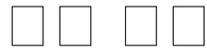


**Time, for a
Change: the role
of working hours
in the transition to
sustainability**



Juliet Schor

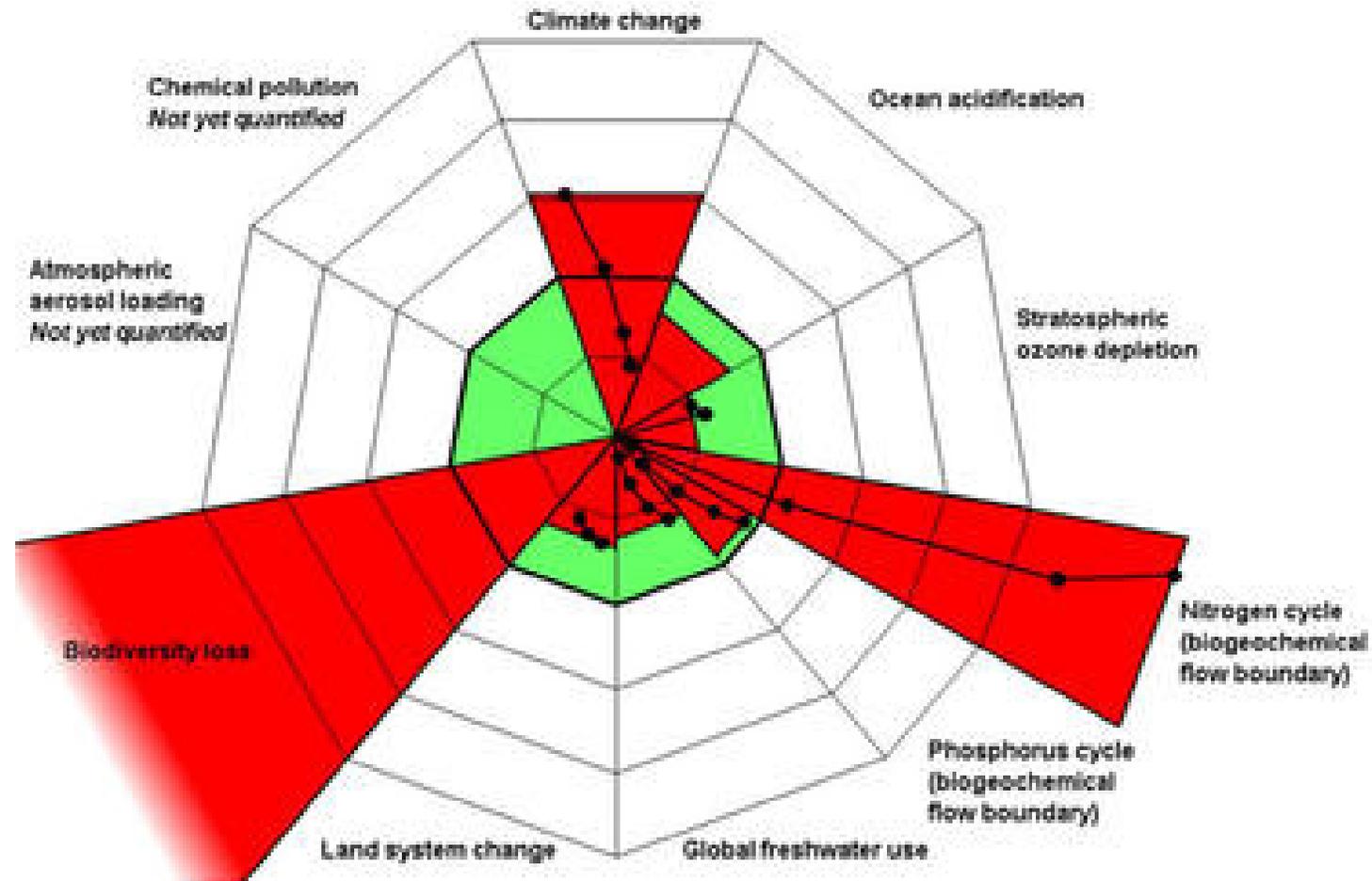
**June 2011
Resolve
