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STATE OF THE WORLD

Transforming Cultures

From Consumerism to Sustainability

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STATE OF THE WORLD

Transforming Cultures

From Consumerism to Sustainability

Advance Praise for *State of the World 2010*:

“If we continue to think of ourselves mostly as consumers, it’s going to be very hard to bring our environmental troubles under control. But it’s also going to be very hard to live the rounded and joyful lives that could be ours. This is a subversive volume in all the best ways!”

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—**Muhammad Yunus, founder of the Grameen Bank**

“This year’s *State of the World* report is a cultural mindbomb exploding with devastating force. I hope it wakes a few people up.”

—**Kalle Lasn, Editor of *Adbusters* magazine**

Like a tsunami, consumerism has engulfed human cultures and Earth’s ecosystems. Left unaddressed, we risk global disaster. But if we channel this wave, intentionally transforming our cultures to center on sustainability, we will not only prevent catastrophe but may usher in an era of sustainability—one that allows all people to thrive while protecting, even restoring, Earth.

In this year’s *State of the World* report, 50+ renowned researchers and practitioners describe how we can harness the world’s leading institutions—education, the media, business, governments, traditions, and social movements—to reorient cultures toward sustainability.



full image



extreme close-up

Several million pounds of plastic enter the world’s oceans every hour, portrayed on the cover by the 2.4 million bits of plastic that make up *Gyre*, Chris Jordan’s 8- by 11-foot reincarnation of the famous 1820s woodblock print, *The Great Wave Off Kanagawa*, by the Japanese artist Katsushika Hokusai.

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Sustainable Work Schedules for All

Juliet Schor

Discussions of ecological sustainability typically focus on greenhouse gas emissions, biodiversity, and other measurements of the natural world. They may include economic and social trends in production or population. But they rarely feature time use. Yet patterns of human time use are key drivers of ecological outcomes. People combine time, money, and natural resources to carry out their daily lives and activities. Firms combine time, physical capital, and natural capital to create production. To a great extent, time and natural resources are substitutes for each other: doing things faster usually takes a greater toll on Earth. So time-stressed households and societies tend to have heavier ecological footprints and greater per capita energy use.

In the transition to sustainable cultures and economies, people are going to have to adapt to new schedules and temporal rhythms. The culture of long working hours and excessive busy-ness that characterizes a number of wealthy countries will need to be replaced by more sustainable patterns of time use. While there will be adjustment costs, a slower and more humane pace of life brings social benefits to family, community, and individual well-being.

The Connection Between Productivity, Hours, and Ecological Footprint

Productivity growth is at the core of contemporary market economies. When productivity increases, it is possible to produce a larger quantity of goods and services, or output, with a given level of resources. Productivity can be measured in terms of natural resources such as land—how much crop yield is possible from a given acreage—as well as labor—how many automobiles or garments or computers a worker can produce in any given unit of time. When those measures rise (after taking due account of changes in natural “capital” or natural resource stocks), productivity has grown.

Growth in labor productivity creates a tremendous benefit. It becomes possible to produce a given level of goods and services in a shorter period of time, thereby giving workers more free time away from the job, or to produce more goods and services by keeping working hours constant. How a society manages that “choice,” which all economies with productivity growth have, is crucial to achieving sustainability. If “too much” productivity

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growth goes into additional production, the eco-impact is too high. What constitutes “too much” varies over time, however, and partly depends on trends in technological impact and population. From the standpoint of climate change, for example, it is clear that the world has gone beyond what the planet can tolerate.

In the United States, it looks like “too much” productivity growth has been channeled into additional production. Since the early 1970s, labor productivity has roughly doubled. At that time, Americans worked on average about 1,700 hours a year. (That works out to a 32-hour workweek, as it includes part-timers and full-timers; full-time schedules were closer to the 40-hour norm.) Had Americans opted to put all the bounty of productivity growth into shorter hours, the average work year today would only be 850 hours, or just over 20 hours per week. Instead, the hours worked actually rose, and by 2006 the average schedule topped 1,880 hours a year. In addition, more people are in paid employment, as the United States is increasingly work and market-centered. In 1970, just 57.4 percent of the population was employed. In 2007, before the

