

Why Americans and Britons work such long hours

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Society as a whole must judge whether or not there is more to life than work



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THE YEAR ahead will, like every year, consist of just under 8,800 hours. Most people will spend about a third of that time sleeping, and another third or so arguing on social media. Much of the remainder will be spent at work. There is increased interest in corners of the political world in trying to reduce the amount of time people must spend on the job. The Labour Party in Britain has said it will consider introducing a four-day work week when it is next in power. Figures on the American left are similarly intrigued by the idea. To assess whether such moves to reduce working time have any merit first requires an understanding of why hours in those countries have not fallen more already.

Declines in hours worked per person are among the least-sung benefits of economic development. In the late 19th century workers in industrialised economies knew labour and little else. In 1870 full-time work generally meant between 60 and 70 hours of labour per week, or more than 3,000 hours per year. Over the century that followed rising incomes were accompanied by a steady drop in weekly hours, which had fallen to about 40, on average, by 1970. Though less conspicuous a boon than larger pay packets or higher living standards, the drop was a gift to working people of a thousand or so precious hours of free time each year.

Hours worked are hard to measure. But the best analyses suggest that such gifts have been far less generous in the years since, in some countries at least (see chart). In France and Germany hours worked per person have continued to drop over the past few decades, albeit more slowly than in the past. In Germany, where one of the largest trade unions recently won for its workers the right to a 28-hour working week, employees now put in fewer than 1,400 hours per year. The decline in America and Britain has been substantially smaller; indeed hours worked in those countries have actually risen since the 2000s.

Why should time spent in work vary so much? Analyses of differences between countries focus on culture: of course leisure-loving Europeans put in fewer hours than puritanical Americans and striving Koreans. Such stories are often unsatisfying, however. Italians and Greeks work many more hours than their supposedly more diligent northern neighbours, for instance. Economists, for their part, often think about the choice to work more or fewer hours in terms of competing “substitution” and “income” effects. Forces that increase the return to work (such as reductions in marginal tax rates or higher pay) make each hour of work more lucrative, and can therefore cause workers to choose to work more: to substitute working hours for leisure time. On the other hand, when people are richer they tend to consume more of the things they enjoy, including leisure. So, a higher effective return to work, by raising income, can also lead to a decline.

Most studies find that in practice the income effect dominates: as wages rise, people work less. The recent rise in hours worked in America and Britain thus looks odd indeed, especially since working time is rising most among high-income workers. It is fashionable to explain this oddity by citing the increasingly enjoyable nature of high-skilled work. Today’s knowledge workers are surrounded by clever colleagues tackling interesting and challenging problems that matter in the real world. Why should they sacrifice time spent in such rewarding ways for hours spent on leisure activities that are often less satisfying?

That undoubtedly describes the circumstances of some fortunate workers. Yet there is more than one way of seeing this dynamic. Research by Linda Bell of Barnard College and Richard Freeman of Harvard University, for example, concluded that inequality accounts for much of the difference in hours worked between America and Germany. When the income gradient in an economy or within an occupation is steeper, people work longer and harder in order to increase their chances of moving up the income ladder. Inequality might thus contribute to higher GDP (the difference in output per person between America and Belgium, for example, is entirely down to differences in hours worked rather than output per hour). But as a result, success in elite professions often hinges as much on a willingness to focus on work to the exclusion of all else as on other factors.

Better together

Moreover, many workers may feel they lack control over the length of time they are expected to work. The power of labour, suggest Michael Huberman of the University of Montreal and Chris Minns of the London School of Economics, matters as much as inequality in determining work-time trends. Historically, organised labour has led the charge for reduced working hours. Withered trade unions in America and Britain have been far less able to win concessions than have their continental counterparts. Similarly, they have lacked the clout to win the higher pay that would allow poorer people to work less without intolerably lower incomes.

Unions' role in winning shorter work weeks is not only about bargaining power. In an important sense, the choice of how much to work is necessarily a collective one. Professionals, however much they love their jobs, might come to appreciate a world in which raising a family or taking all of their allotted holiday time does not disqualify them from promotions. But unless professionals agree to cut back collectively, those that opt to take more leisure risk simply being squeezed out, leaving decisions to the work-obsessed few who ascend to management.

Just as importantly, individual decisions regarding work inevitably evolve in response to choices made by peers. Edward Glaeser of Harvard University, Bruce Sacerdote of Dartmouth College and José Scheinkman of Columbia University describe a "social-multiplier" effect, which boils down to the notion that spending time in a particular way is more enjoyable when others do the same. It is costly to miss work when others are there, and more fun to attend festivals when others are also free to do so. Individual flexibility in choosing working time is important; different people have different needs and preferences. But at some level, society as a whole must judge whether or not there is more to life than work.

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