Conference
London**

PLENITUDE

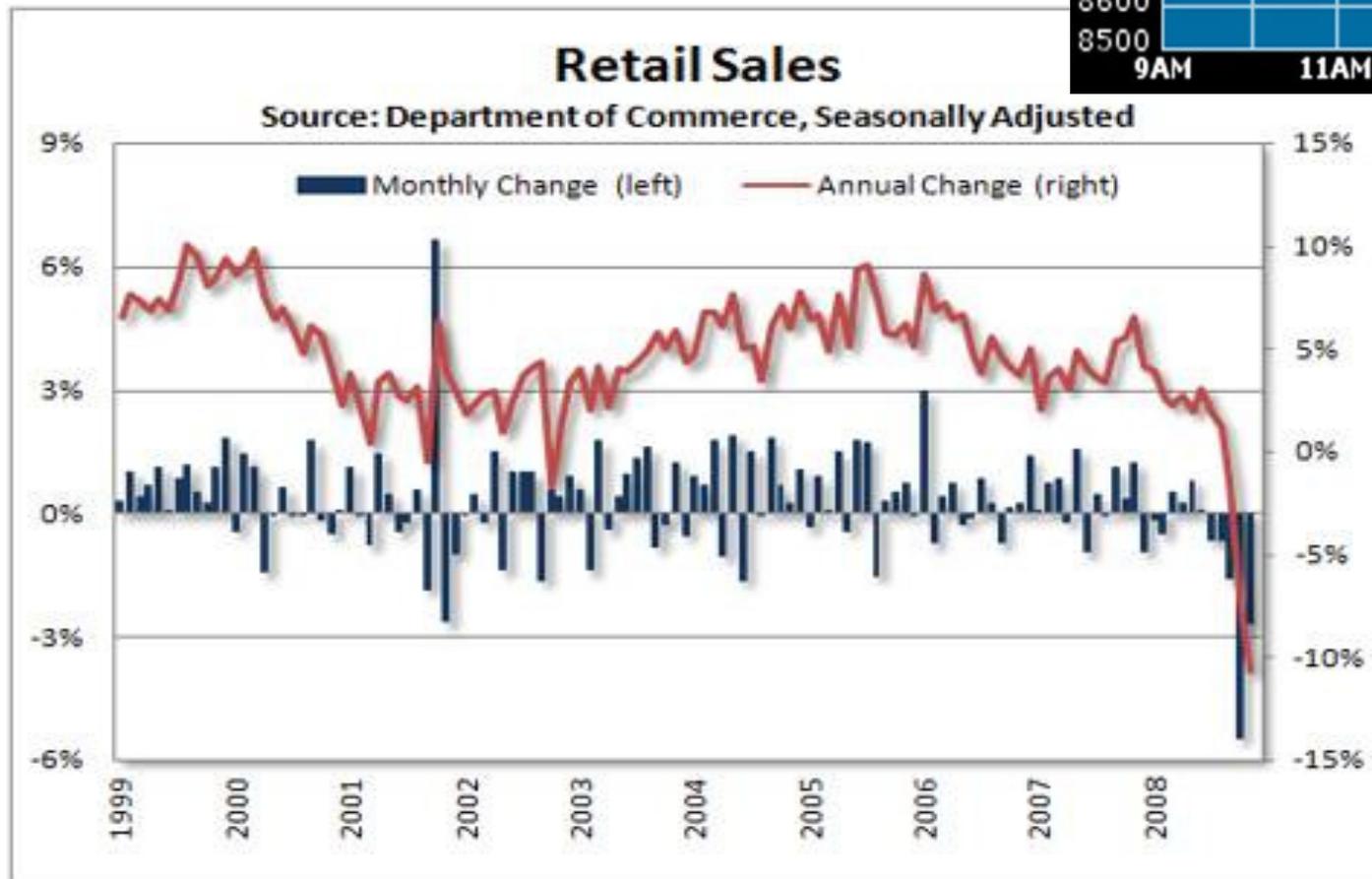
juliet b. schor

the new economics of true wealth

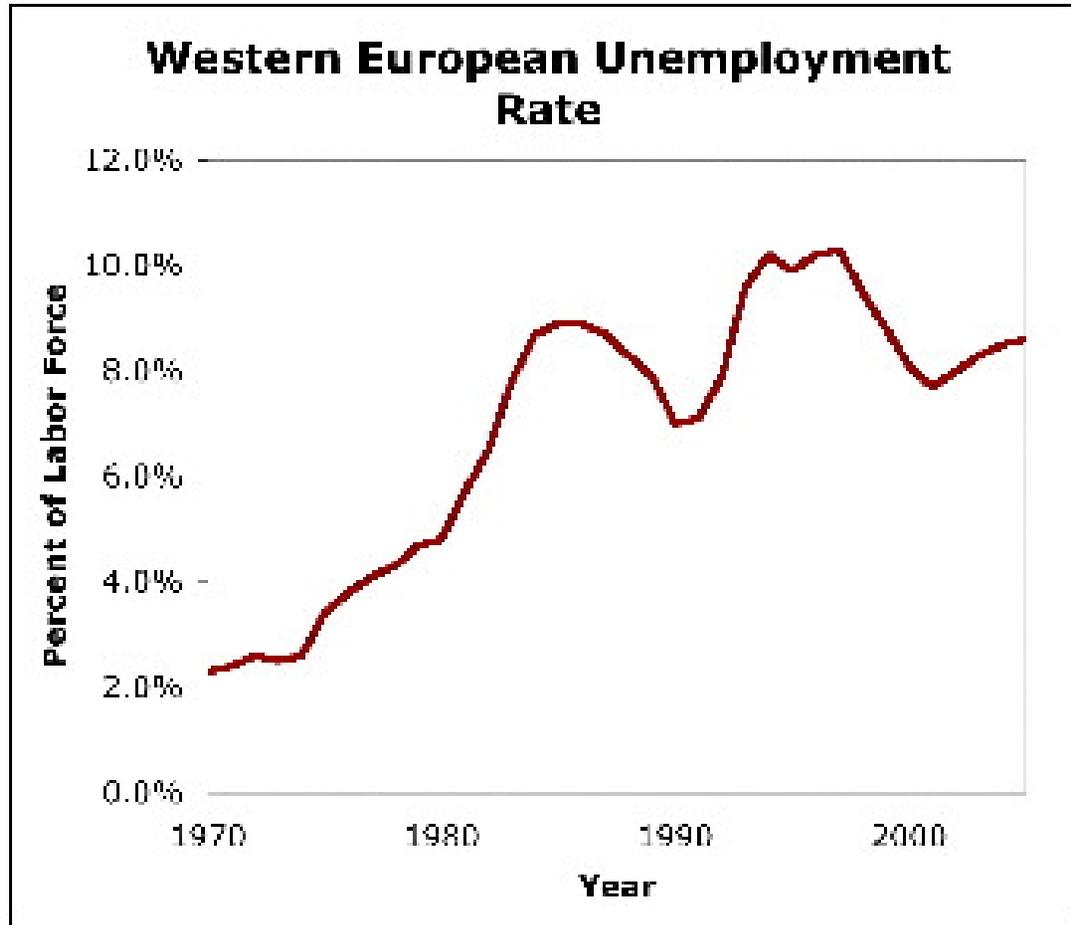
Planetary Boundaries



