

SPENDING TIME



The Most Valuable Resource

DANIEL S. HAMERMESH

SPENDING TIME: The Most Valuable Resource

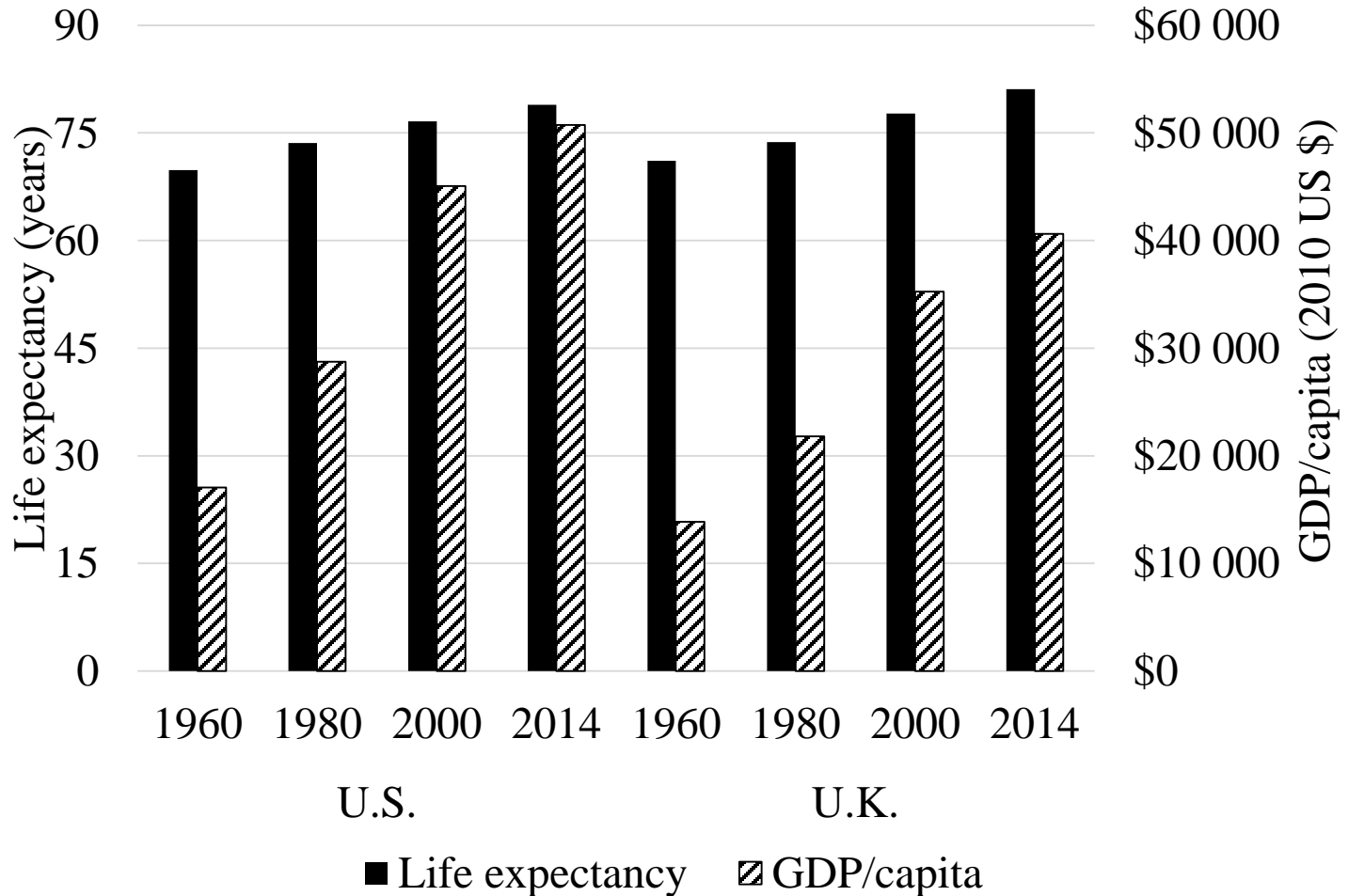
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1. Do We Have More Money or More Time than our Grandparents?



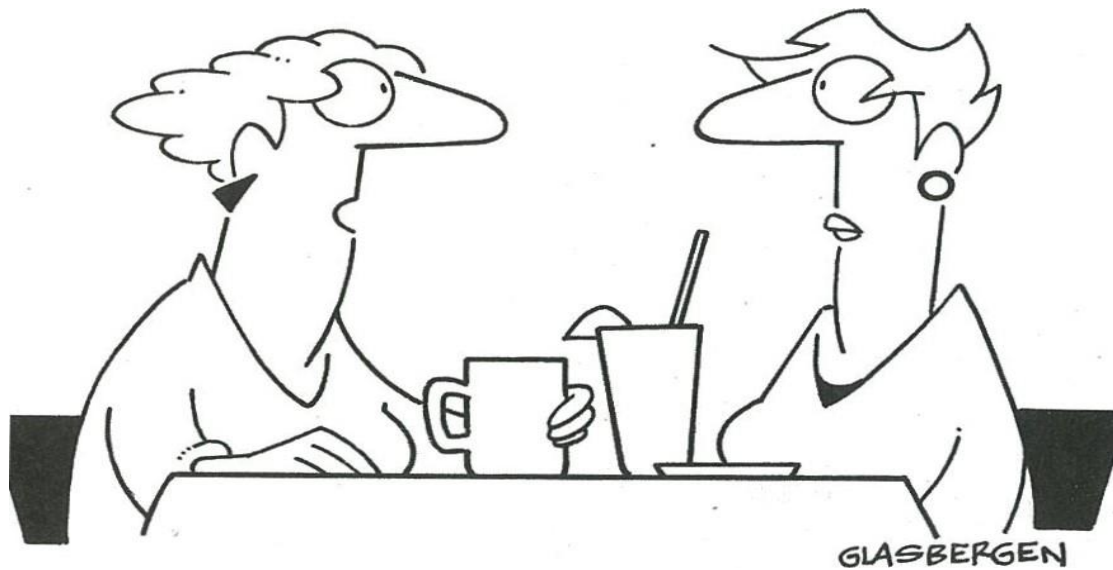
We think money is scarce, and it is—we all want more money. But for more and more of us, it is time that is scarce.

That is true for richer people, and among richer countries.

Figure is even sharper for middle-income countries—Brazil, Mexico.

2. How Can We Classify Time?

- *Time diaries—how they work*
- **Paid work**
- Your job, time in class and doing schoolwork—and time spent looking for a job or commuting.
- **Required (personal) activities**
 - Sleeping, eating, washing up, sex, etc.
 - Things that you cannot pay somebody to perform for you but that you must do.



"My husband and I make love 6 times a week. We outsourced our sex life to a young couple overseas."

- **Home production**

- Child care, cooking, cleaning, walking the dog, etc.

- Things that you could pay somebody to perform for you.

- **Leisure**

- Television watching, exercising, sporting events, religious activities, etc.

