

More Time Or More Stuff

by Charles Siegel

There is a question that is critical to determining what sort of lives we live and whether our economy is environmentally sustainable, but that no mainstream American politician has talked about for six decades. That question is: should we take advantage of our increased productivity to give ourselves more free time or to consume more stuff?

Ever since the beginning of the industrial revolution, improved technology has allowed the average worker to produce more in an hour of work. During the twentieth century, productivity (the term that economists use for output per worker hour) grew by an average of about 2.3 percent a year – which means that the average American worker in 2000 produced about eight times as much in one hour as the average worker in 1900.

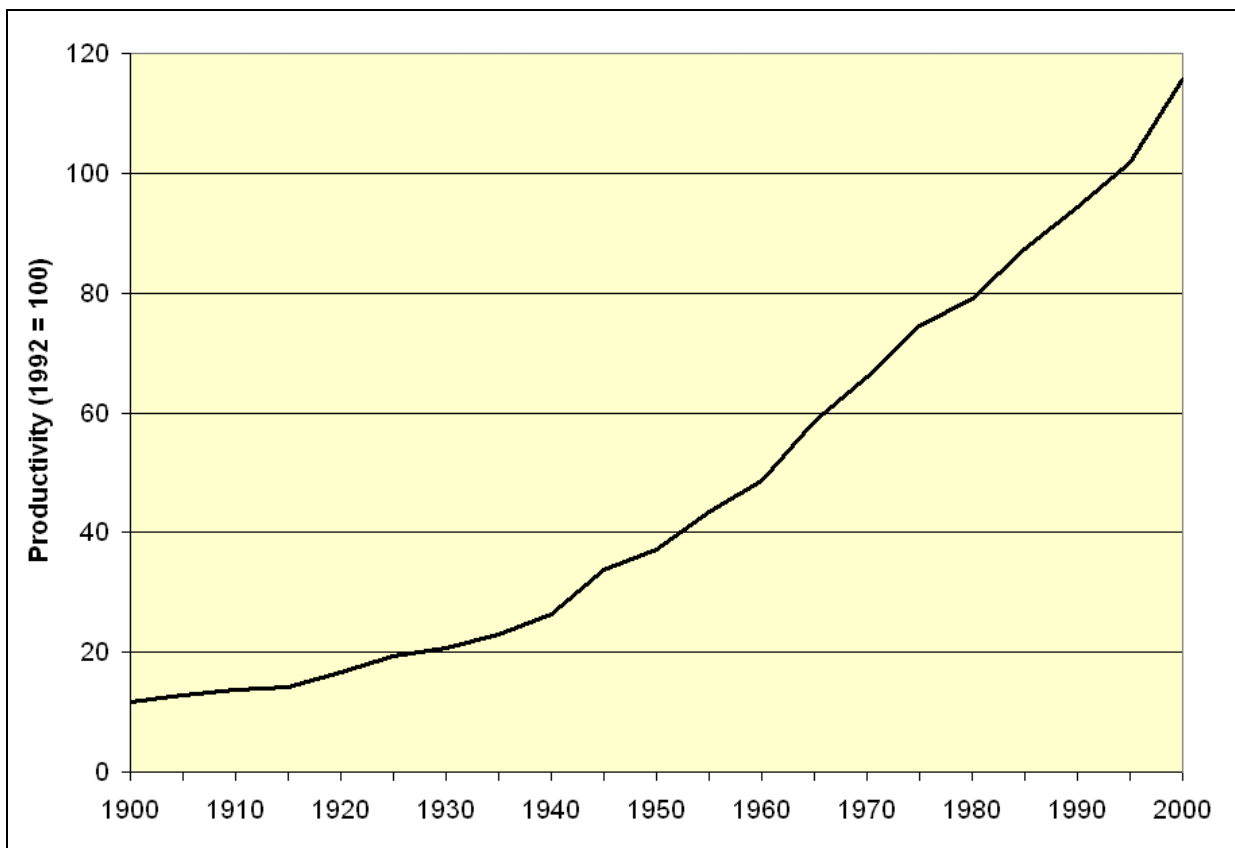


Figure 1: American Productivity (Output per Worker Hour)¹

During the nineteenth and early twentieth century, workers took advantage of higher productivity and higher hourly wages both to earn more income and to work shorter hours: average earnings rose and the average work week declined consistently. Workers got both more time and more stuff.