Economic meltdown and the likelihood of continued stagnation



Slowdown: declining regions in a global economy, over-capacity



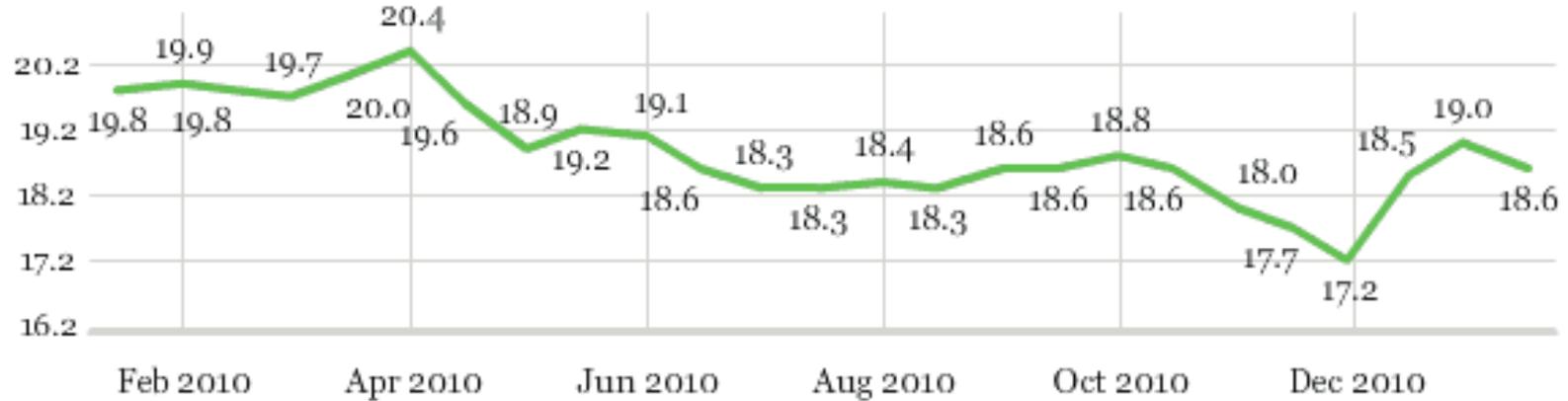
The bankers' stranglehold:
remember the 1920s and 30s



