

**Different but Equal:
Total Work, Gender and Social Norms
in EU and US Time Use**

BY

Michael C. Burda (Humboldt Universität zu Berlin)

Daniel S. Hamermesh (University of Texas at Austin)

Philippe Weil (ECARES, Université Libre de Bruxelles)

Executive summary

We have used data for Germany, Italy, the Netherlands and the US from 1985-2003 to confirm the widely-held belief that Americans do work more than Europeans. We also confirm the supposition that Americans tend to work at odd hours of the day and on weekends more often than Europeans.

We have turned up an even more interesting aggregate regularity in high income countries which had gone largely unnoticed and has never been explained or investigated by economists: The sum of market and secondary (household) work-All Work-by men and women tends to be equal at a point in time, even while it may change over time and differ across countries-there is an iso-work fact.

The iso-work fact is challenging for economics for a number of reasons. First, economic theory should be able to explain why total work differs so little at the aggregate level between genders, when there is so much variation within-gender. Since the market offers little hint at the rationale for such a coordination mechanism, we propose social norms in Chapter 2 and investigate the power of such norms to explain the facts. Second, All Work is the sum of two different types of labor with sharply different productivities-why should their sum be equal across gender, without regard to the mix?

To consider these conundrums, in Chapter 3 we examine the theory of home production and adapt it to allow for norms and fixed costs of market work. These fixed costs have a significant impact on the labor supply of households. Indeed, the most commonly invoked models of home production imply a high elasticity of substitution between market and secondary work. We validate this sensitivity by demonstrating a high elasticity of female home work in response to changes labor taxation in the G-7 countries.

This strong response makes secondary work a useful “sink” that enables members of society to meet the norm. Yet under certain conditions, the norm may be difficult to adhere to. If market work is not very productive or market wages are low relative to home production, only very costly norms will lead to iso-work, especially across genders. A meta-analysis of data sets around the world suggests that the iso-work fact does not hold in less-developed countries. It is a fact for developed countries only.

Overall, the issue of whether Europeans are lazy or Americans are crazy seems of second-order importance relative to understanding the determinants of individual behavior. A more useful, scientific approach is to assume that underlying tastes are common to both continents, while technologies, institutions, or interpersonal influences like norms or externalities may differ and evolve differently. The fact that Americans work on weekends or more often at odd hours of the day may simply represent a bad equilibrium that no individual agent can improve upon—and would certainly not wish to deviate from, given what all others are doing. Especially if norms and other externalities are important, one should recognize that the invisible hand may lead agents to places like this.