But in post-war America, the trend toward shorter hours suddenly stopped. Since 1945, in a dramatic break with the historical trend, we have used the entire gain in productivity to produce and consume more stuff, and we have not increased the average worker's free time at all. In fact, we have done something even more extreme than that; during the past several decades, we started working longer hours, and we actually work more now than in 1945.

We could reduce global warming and many other environmental problems by taking a more balanced approach: instead of using higher productivity just to increase consumption, we could also use it to reduce work hours, as we did during most of our history.

Losing the Fight over Work Time

If we look at the history of the battle between labor and management over work hours, we can see that Americans today do not work long hours out of free choice, as conservative economists claim. Though most people do not remember it today, there was a political struggle over work hours during the 1930s that led to the deliberate political decision to set a standard work week of 40 hours and to stimulate economic growth rapid enough to provide workers with these 40-hour jobs.

During the nineteenth and early twentieth century, unions fought for shorter hours just as fiercely as they fought for higher wages. Because of these struggles, the average work week in manufacturing declined dramatically, from about 70 hours in 1840 to 40 hours a century later.

In the early nineteenth century, factory workers earned subsistence wages by working six days a week, twelve hours a day. An example is Lowell, Massachusetts, where factories were established as a humanitarian social experiment meant to give young women a place to work and save a bit of money before marriage: even these humanitarian reformers required women to work 12 hours a day, six days a week, with only four holidays per year apart from Sundays.

In England, wages were lower than in America, so factory workers had to toil for even longer hours to earn subsistence, and children had to work as well as adults. In 1812, one manufacturer in Leeds, England, was described as humane because he did not allow children to work more than 16 hours a day.²

As new technology allowed workers to produce more per hour, wages went up, and the work week declined. As Figure 3 shows, the work week in manufacturing (where we have the best statistics) declined steadily through the nineteenth century, and was already down to not much more than 50 hours by the turn of the twentieth century. During the 1920s, Americans moved from the traditional six-day week to a five-and-a-half-day work week, with half of Saturday off as well as Sunday. During the 1930s, we adopted the five-day, 40-hour week.