Continuing unemployment and underemployment

U.S. Underemployment

30-day averages[^]; not seasonally adjusted



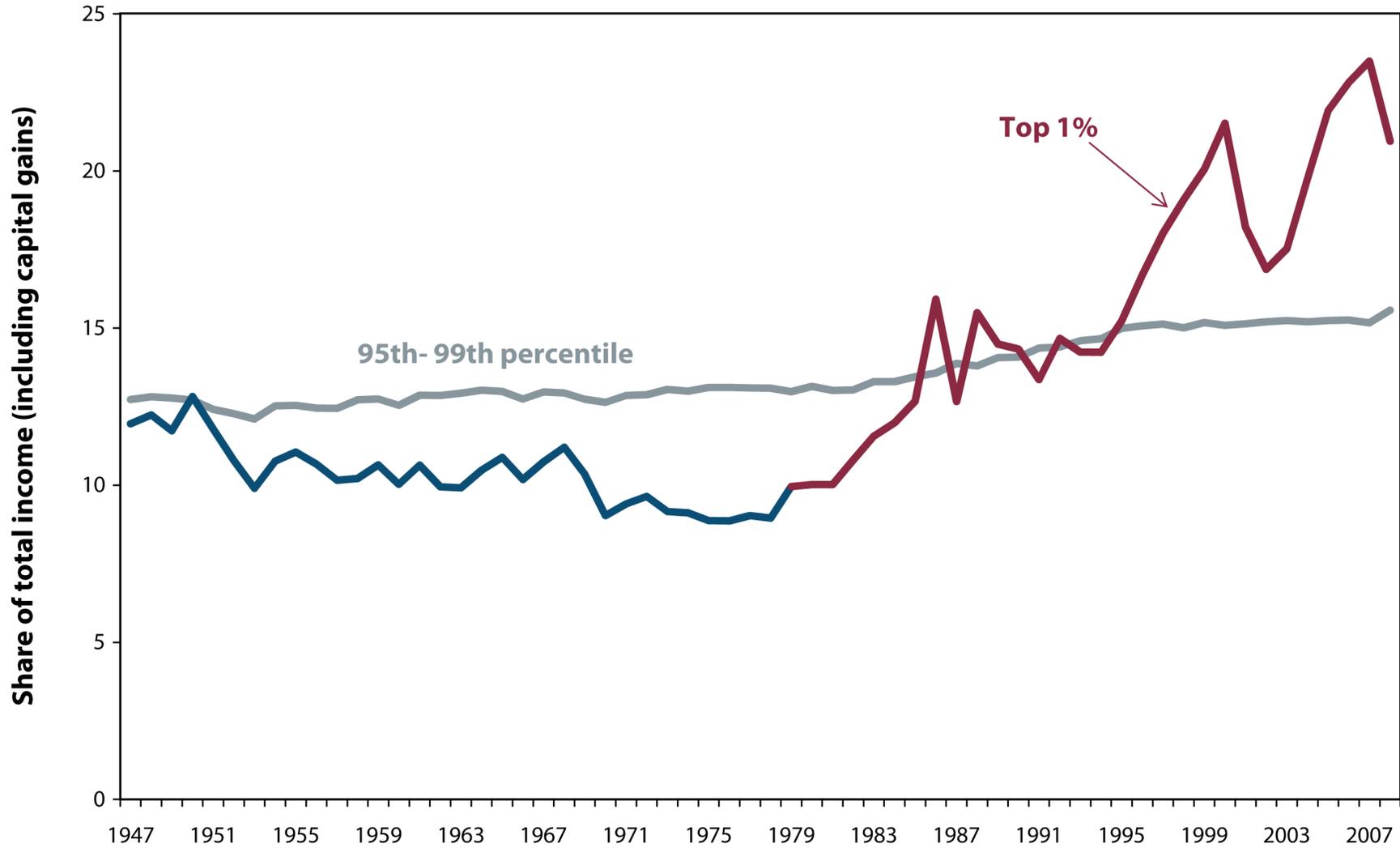
[^] Numbers reflect rolling averages for the 30-day periods ending on the 15th and the last day of each month from January through December 2010 (December data collection was completed on Dec. 29); and Jan. 15, 2011