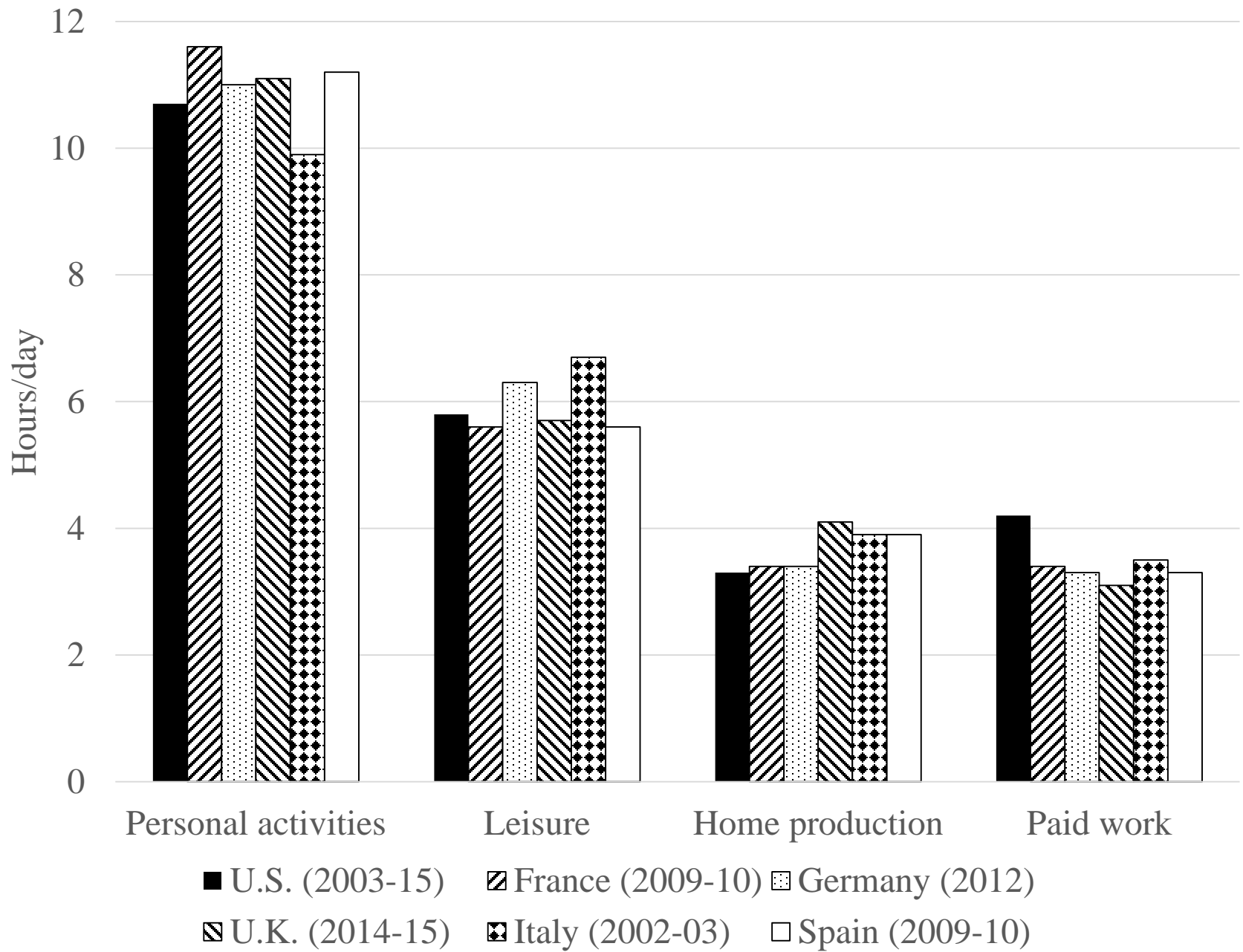
- Things that you enjoy, are not required to do, but must do for yourself.

"That's the guy I hired to read Proust for me."



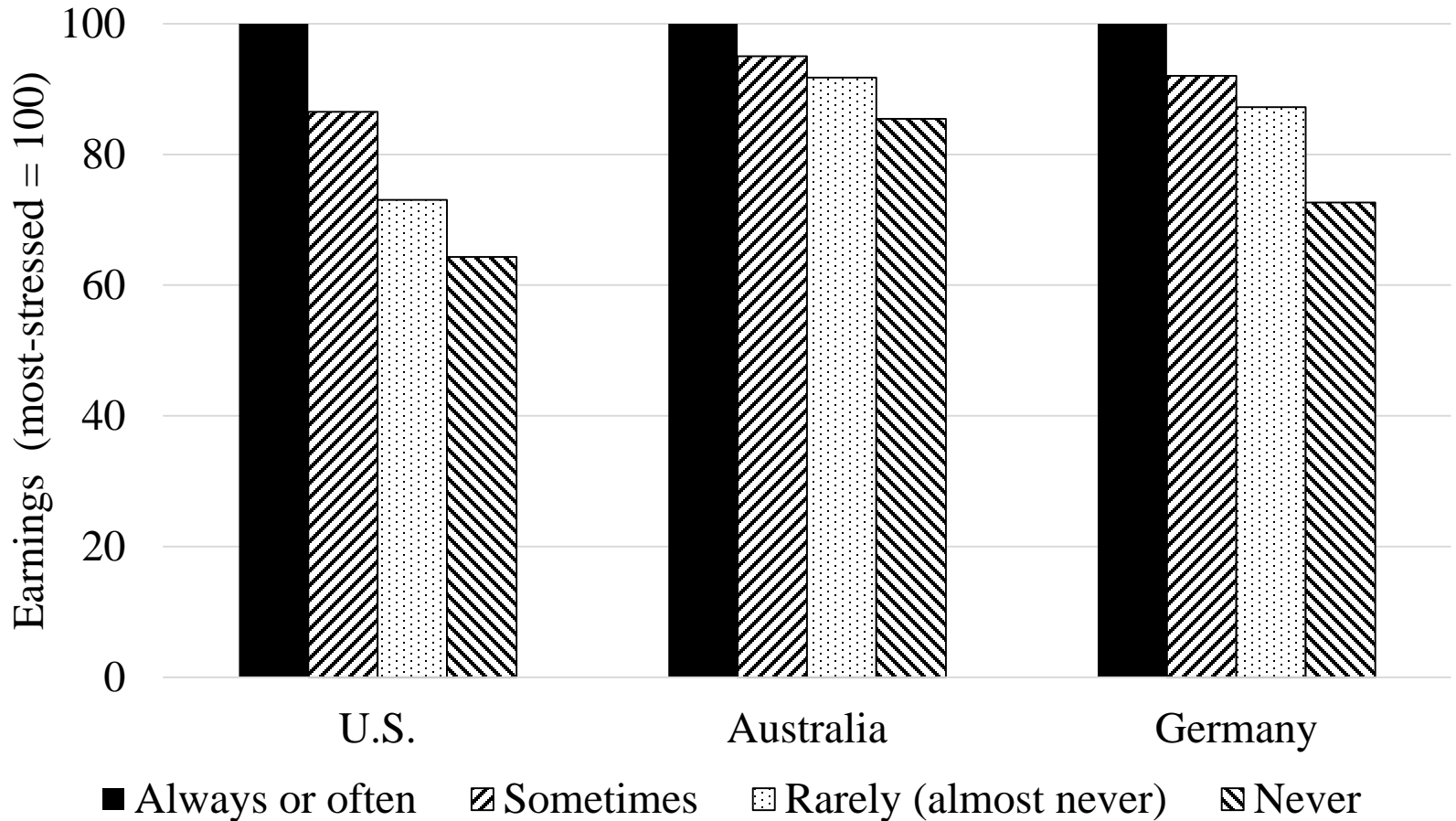
"That's the guy I hired to read Proust for me."