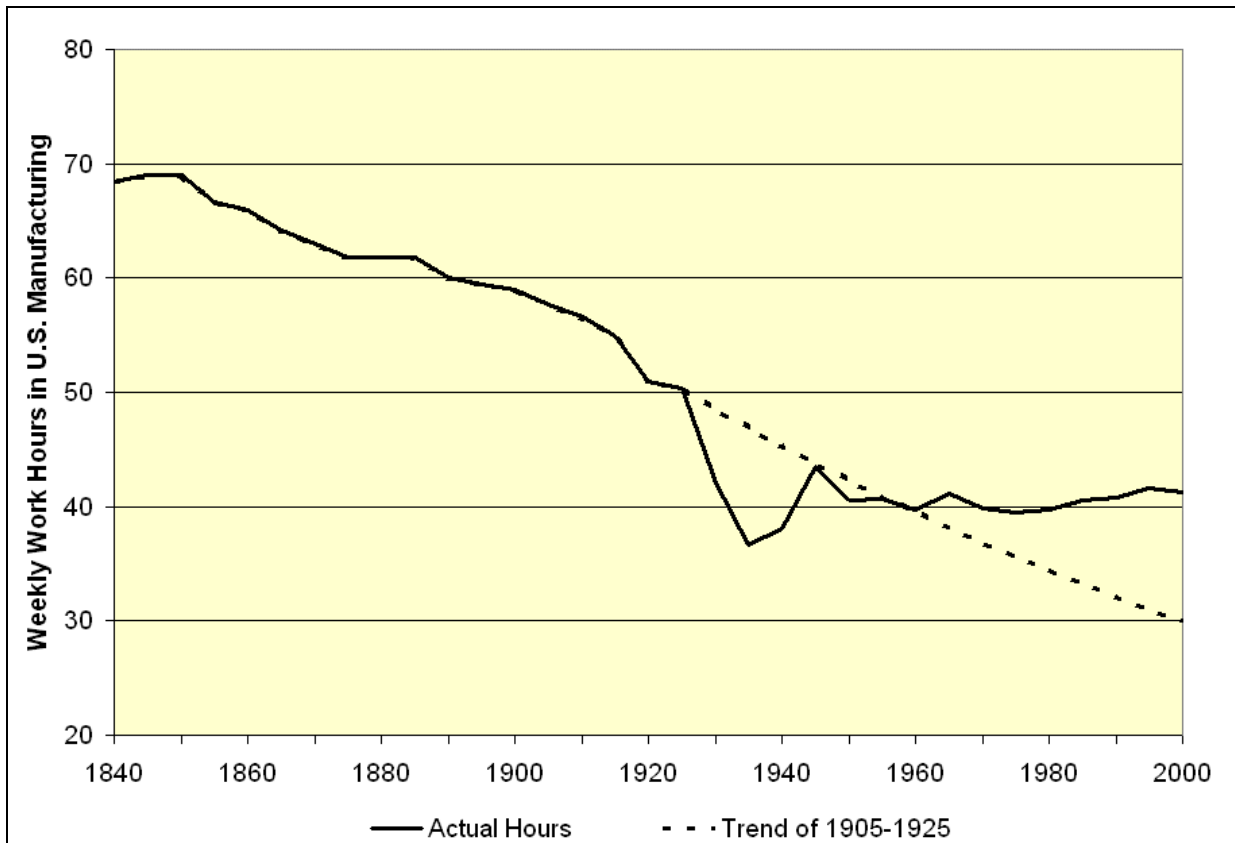


Figure 2: Average Work Week in US Manufacturing³

In the early twentieth century, unions continued to fight for shorter hours as well as for higher wages. For example, William Green, president of the American Federation of Labor, wrote in 1926 that “The human values of leisure are even greater than its economic significance,” because leisure is needed “for the higher development of spiritual and intellectual powers.”⁴

During the 1930s, the great depression gave labor unions another reason to fight for shorter hours: a shorter work week would reduce unemployment by sharing the available work. The Black-Connery bill would have set the work week at 30 hours in order to reduce unemployment. When it was introduced in congress, labor strongly supported this bill, with William Green as a leader. This bill was passed by the Senate on April 6, 1933.

At the time, most people believed that the 30 hour week would just be the first step. The depression seemed to be caused by inadequate demand: most people were beginning to reach the point where they had enough to be comfortable economically and did not need to consume much more. As technology continued to improve and workers continued to produce more each hour, it seemed inevitable that workers would produce everything that people wanted in fewer and fewer work hours, so the work week would have to keep getting shorter to avoid unemployment.

But business leaders opposed the Black-Connery bill fiercely, and they said that instead of shortening hours, we should fight unemployment by promoting what they called “a new gospel of consumption.” Initially, the Roosevelt administration had backed Black-Connery, but because of business opposition, it abandoned its support for this bill and instead worked for a compromise that would satisfy both business and labor. Without Roosevelt’s support, Black-Connery failed by just a few votes in the House of Representatives.

Roosevelt’s compromise plan had two features: the 40-hour week, and government programs to stimulate the economy.

The Fair Labor Standards Act of 1938 set the standard work week at 40 hours, which did not actually reduce work hours for most workers, since average work hours had already declined to less than that because of the depression.

In addition to setting this standard work week, the Roosevelt administration made every effort to stimulate the economy through federal spending, in order to give every worker one of those 40 hour jobs. For example, under Roosevelt’s New Deal, the federal government built highways, dams, and other public works to stimulate the economy.

After World War II, Roosevelt’s compromise - the forty-hour week and policies to stimulate the economy and provide more jobs - became the status quo. We still live with this compromise today.

