

## Opinion | Ignore the work week; reduce the work year

Vivek Moorthy 04 June 2020

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“For shorter hours to be feasible, they should be implemented over far longer periods than a week.”

A column of mine in Mint ([‘Ban overtime premium to save manufacturing jobs’](#), 14 May), highlighted the persistence since the 1950s of the slightly over 40 hour manufacturing workweek in the US, coupled with sharp rises in productivity due to automation. This damaging combination has led to job losses and a voter backlash against globalization, culminating in Trump’s victory and trade wars with China, well before covid-19 struck.

This damaging combination is present globally, although not as starkly as in the US and Western Europe. While robots make blue-collar jobs redundant, Artificial Intelligence is doing the same to white-collar jobs: accountants, computer programmers, some legal services, etc. A cruel paradox of the world we live in is that labour-saving technology, meant to make life easier, is leading to great hardship.

This burning issue has been inexcusably neglected by all top economists since the mid 1930s. The obvious solution is to reduce average hours per worker to share the work and ease the burden of layoffs. Ironically, Keynes himself confessed in 1945, a year before he died, that shorter hours, and not demand stimulus—his enduring legacy—was the sustainable way to reduce unemployment. Non-economists, such as Martin Ford (*The Rise of the Robots*, 2015), have also neglected this matter.

To identify the hurdles to shorter hours at present requires first delving into some Depression-era history. A little patience is required of the reader. During the 1920s, a push towards shorter hours, and streamlining it into a 40-hour workweek, was gathering steam. The landmark event in the evolution of the modern, standard workweek was Henry Ford giving Saturday off and adopting the 8x5 week for his Ford Motor Company in 1926, along with good pay. By way of comparison, note that a 12x6, 72-hour workweek was quite common in the US steel industry of the early 1920s.

The move toward shorter hours was temporarily blunted by a roaring economy and resultant strong labour market during the Wall Street boom of 1928. But the political momentum for shorter hours resurfaced with a vengeance during the Great Depression, which started in October 1929.

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Almost all prominent politicians immediately became supportive of a 30-hour work week. The Black-Connery Bill for a 30-hour workweek cleared the US Senate by 53/30 in April 1933. This was just a month after newly elected US President Franklin D. Roosevelt launched the sweeping New Deal, on 6 March 1933. However, the 30-hour bill failed to clear the House of Representatives, and went into oblivion. Instead, the 8x5 week as the basic template for work hours got embedded by 1940 in America's Fair Labor Standards Act of 1938, with its 50% premium for overtime hours. This arrangement continues in the US to this day. To increase jobs, Keynesian demand stimulus won out over shorter hours.

One cannot assess in detail here why the 30-hour bill failed. The focus of this article is on how best to reduce work hours at present. Although ignored by top economists, demands for shorter hours and/or fewer work days—for those with household duties, work/life balance gurus, etc—never abated. The calls have been mostly for a four-day workweek (8 or 10 hour days) and a three-day weekend, but sometimes for much less—a 4x5 or 20-hour week.

Two recent books that show up on Google are *The Four Day Work Week* by Robert Greene (2018) and *The Four Day Week: How the Flexible Work Revolution Can Increase Productivity, Profitability...* by Andrew Barnes (2020). In Japan, Microsoft recently introduced a four-day workweek (Nicole Lyn Pesce, [marketwatch.com](http://marketwatch.com), 5 November 2019). Last week, New Zealand Prime Minister Jacinda Ardern called for a four-day week in response to the corona calamity (Mint, 25 May 2020).

To tackle unemployment and job losses, hours per worker need to be reduced, especially wherever productivity is rapidly rising. The key for such policies to succeed is for the ensuing working arrangements to prove convenient for firms and consumers, not a hindrance to them.

Many service-sector jobs require long, interrupted stretches of time devoted—not just emergency room doctors and nurses, but airline crew for long-distance flights, computer maintenance and service, investigative journalism, and so on. Even for simple jobs like those of shop assistants, waiters, and hotel receptionists, there are monitoring and other fixed costs borne by employers for changing them frequently. It is easier to run a 24x7 neighbourhood pharmacy with three workers daily for eight hours each, instead of six workers for four hours each, while switching them during the year.

In my opinion, the key to reducing work hours is to think outside the stultifying box of the manufacturing-centric workday and workweek. We should instead implement shorter hours per worker flexibly over longer periods—at least a month, preferably a quarter onwards, upto a full year. Indeed, some airlines efficiently responded to the post-pandemic travel restrictions by making their crew work alternate fortnights.

In brief, governments should ignore the workweek and focus on reducing the work year. In 1930, Keynes predicted a 15-hour workweek a century later. Instead, his disciples, such as Lord Robert Skidelsky, should aim for a 1,000-hour work year by 2030, roughly equal to a 20-hour week.

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