THE NEW YORKER. DECEMBER 24 & 31, 2007



3. Stressed For Time?

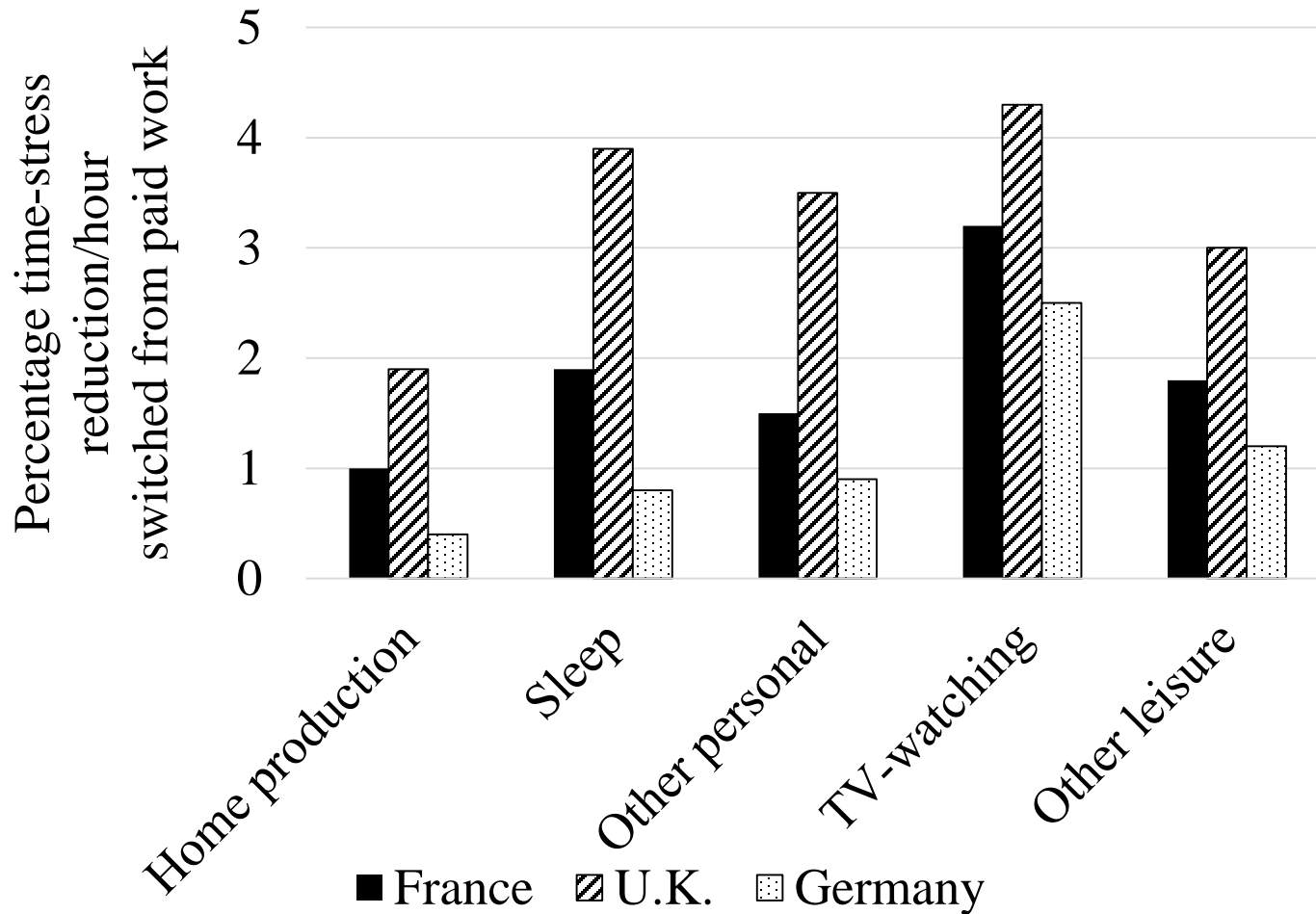
a. Rich or Poor?



This makes sense—it takes time spend money.

True even if no work--higher partner income, more time-stress.

b. What is stressful?



Paid work is the most time-stressing. TV-watching, sleep the least.

4. The Rich Are Different from Us?

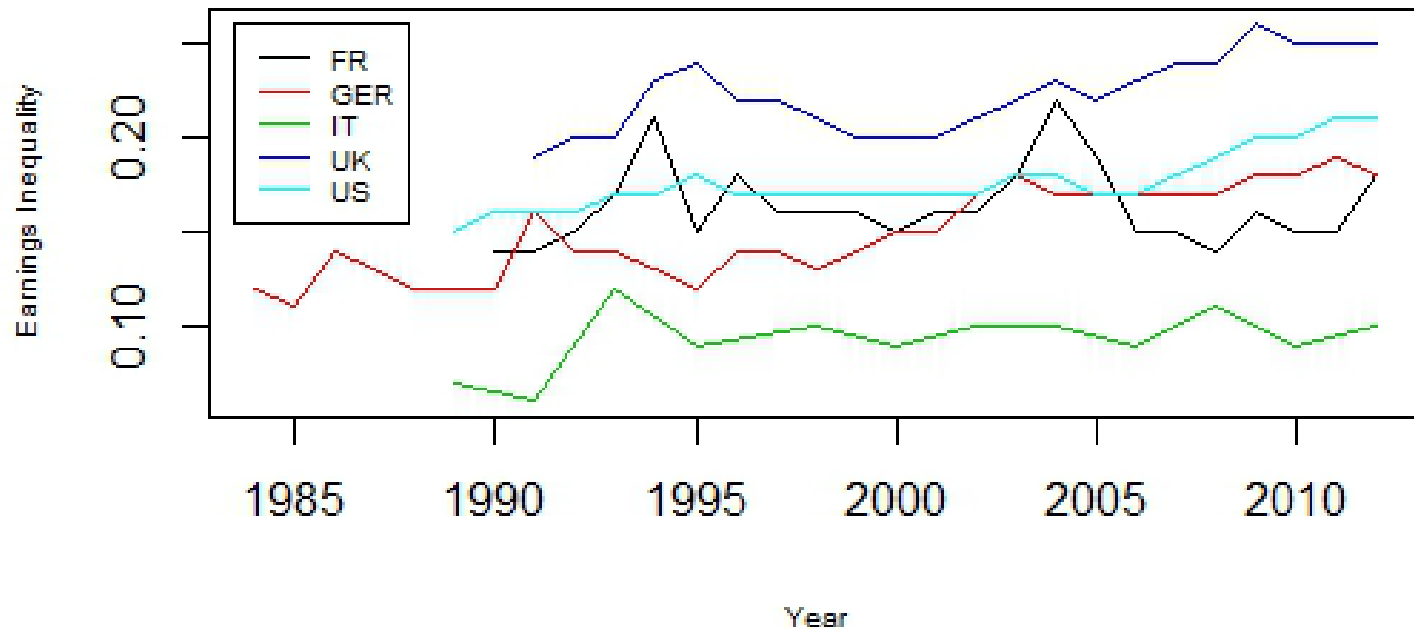
[F. Scott Fitzgerald]

Who works more, rich or poor?

