total capital
km	$k_M$	Market capital
kh	$k_H$	Home capital
x	x	Total investment
xm	$x_M$	Market investment
xh	$x_H$	Home investment
r	r	Rental rate
T	T	Lump sum transfer
W	w	Wage
У	y	Output
zm	$z_M$	Market technology
zh	$z_H$	Home technology

Table 2: Exogenous

Variable	<b>Ŀ</b> TEX	Description
eh	$\epsilon_H$	Home innovation
em	$\epsilon_M$	Market innovation

Table 3: Parameters

Variable	IAT <sub>E</sub> X	Description	
a	$\overline{a}$	Share of market consumption	
Ъ	b	Weight factor of consumption vis-a-vis leisure	
е	e	Willingness to substitute between kinds of consumption	
beta	$\beta$	Discount factor	
$\mathtt{delta}\_\mathtt{m}$	$\delta_M$	Depreciation rate on business capital	
delta_h	$\delta_H$	Depreciation rate on household capital	
eta	$\eta$	Capital share in the home	
lambda	$\lambda$	Growth rate of endogenous variables	
${\tt rho\_h}$	$ ho_H$	Persistence of market technology shock	
${\tt rho\_m}$	$ ho_M$	Persistence of home technology shock	
$\mathtt{tau}_{\mathtt{k}}$	$ au_k$	Tax rate on capital income	
tau_h	$ au_h$	Tax rate on labour income	
theta	heta	Capital share in the market	
$sigma_m$	$\sigma_{M}$	Standard deviation of innovations in the market	
sigma_h	$\sigma_H$	Standard deviation of innovations in the household	
gamma	$\gamma$	Incentive to move activity between home and market	
psi	$\psi$	Willingness to substitute between capital and time	

Table 4: Parameter Values

Parameter	Value	Description
$\overline{a}$	0.557	Share of market consumption
b	0.665	Weight factor of consumption vis-a-vis leisure
e	0.000	Willingness to substitute between kinds of consumption
$\beta$	0.990	Discount factor
$\delta_M$	0.024	Depreciation rate on business capital
$\delta_H$	0.024	Depreciation rate on household capital
$\eta$	0.325	Capital share in the home
$\lambda$	1.005	Growth rate of endogenous variables
$ ho_H$	0.950	Persistence of market technology shock
$ ho_M$	0.950	Persistence of home technology shock

Table 4 – Continued

Parameter	Value	Description
$ au_k$	0.700	Tax rate on capital income
$ au_h$	0.250	Tax rate on labour income
heta	0.294	Capital share in the market
$\sigma_{M}$	0.010	Standard deviation of innovations in the market
$\sigma_H$	0.010	Standard deviation of innovations in the household
$\gamma$	0.667	Incentive to move activity between home and market
$\psi$	-0.502	Willingness to substitute between capital and time