In post-war America, there were fears that the economy would fall back into depression. The federal government dealt with the potential problem of inadequate consumer demand by spending vast sums of money to stimulate the economy: for example, there were federal programs to build freeways and to guarantee mortgages for new suburban housing, and there was bipartisan support for Keynesian economics and federal deficit spending to encourage rapid economic growth.

The private sector also did its share by spending more on advertising, and our leaders told us that it was our obligation to listen to the advertising and buy the products. In one famous example, a reporter asked President Eisenhower what Americans could do to help end the recession of 1958, and this dialog followed:

Eisenhower: Buy.

Reporter: Buy what?

Eisenhower: Anything.⁵

These efforts succeeded in stimulating growth that was rapid enough to give Americans those standard 40-hour jobs. In a reversal of the historical trend, the work-week did not decline during the 1950s and 1960s, despite widespread economic prosperity and higher wages.

Since the 1970s, the average work-week has actually increased, because more women have entered the workforce, and because employers have pressured full-time workers to work longer hours. Economist Juliet Schor estimates that the average American worker today works 160 hours per year longer than in the 1960s.⁶

Despite the tremendous changes in our society and the tremendous growth of our economy since the 1930s, Roosevelt's compromise is still with us today. Everyone accepts the idea that people should have standard 40-hour-a-week jobs, and every politician promises to stimulate the economy to provide more of these standard 40-hour jobs.

Our society is out of balance because we have spent more than a half century focusing on increased consumption and ignoring increased free time. Because women entered the workforce during that period, many families now face a time famine, without enough free time to take care of their own children. If today's time-starved Americans knew the history of the battle over work hours, most would probably say that we would have been better off if Black-Connery had passed and given us a 30-hour week.

Choice of Work Hours

Most Americans today have no choice of work hours. In general, the good jobs are full-time jobs. Most part-time jobs have low wages, no benefits, no seniority, and no opportunity for promotion.

You can get a part-time job if you want to work the cash register at a fast-food restaurant, but you usually have to take a full-time job if you want a job as a carpenter, an engineer, an accountant, a lawyer, or if you want most any other job with security, benefits, and decent pay. To give a glaring example of our unfairness to part-time workers, many college teachers now work part-time as "Adjunct Professors," and they are paid far less per course than full-time professors, they have no benefits, and they have no chance of being promoted and getting tenure.

Studies have shown that 85 percent of male workers have no choice of hours – their only choice is a full-time job or no job.⁷ Economist Juliet Schor has estimated that, if the average male worker cuts his hours in half, he will cut his earnings by more than 80 percent because of the lower pay and benefits for part-time workers;⁸ the average woman would lose less, but that is only because women are more likely to work part-time, so they already have lower wages because of discrimination against part-time workers.

A survey by the Center for the New American Dream found that half of American full-time workers would prefer to work four days a week at 80% of their current earnings – but they do not have this choice.⁹

Despite the low pay, many people choose to work part time. The great majority of part-time workers are part-time by choice, and only 17 percent work part time because full time work is not available.¹⁰ Obviously, many more people would want to work part time, if part-time workers were treated as well as full-time workers.

Some European nations have adopted policies that let people choose their work hours:

- **Ending discrimination against part-time workers:** In the entire European Union, part-time employees are protected against discrimination. By law, employees who do the same work get the same hourly pay, whether they are full-time or part-time. Part-time workers also have the same seniority and same chance of promotion as full-time workers, with seniority based on the total number of hours an employee has worked.
- **Allowing workers to choose part-time jobs:** In the Netherlands and Germany, if a worker requests shorter hours with the same hourly earnings and benefits, employers are required to accommodate this request unless they can prove that it would cause them hardship.