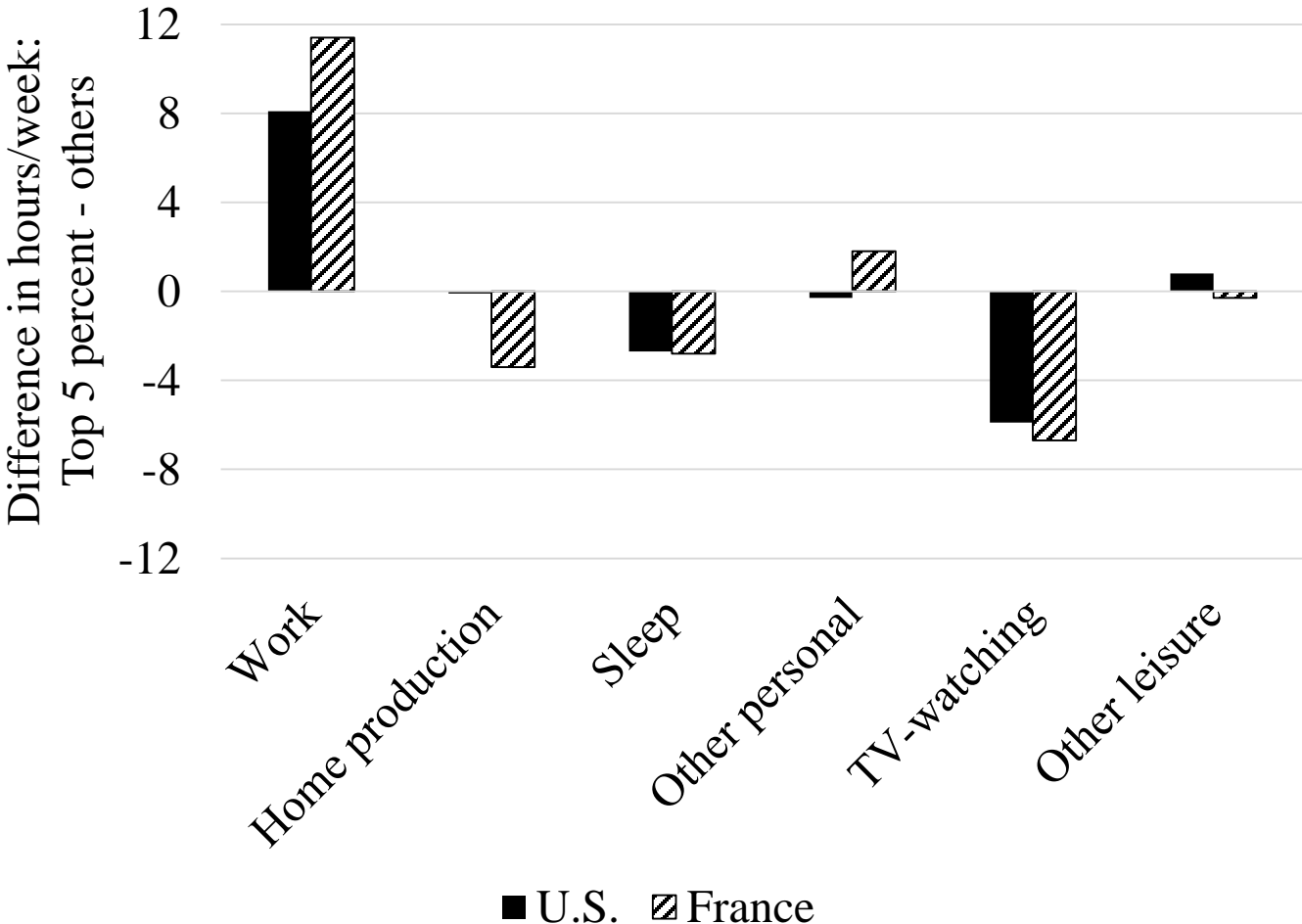
How do the rich and the poor spend time when not working?

Who are the rich?

Changing earnings inequality in major countries (Theil coefficients, from Lara Vivian, 2015)



The rich are different! They do much more paid work, make up for it by watching much less TV, sleeping less. Even non-working rich sleep less, watch less TV than other non-workers



They also enjoy more variety—more “spice” in life.

In France, U.S., people above the 95th pctile of income-earning households do 5% more different things—even though they work more.

In Australia, Germany, Israel, Netherlands, the most educated people have more variable schedules across days—more temporal variety.

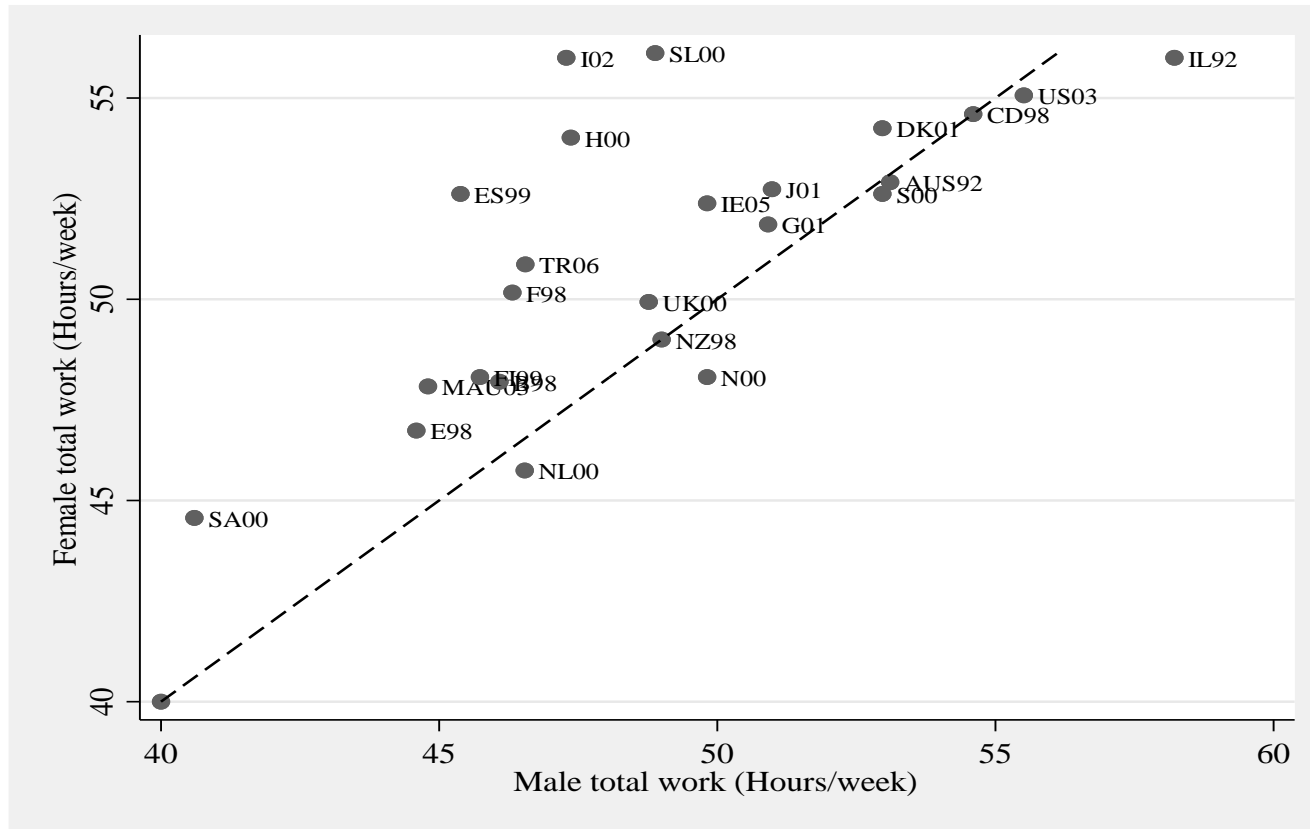
5. *Vive la Différence?*

a. Who works more— men or women?

Men. Also longer hours per week if working. So if work is more stressful, men will be more time-stressed. In fact, women are more time-stressed in rich countries.

b. Who works more *IN TOTAL*?