Gallup Daily tracking

GALLUP®

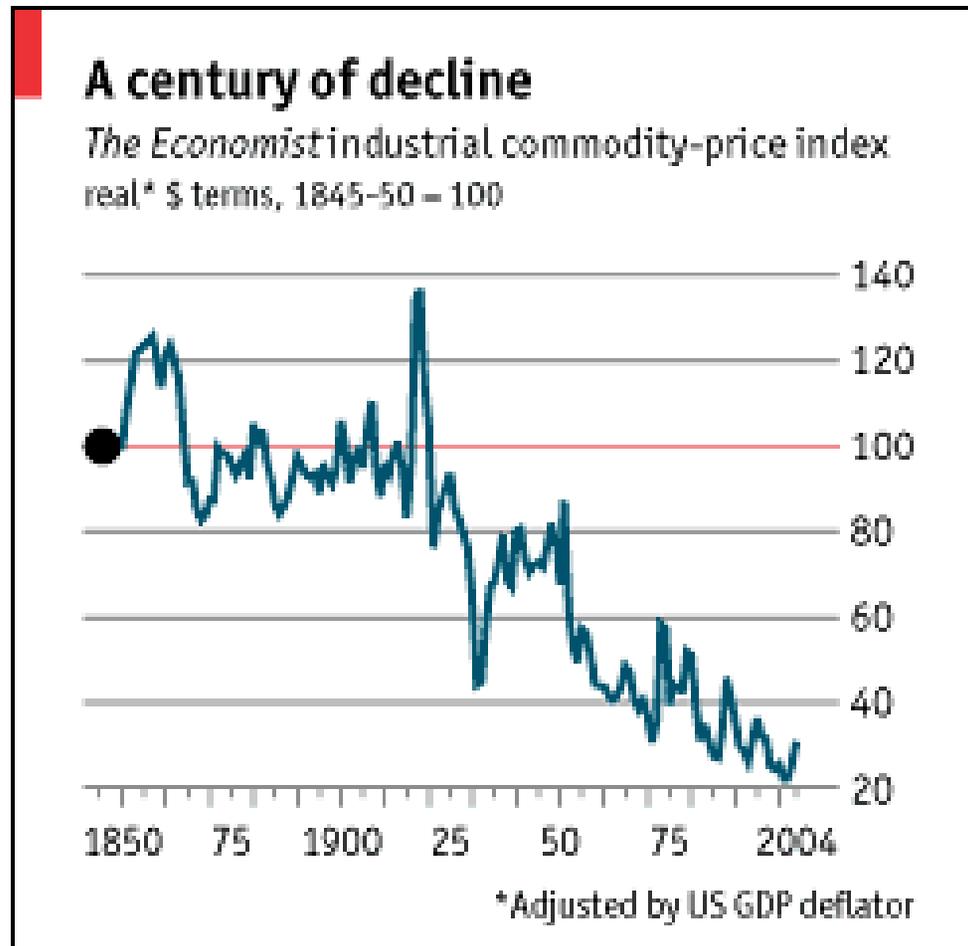
Greater concentration at the very top

