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"Bliss", Pontryagin and C.E.S

#### Abstract

Authors study the problem of leisure in economic analysis, enlightened by the success of "general equilibriums stochastic models". They begin with a reappraisal of Ramsey's 1928 famous model; they show that by introducing a CES production function, it is quite possible to have a modern definition of "bliss"; so Ramsey's approach is vindicated with use of modern treatment of optimal growth analysis (Pontryagin). However, since in Ramsey's model, there is no growth and since utility function has to meet special requirements when leisure is taken into account, is a reconciliation possible?