recession, the figure had risen to 63 percent.¹

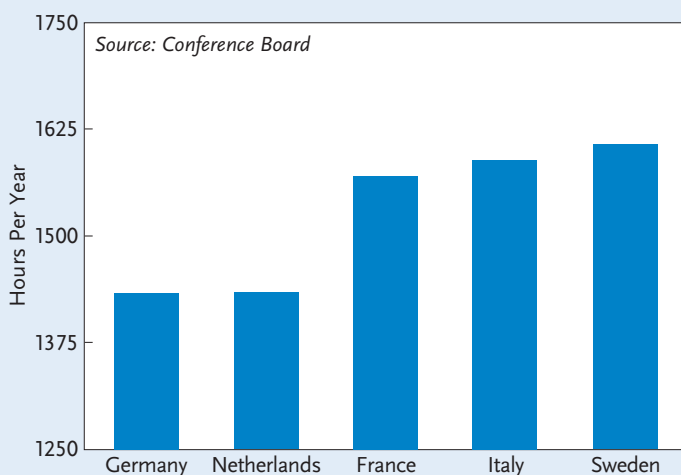
This experience is in stark contrast to earlier U.S. history. In the nineteenth century, hours were grueling, and it is estimated that people worked about 3,000 hours per year—a 60-hour workweek. Beginning in 1870, total hours began to fall, and they continued to fall for decades as a significant portion of productivity growth was used to create leisure time. By 1929, before the Great Depression, work hours had been reduced by more than 600, to 2,342. By the 1970s, at least another 400 hours had been taken off. That 1,000-hour total is the equivalent of half a job, assuming a 40-hour workweek and a 50-week work year. But for a number of reasons—having partly to do with the cost structures facing firms as well as the absence of union pressure to reduce hours—the trend of reduced work hours stalled in the United States in the 1970s.²

In contrast, West Europeans have commonly chosen to use productivity growth to reduce hours of work, with the result that average annual hours of work are much lower. Short schedules do not entail austerity: these are wealthy societies with plenty of material comforts. In case these differences

seem deeply cultural or unbridgeable, it is worth remembering that 50 years ago the United States had much shorter working hours than Europe. Today many Europeans get six-week vacations, additional holidays, and daily work schedules that give them plenty of time for family life, leisure activities, and community participation. (See Figure 4.) Shorter hours are also more common in other parts of the world.³

This lifestyle is far easier on the planet. Studies of the relationship between working hours

Figure 4. Annual Hours of Work in Selected Countries, 2007

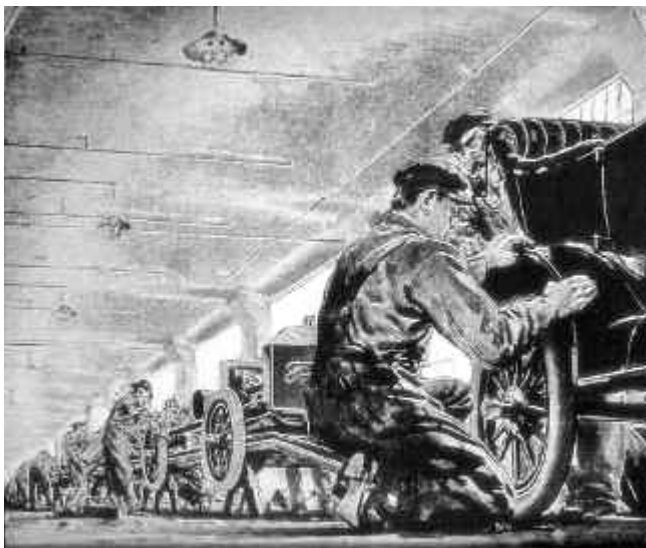


and ecological footprint find that as hours rise, so does the environmental impact. This relationship has shown up at the household level, where people who downshift their hours are found to have lower ecological footprints. It is also true across nations. Countries with shorter average working hours have smaller footprints, even controlling for income and other factors.⁴

This is true for several reasons. Most important, long hours typically occur when productivity growth is being channeled into production and consumption, which means more environmental degradation. A second effect is the energy usage associated with commuting. A third is that people who are “time-poor” (that is, they work long hours) tend to make lifestyle choices that are more resource-intensive. Their travel is more carbon-intensive. They eat out more often. In one study, they were found to have larger houses, which in turn used more energy. Time stress also limits engagement in low-impact, time-consuming activities, such as vegetable gardening or Do-It-Yourself projects. A study by the Center for Economic and Policy Research found that if the United States were to shift to West European patterns of time use, energy use there could decline by 20 percent even without changes in technology.⁵

There are also human benefits to working less. Long hours of work are stressful, undermine family functioning and social connections, and cause physical and emotional illnesses. Overworked employees are more likely to be depressed, more likely to experience stress, and less likely to take care of themselves. Excessive work hours also reduce sleep, which in turn erodes health. People who work too much are unable to engage in other activities, primarily social ones, that improve their well-being. And finally, the additional money earned by working more hours yields less ben-

efit than people expect. A growing mountain of research shows that more income has a huge beneficial effect on people in poverty. But once a middle-class income is attained, the additional well-being available from increased income is surprisingly limited.⁶



Library of Congress

A lantern slide of the original Ford Motor Company assembly line in Detroit, Michigan.