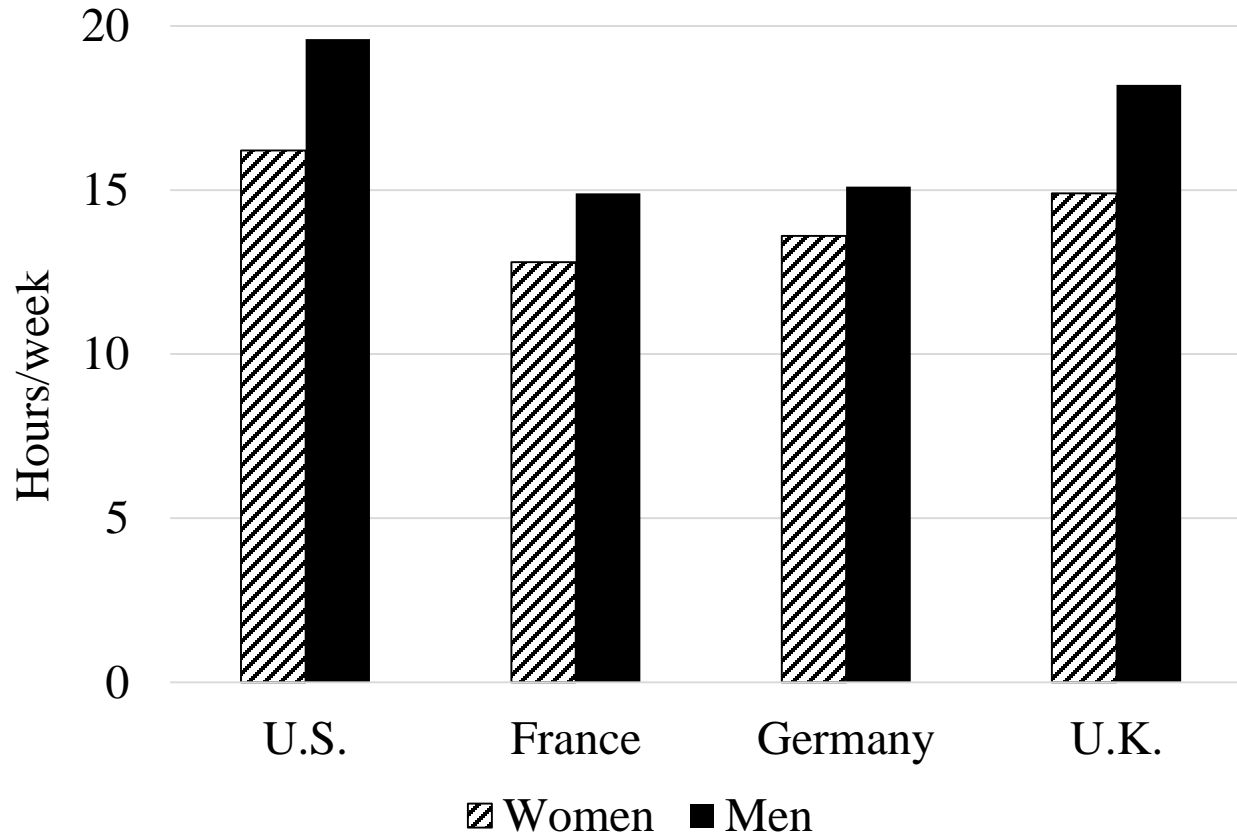
Define total work as paid work and home production.



In rich northern countries, totals are within 1 hour/week. So why are women more stressed—managerial role in household, lack of power.

c. Are there gender differences outside total work?

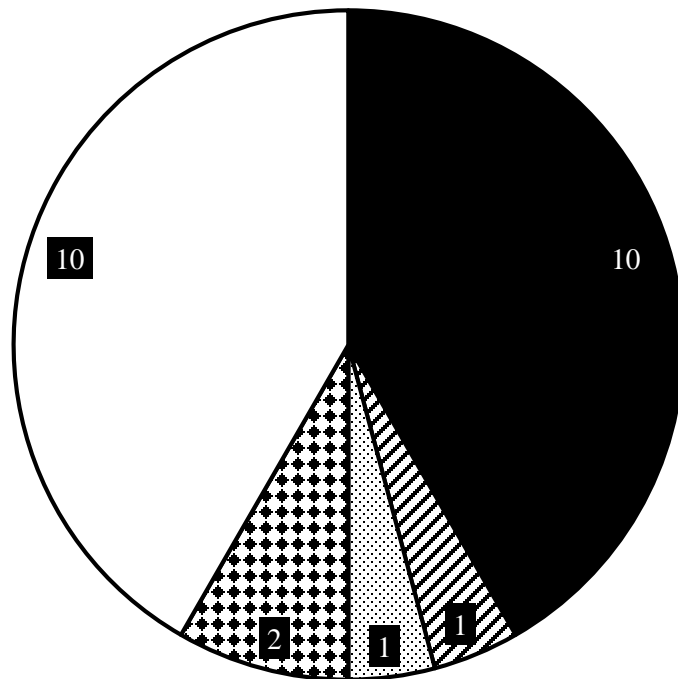
TV-watching



Big difference is in TV time. Note high U.S. TV time.
The couch potato is a gendered American vegetable.

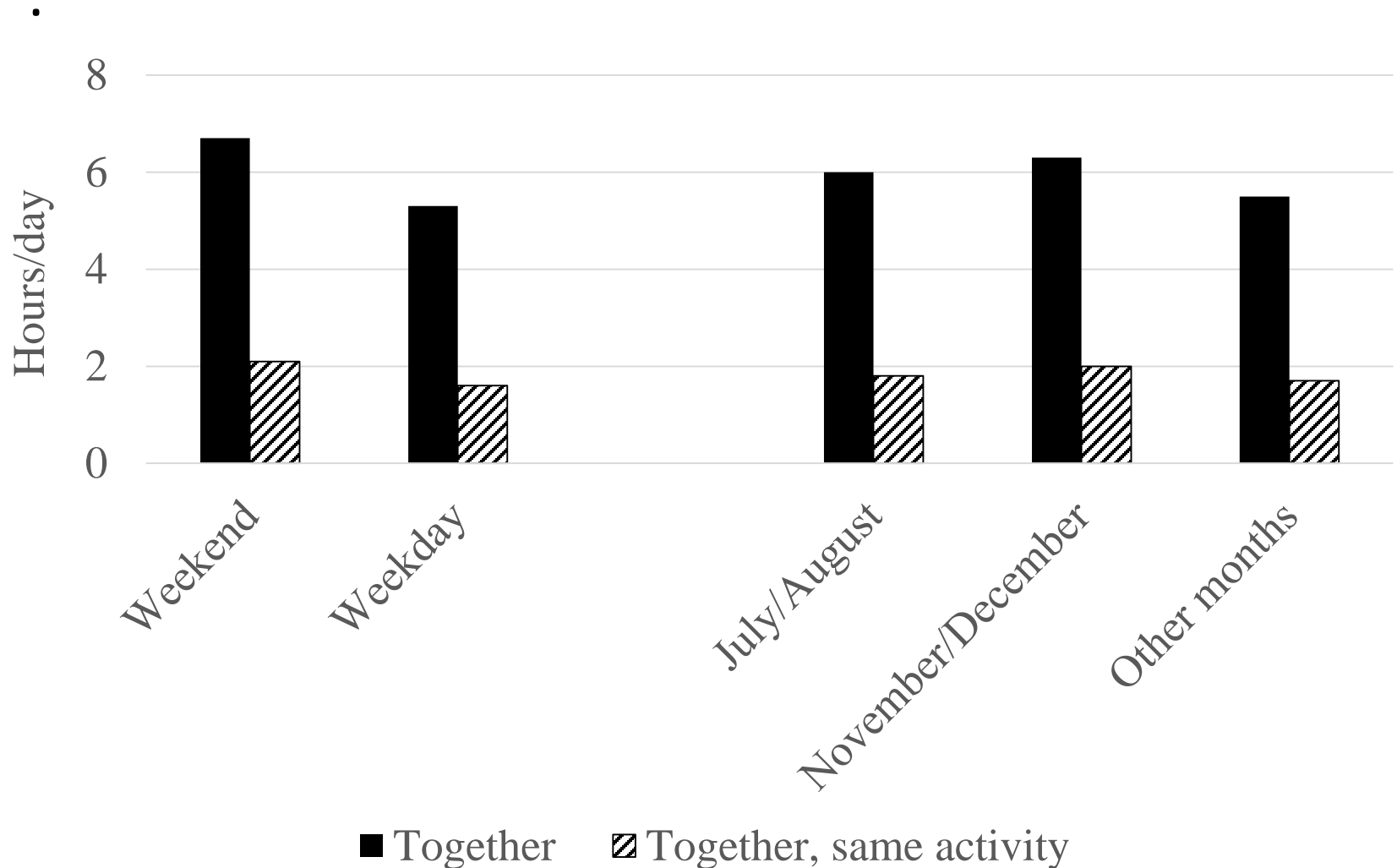
6. Togetherness—what does it mean? How much is there?