The Netherlands was the first country to adopt policies encouraging part-time work. During the 1980s, under the agreement of Wassenaar, labor unions moderated their wage demands in exchange for employers providing more part-time jobs; at the same time, the Netherlands passed a law forbidding discrimination against part-time workers, which has since been adopted by the entire European Union. More recently, the Netherlands has required employers to accommodate requests for shorter hours, if they do not cause economic hardship. As a result of all these policies, the average work week of all Dutch workers (full and part time) has already gone down to 31.7 hours.¹¹

Rudd Lubbers, the Prime Minister when the agreement of Wassenaar was implemented, has written:

“The Dutch are not aiming to maximize gross national product per capita. Rather, we are seeking to attain a high quality of life.... Thus, while the Dutch economy is very efficient per working hour, the number of working hours per citizen is rather limited. ... We like it that way. Needless to say, there is more room for all those important aspects of our lives that are not part of our jobs, for which we are not paid and for which there is never enough time.”¹²

These policies do not force anyone to work shorter hours, but they do give people the option of working shorter hours. They let people choose whether they want more free time or more stuff.

Free Time for Free People

If they had the option, would people choose shorter hours? If they did, what would they do with their extra free time?

There are some successful CEOs, architects, writers, musicians, and the like who would not reduce their hours, because they get more satisfaction from their work than they could get from any other activity. But people like these are relatively rare.

Even among people who get satisfaction from their jobs, most would be happier doing less of their routine work and spending more time on related activities that would enrich their work. Most college professors would be happier with a lighter workload and more time for research and study. Most doctors would be happier with a lighter workload and more time to keep up with developments in their field – and we would all be better off if doctors did this rather than getting most of their information about new developments from drug-company advertising.

The great majority of Americans – from accountants to computer programmers to electricians to middle managers – work primarily for income and not for the intrinsic satisfaction that they get from doing their jobs. If they did not need the money, they would gladly work less. If these people could work shorter hours, many of them would use their free time to do work that pays little or nothing but that is satisfying in itself.

For example, Vince works as a policeman but he devotes weekends to his hobby of carving wooden doors. He began by carving a door for his own house, it looked so good that a few neighbors asked him to do the same for them, and soon he had so many people asking for his doors that he could not keep up with demand. But he earns less than a dollar an hour carving doors, so it could never support him. He looks forward to retirement, so he can spend more time on this hobby.

Susan worked as a secretary at a university. After her children were grown, she began volunteering with neighborhood groups and groups advocating affordable housing. And after a decade of volunteer work, she was elected to the city council. At that point, she essentially had two full-time jobs: a secretary during workdays, and a councilmember virtually every evening and weekend – a pace that most people could not maintain. When she finally retired from the job where she earned her income, she still had more than a full-time workload as councilmember.

Imagine how different our culture would be if Americans spent less time working to buy consumer goods and instead used their time for occupations like these. People could have second careers that are creative without quitting their day jobs, because their day jobs would not take as much time: they would have time to spend performing music, producing crafts, working in local community groups, being active in politics, and the like. Of course, they would also have more time to spend with their children, families, and friends. There could be an unprecedented flourishing of human talent.

Choice Versus Shorter Hours

In the past, hours became shorter because the standard work week changed. But in today's society, there are several reasons why it makes sense to let people choose their own hours, rather than to shorten the standard work week.

Choice of work hours accommodates recent changes in the family. Until a few decades ago, most families were supported by one male breadwinner. Today, families are much more diverse. Some people are still the sole wage earners for a family, and they may need to work long hours to get by. Other families are made up of working couples without children, and they can easily afford to work shorter hours.

Choice of work hours has political advantages. It is hard politically to argue against choice: conservatives argue against a shorter standard work week by saying that people want to earn more and consume more, but it would be hard for them to argue against giving people a choice. In addition, demands for a shorter standard work week create conflicts between employers and employees because they raise costs for employers (which is why the 35-hour work week has become so controversial in France), but choice of work hours does not create this conflict (which is why this choice has not become controversial in Germany and the Netherlands).

Choice of work hours would reduce inequality of income, because people with higher hourly earnings are likely to work shorter hours. Ultimately, it could change our definition of success: we would consider people successful if they not only have a higher income than average but also have more free time than average.