The View from Business

Reductions in working hours may be better for people and the planet, but can businesses thrive in an environment of schedule shortening? The historical record suggests yes. The United States and Western Europe have both gone through long periods when hours of work were in decline and economic performance and profits were robust. Starting in 1870, a good portion of productivity growth went to giving people more leisure time, as the grueling schedules of the Industrial Revolution gave way to pressures from the 10- and 8-hour workday movements, the establishment of Sunday and then Saturday as a day of rest, and the emergence of the modern vacation. Far

from undermining economic performance, shorter hours were an integral part of creating strong and profitable economies with healthy middle classes.⁷

health care system, or even if businesses pro-rated medical and other benefits and government helped finance the remainder, shorter hours would be much more cost-effective.

The Road to “Time Affluence”

So if reducing work time is better for the planet, and better for people, shouldn’t society be moving in that direction? Millions of people have already come to that conclusion. For more than a decade, a significant fraction of the American population has been making voluntary lifestyle changes that give them more time off the job. They are shifting to part-time, opting out of paid employment altogether, or changing to positions with less demanding schedules. This “downshifting” trend has helped to ease the extreme stress that characterized U.S. culture in the 1990s and is part of the reason that the escalation of annual hours slowed after its rapid increase in the 1980s and early 1990s. A subset within the downshifting group has taken the lifestyle change farther—embracing voluntary simplicity, a way of living that requires little income and is therefore usually associated with short hours of paid work.⁹

Downshifters report high levels of satisfaction with their new lifestyles, even those who have absorbed significant income reductions. A 2004 national survey by the Center for a New American Dream found that 85 percent of people who reported making lifestyle changes that reduced their incomes were happy about the change.¹⁰

Change is also happening at a more systemic level. Employers in some of the most demanding professions have made it possible to maintain successful careers even working fewer hours than the norm. Flexible arrangements have become more common in law, medicine, and academia, although there are still career penalties, and short hours are less common at the pinnacle of those fields. The changes have



Robert Scoble

A Seagate hard drive factory in Wuxi, China.

A second vantage point is competitiveness, and here the issue is not how many hours each individual person spends on the job but how productively those hours are worked and how they are compensated. If shorter hours come courtesy of productivity growth, that is a trade-off of income for time, and it can be cost-neutral. Across nations, similarly competitive countries have significant divergences in hours of work. Shorter hours can enhance productivity as work intensity rises. Better schedules reduce employee stress and improve retention and morale. Shorter hours can also reduce joblessness, which is now at crisis levels and rising in many places.⁸

In the United States, the major obstacle to hours reduction has been that health insurance is paid per employee, which means it costs employers much less to hire fewer people and work them longer. If there were a single-payer

been the most far-reaching in accountancy. Since the 1990s all the large multinational firms instituted major family-friendly schedules, including fewer days per week, in a bid to retain high-productivity female talent.¹¹

In the aftermath of the financial collapse of 2008, reductions in hours of work have spread throughout the private, public, and nonprofit sectors. Employers have attempted to avoid layoffs by instituting company-wide cutbacks in schedules, furloughs, and other work reduction measures. This ethic of sharing work has not been widely seen in the United States since the 1930s. Since the recession began, average weekly hours in the private economy have fallen by nearly an hour.¹²

Surveys of large employers show that reducing workweeks and mandating furloughs or unpaid work time have become widespread. A Hewitt Associates study of 518 large companies found that 20 percent cut hours. A Towers Perrin study recorded even higher numbers: 40 percent reported they had instituted a furlough and 32 percent, a shorter workweek. High-tech employers in the Pacific Northwest, such as Hewlett-Packard, Siltronic, and Tektronic, have reduced hours and pay (but usually not benefits).¹³

State and local governments have also been changing schedules in order to cut costs. The best-known case is the state of Utah, which switched 17,000 employees to a four-day, 10-hour schedule. Although not technically a cut

in hours of work, it has allowed employees to reduce their commuting time. The change allowed the state to close offices on Fridays, and resulted in a 13-percent reduction in the state's energy costs and a decline in greenhouse gas emissions. Absenteeism and overtime also fell. Employees have been overwhelmingly positive about the change, as 82 percent reportedly want to maintain the compressed workweek even when the recession is over.¹⁴

Other states and cities have instituted furloughs and unpaid leave programs. The city of Atlanta has closed many of its services on Fridays; California has mandated unpaid days off. At the University of California, furloughs of 11–26 days have been introduced. If past recessions are a guide, many workers—particularly those who get a three-day weekend—will adjust to the lower incomes and decide not to resume a five-day schedule.¹⁵

Looking forward, it is increasingly clear that work-time reduction should be high on the sustainability agenda. This will require some policy changes in the United States, especially with health care, to alter the incentive structure facing businesses. It will require some cultural flexibility, to make sure busy-ness and long hours of work are not a status symbol. And consumption-driven competitions will need to be dampened. But if these challenges can be met, the result will be a slower, saner pace of life that is good for people and the planet.

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Sustainable Work Schedules for All

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