Share of total income accruing to the top 1% and 95-99%, 1947-79 and 1979-2008



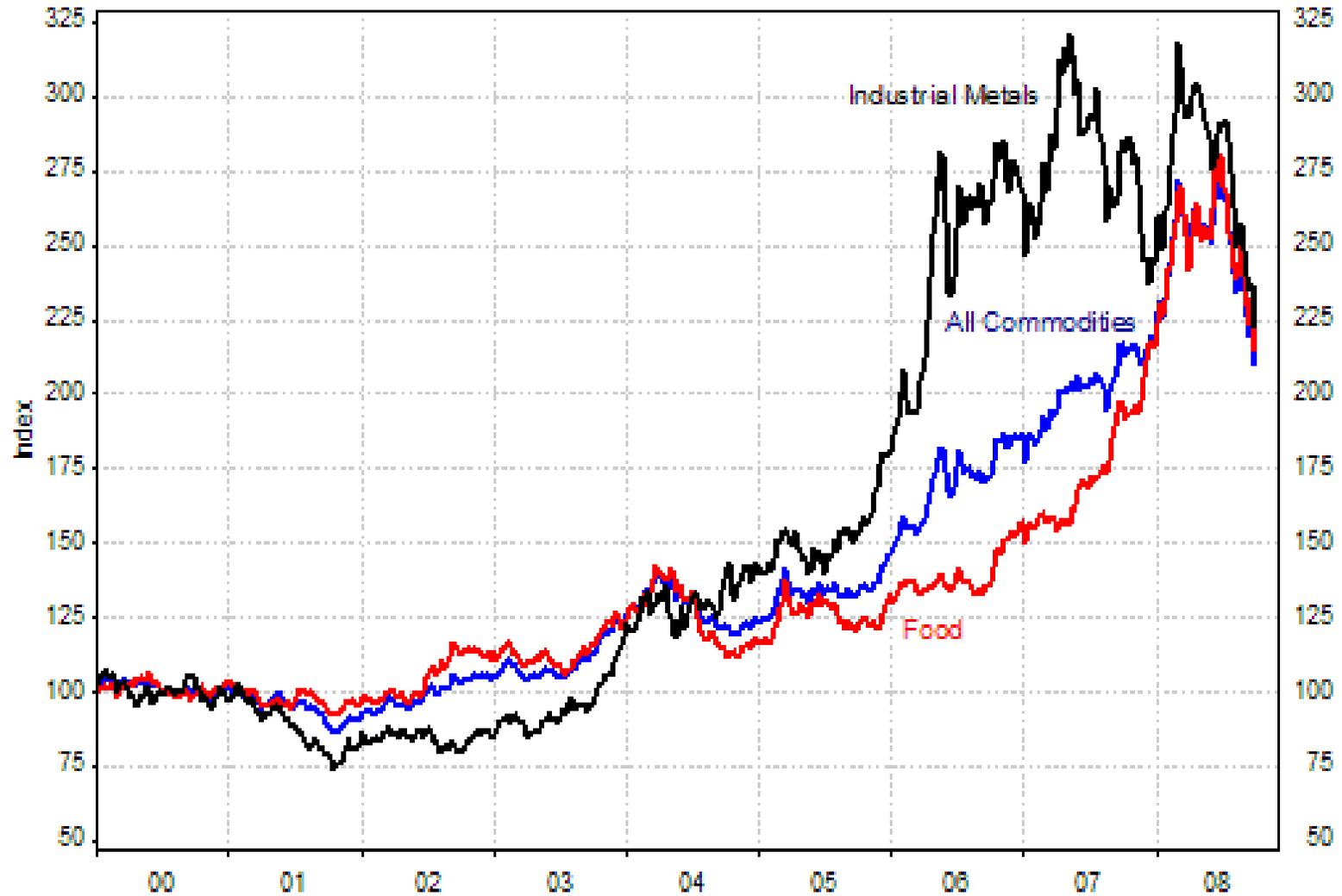
Source: Piketty and Saez.

