

Quality Leisure Time and Youth Development: What Are the Effects of Sports?

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Parents and policymakers alike worry about what activities may provide valuable learning experiences to youths beyond the domain of schooling. Sports is a popular pastime that is known to be positively related with educational and labor market outcomes at later ages. What are the underlying mechanisms for this positive relationship? This paper first develops a simple model to clarify the potential links between leisure time use and skill formation. Then we explore empirically what youths do in their leisure. Finally, we estimate the effect of sports on a set of behavioral and economic outcomes. The behavioral outcomes reflect character, social, and executive function skills. The empirical analysis exploits data from the German Socio-Economic Panel that offers the unique advantage of both a large, representative sample and high quality behavioral measures. We employ a flexible strategy combining propensity score matching and regression techniques to account for self selection into athletic involvement. We assess the validity of our empirical strategy with various specification tests. Our results are consistent with the hypothesis that structured leisure activities like sports contribute to the development of nonacademic skills. Youths who regularly play sports also tend to show better educational and labor market outcomes than comparable youths who do not play sports. The benefits from participating in sports tend to be higher for youths from less advantaged families suggesting that athletic involvement may enhance social mobility.

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