Most important, choice of work hours would allow people to make a deliberate choice of their standard of living. Each person would have to decide whether it is more important to consume more stuff or to have more free time, and this choice would make people think much harder about their purchases. Instead of buying a McMansion and a Hummer, you could buy an average size house and a Toyota and work (say) one day less each week. If you have fixed work hours and a fixed salary, you might as well buy the biggest house and the biggest car you can afford; but if you have a choice of work hours, you have a reason to consume less.

Now that we have moved from a scarcity economy to a surplus economy, this choice of standard of living has become important economically.

In theory, choice of work hours has always made economic sense. Economic theory has always said that people should have a free choice among different products, so they can choose the one that gives them the most satisfaction. Economic theory implies that people should be able to choose between consuming more stuff and having more free time for exactly the same reason – because they might get more satisfaction from increased free time than they get from increased income.

In practice, this choice was not very important in the past. In a scarcity economy, most people could afford to consume not much more than the essentials, and they could not go

very far in choosing more free time rather than more consumer goods. As a result, most economists overlooked the issue historically.

In our surplus economy, though, many people could get by with much less income and much more free time than they now have. The choice between more free time and more income is now critical to determining what sort of life people lead. We can no longer afford to overlook it.

This choice between more free time and more income is also important to dealing with our most pressing environmental problems. For example, a recent study by economist Mark Weisbrot found that, if Americans worked as few hours as western Europeans, it would lower our energy consumption and greenhouse gas emissions by 20%.¹³

A movement toward simpler living could help to reduce all our environmental problems. That movement can spread only if people are allowed to choose their work hours and to make a deliberate decision about whether they want more time or more stuff.

Notes

¹ Source: 1900-1957: Susan B. Carter et al., editors, *Historical Statistics of the United States: Earliest Times to the Present* (New York, Cambridge University Press, 2006) p. 3-463; 1958-2000: George Thomas Kurian, ed, *Datapedia of the United States: American History in Numbers*, third edition (Lanham MD, Bernan Press, 2004) p. 134.

² John DeGraaf, David Wann, Thomas H. Naylor, *Affluenza: The All-Consuming Epidemic* (San Francisco, BerrettKoehler, 2002) p. 130.

³ Source: 1840-1890: *Historical Statistics*, p. 2-301; 1890-1925: *Historical Statistics*, p. 2-303; 1930-1995: *Historical Statistics*, p. 2-306 to 2-307; 2000: U.S. Bureau of the Census, *Statistical Abstract of the United States: 2006* (Washington, DC, 2006), p 414.

⁴ Benjamin Kline Hunnicutt, *Work Without End: Abandoning Shorter Hours for the Right to Work* (Philadelphia, Temple University Press, 1988) p. 82.

⁵ Vance Packard, *The Waste Makers* (New York, David McKay, 1960) p. 17.

⁶ cited in DeGraaf et al., *Affluenza*, p. 42.

⁷ Juliet B. Schor, *The Overworked American: The Unexpected Decline of Leisure* (New York, Basic Books, 1991), p. 128.

⁸ Schor, *Overworked American*, p. 133.

⁹ Center for the New American Dream, www.newdream.org/live/time/timepoll.php.

¹⁰ Source: U.S. Bureau of the Census, *Statistical Abstract of the United States: 2006* (Washington, DC, 2006) p. 399. The 17% who work part-time because full-time work is not available combines the *Statistical Abstract's* categories: Slack work or business conditions, Could only find part-time work, and Seasonal work. This calculation omits the *Statistical Abstract's* categories: Vacation or personal day, Holiday,

Weather related curtailment, and Job started during the week, since these are not actually part-time workers, though they worked less than full-time during the week surveyed.

¹¹ *San Francisco Chronicle*, November 9, 1999, p. A14.

¹² Rudd Lubbers, "The Dutch Way," *New Perspectives Quarterly*, Fall, 1997, p. 15.

¹³ David Rosnick and Mark Weisbrot, "Are Shorter Work Hours Good for the Environment?" Center for Economic and Policy Research (CEPR), 2006.