When are partners together? Same location/room? Same activity? Same activity together? For typical U.S. couple, this is description. Western Europe—a bit more togetherness—because less work.

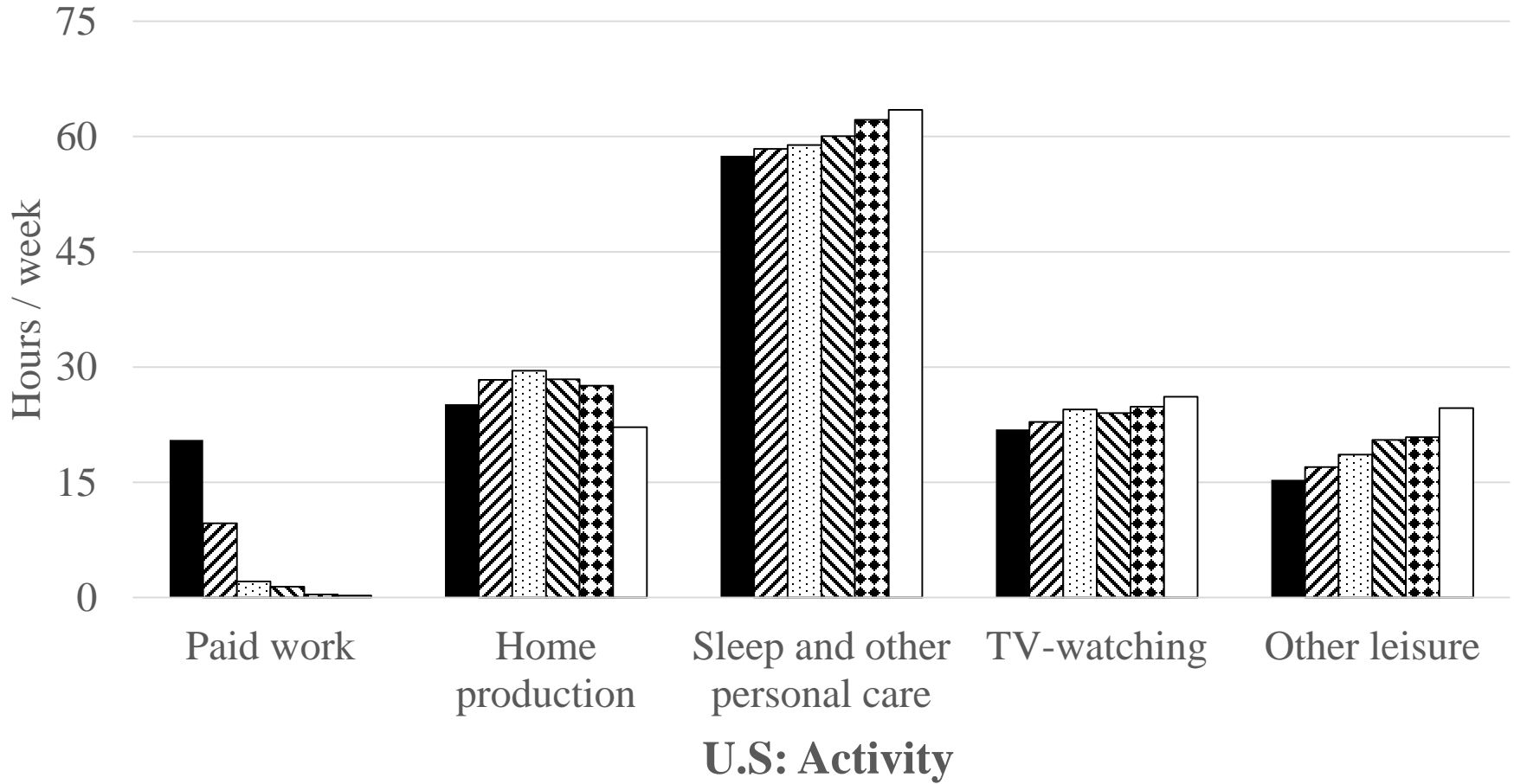


- A: One works
- ▨ B: Same place and activity, together
- ▩ C: Same place and activity, separate
- ▧ D: Same place, different activity
- E: Not same place, or sleep

Good data for France on this. May be typical of EU—and it shows importance of holidays



7. Is it a “drag ... growing old?”



For France and Germany, by 70 very little work. And it's not home production—it's more sleep—and especially more TV. Same as U.S. —**BUT** moved -5 years

Role of health—less work, less home prodtn, more sleep.

Men are ↑ scarce after 60—46% ages 70-74, 33% ages 85+. Majority of the oldest women are widows—what do they do with time compared to wives?

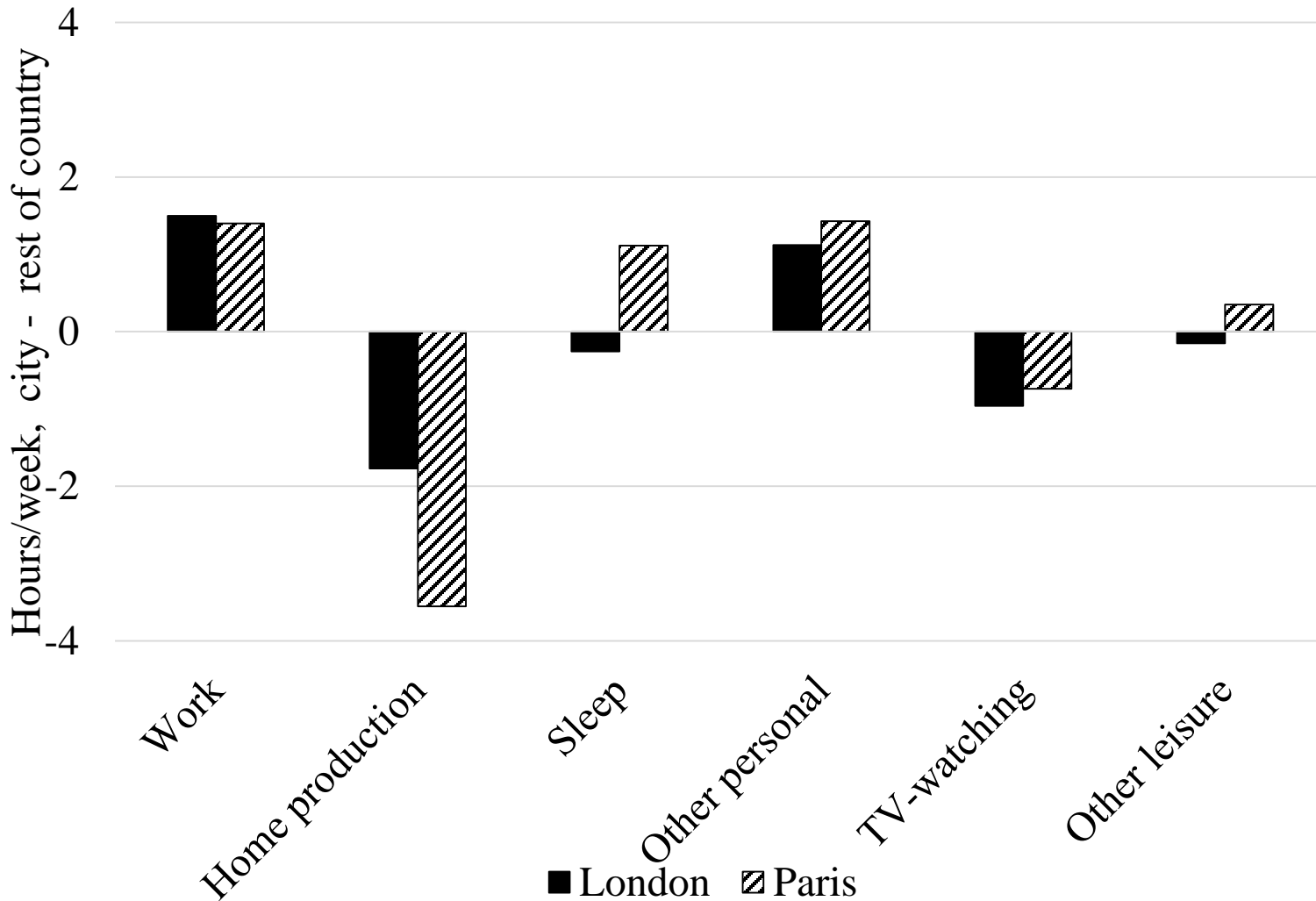
In US, + 1 hour paid work; + 1 hour sleeping;

+3 hours TV

- 4 hours home production, -1 hour other leisure.

9. Regional differences—*are big cities different?*

London, Paris are special---huge shares of their country's populations.



10. Have we gotten more time?

Maybe 15% additional life expectancy—tiny.

Work No, as we saw

Home production—think of all the time-saving devices. But <3 hours/day freed up compared to 1900.

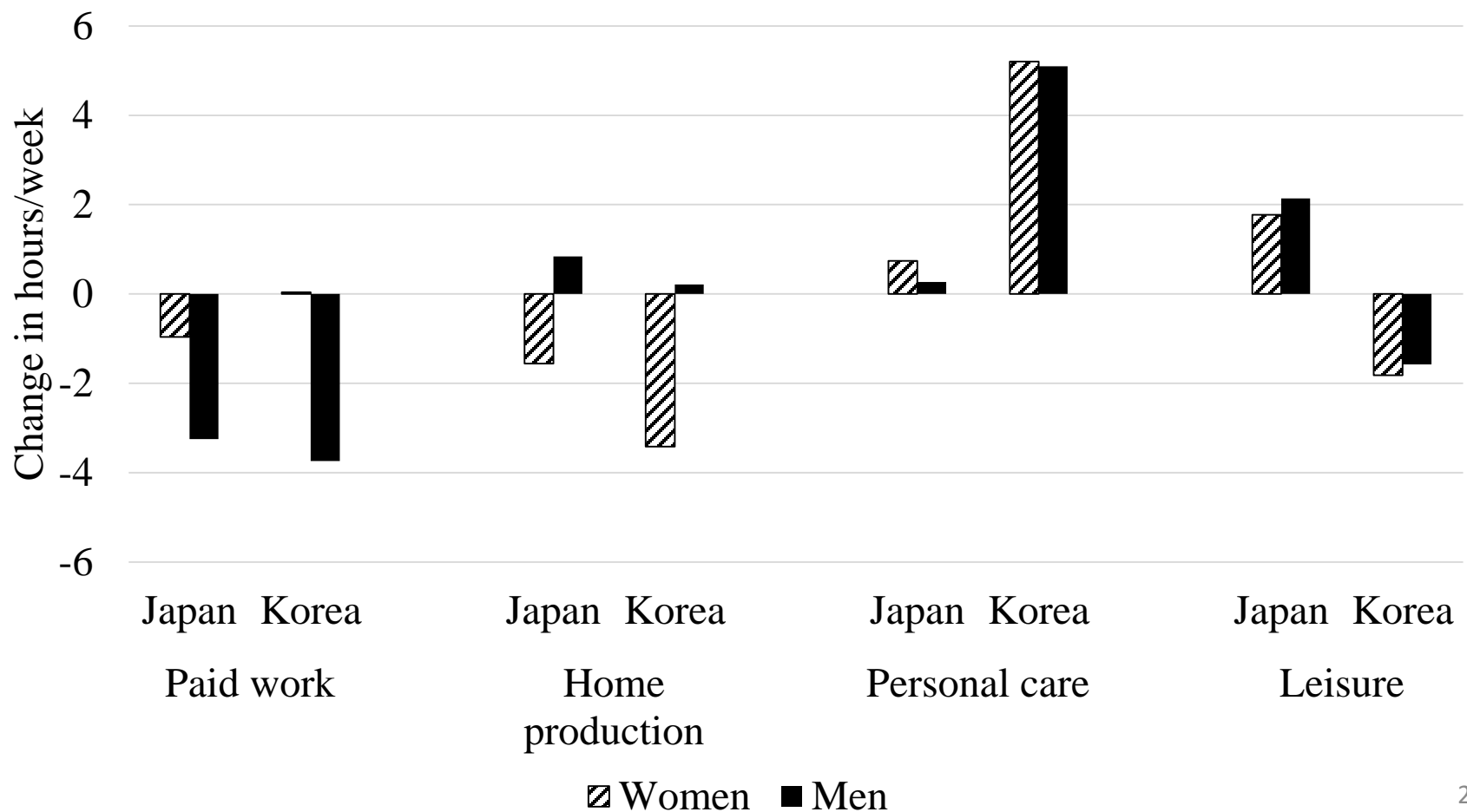
Personal time—sleeping? Sex? Grooming. All may be higher quality, but no less time.

Leisure—more enjoyable. But no saving of time

Very little more time compared to more income.

11. How is a permanent ↓ in work time used?

Japan in the late 1980s, Korea early 2000s,
government ↓ standard workweek. Effects:



None of the time off from paid work was used to do work at home. Mostly TV-watching, or grooming.

In US in Great Recession—mostly extra sleep time.

Implication: If we reduce work time, people choose to enjoy themselves or take better care of themselves. Not things that they could pay other people to do.

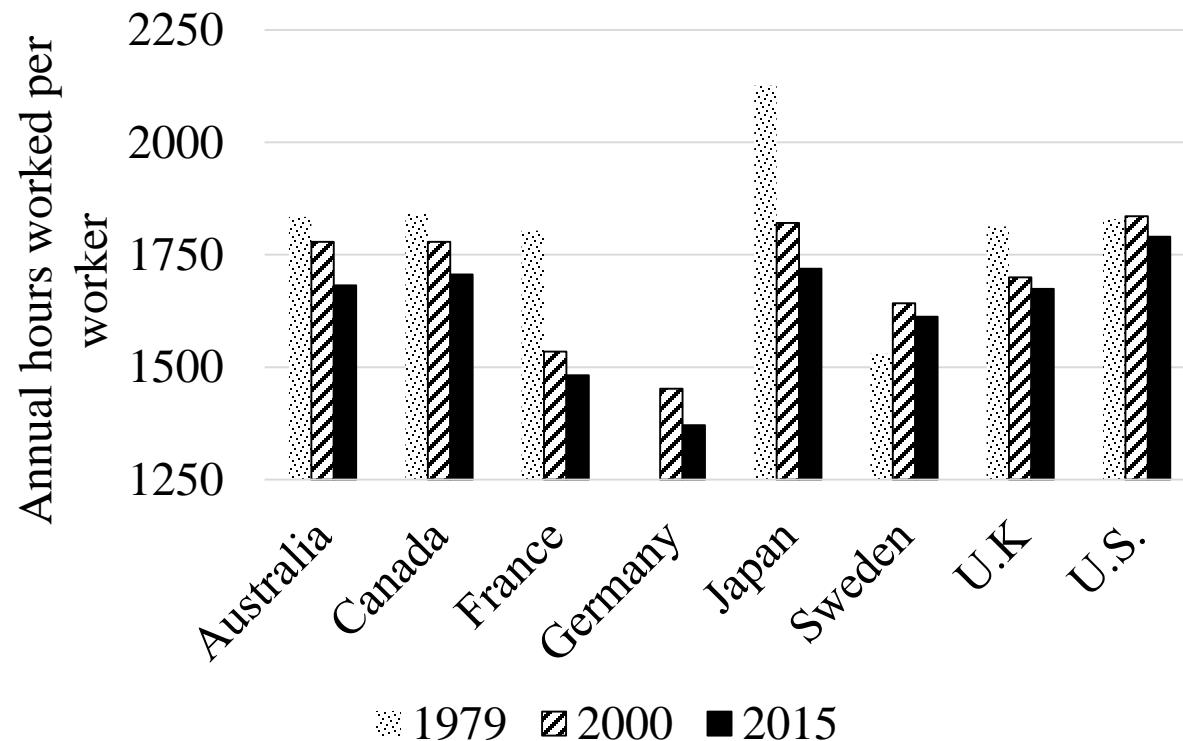
Maybe if huge cut in work, we would do more “worthwhile” things.

Do people want this? Yes—those affected were happier with life.

12. U.S. exceptionalism

Labor-force participation about same in U.S. as others—63%, same as UK, more than France, Germany, Japan, less than Australia, Sweden.

Average workweek in U.S., elsewhere is about the same as elsewhere—35-37 hours by those who work that week.



How can this be??

Same participation, same weekly hours, **if at work, BUT:**

Paid vacation:

No mandated vacation, U.S. average is 2 weeks/year.

Every other rich country has at least 4 weeks over government required paid vacation. Many have 5 or 6.

Paid holidays: U.S. has fewer than elsewhere—9 or 10.

This difference wasn't true 30 years ago.

WHY?

NOT: Consumerism

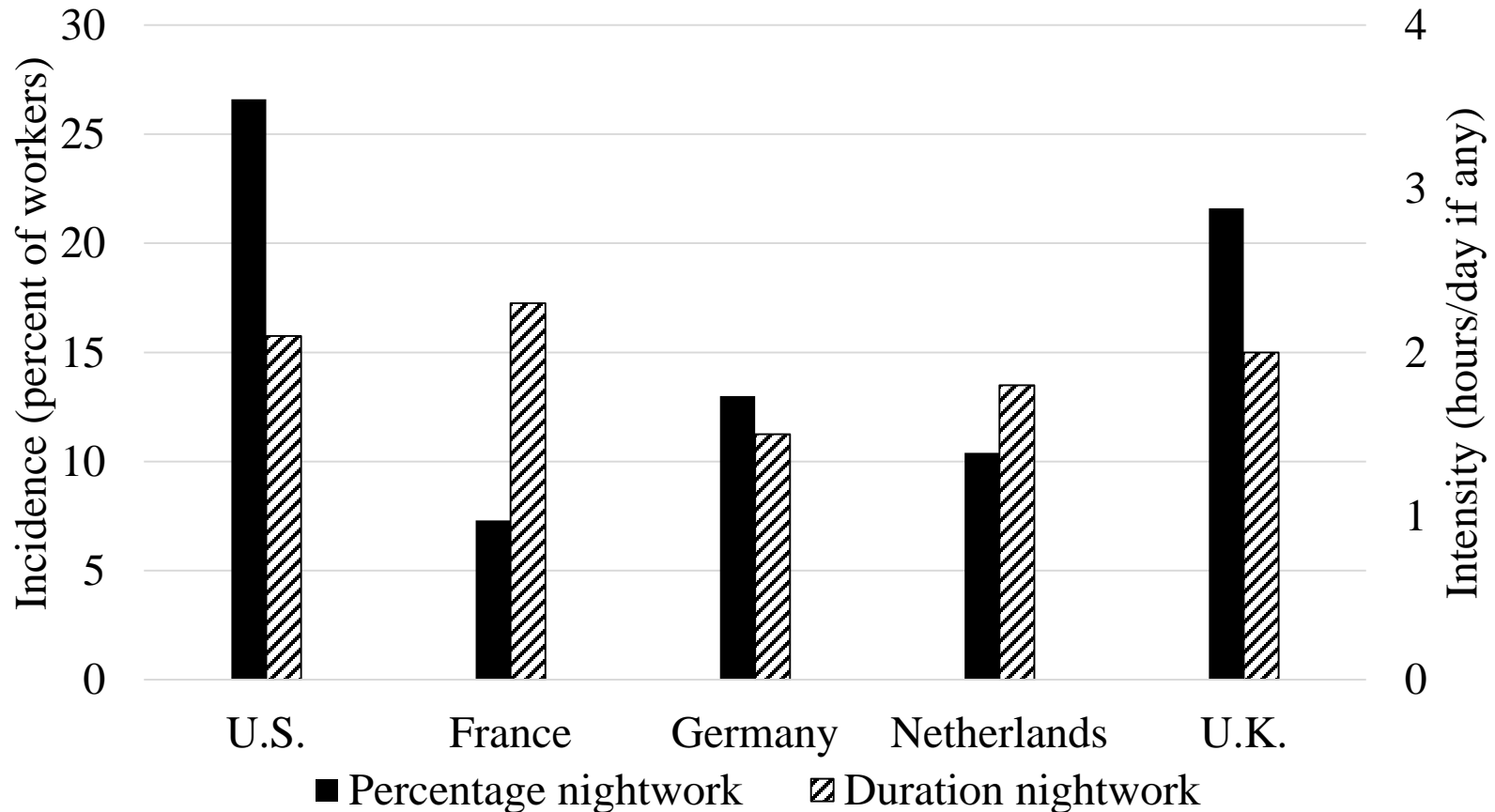
NOT: No unions

YES: Political stalemate, lack of political will

b. When we work

U.S.: Much more weekend work; many more people working evenings/nights—but same average time if do such work.

Minorities, immigrants, low-skilled especially are “odd-time” workers.



13. What can be done?

- a. Individually—self-control to reduce time-stress

- b. Companies: Free-will scheduling; 32-hour weeks
Communities: Agreed “time-outs.”
Problem with these: Incentives are wrong

- c. Only government action will overcome low-level equilibrium!

- d. What will matter—what policies will increase desirable variety within a time period, over a lifetime?

Increase eligibility age for govt. pensions—
especially important in Europe. (NOT for fiscal reasons, but for lifetime variety reasons.)

Stop the trend to U.S.-style work at all times. The trend benefits shoppers a bit, hurts a few low-skilled a lot.

14. Covid—Permanent Effects on Time?

- a. Permanent drop in commuting time. Commuting was 1-3/4 hours/week per adult. How will this be use?
- b. Will leisure remain more at home? Hard to say, but some will—and that saves time too.
- c. People happiest when with spouse, least happy alone. Covid probably raised happiness of marrieds compared to singles.
- d. If time stays partly freed up, how will we use it (now that we have free choice again)?