Escalating commodity price pressures



The Economist Commodity Price Index

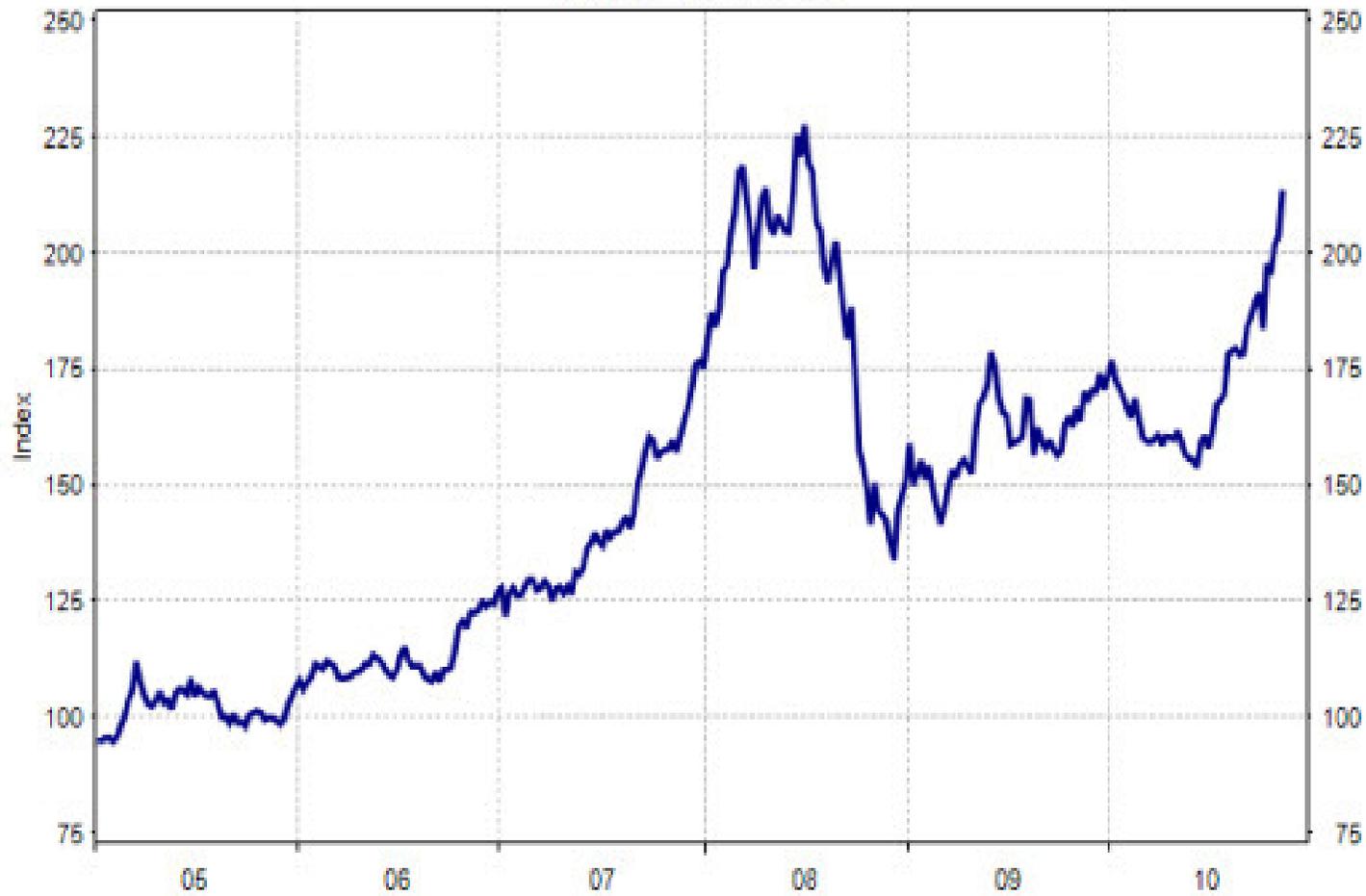
Index of Prices 2000=100



Source: Economist Commodity Price Index

Global Food Prices

Weekly index, 2000 = 100

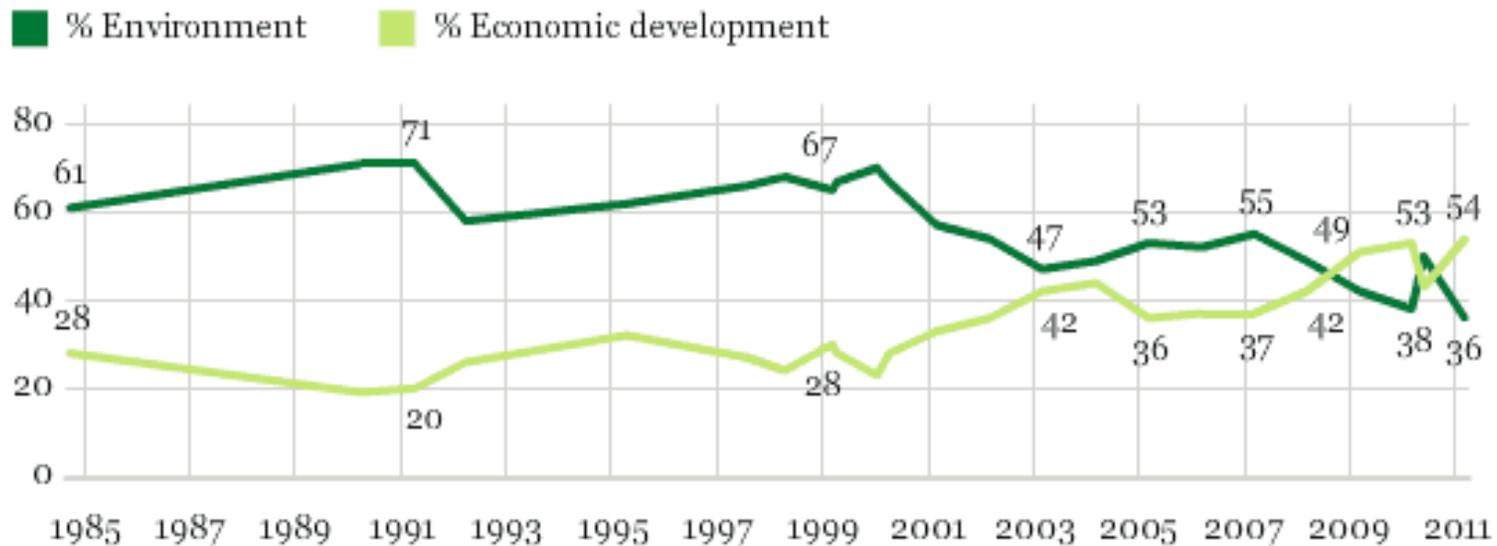


Source: Economist Commodity Price Index

The challenge for environmentalists

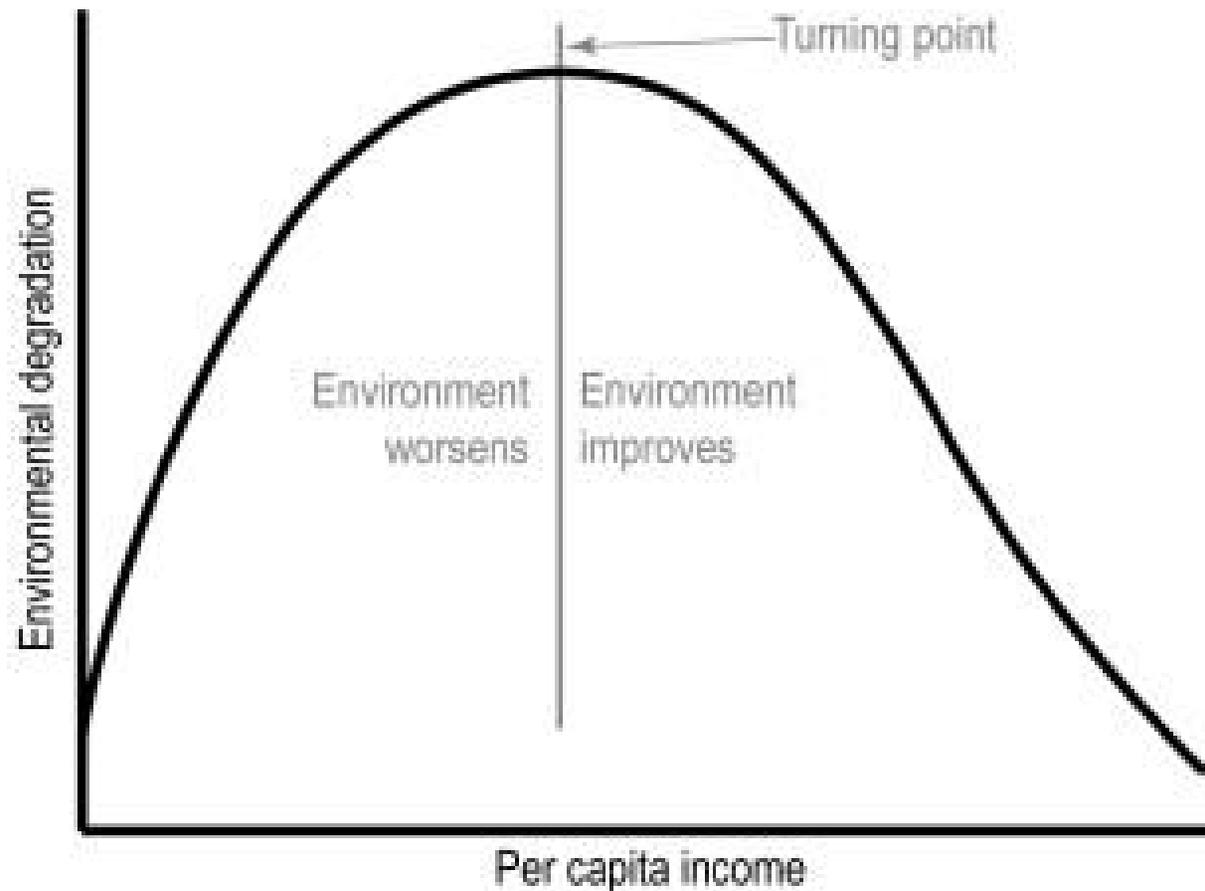
Higher Priority for Economic Development or Environmental Protection

With which one of these statements about the environment and the economy do you most agree -- [ROTATED: protection of the environment should be given priority, even at the risk of curbing economic growth (or) economic growth should be given priority, even if the environment suffers to some extent]?

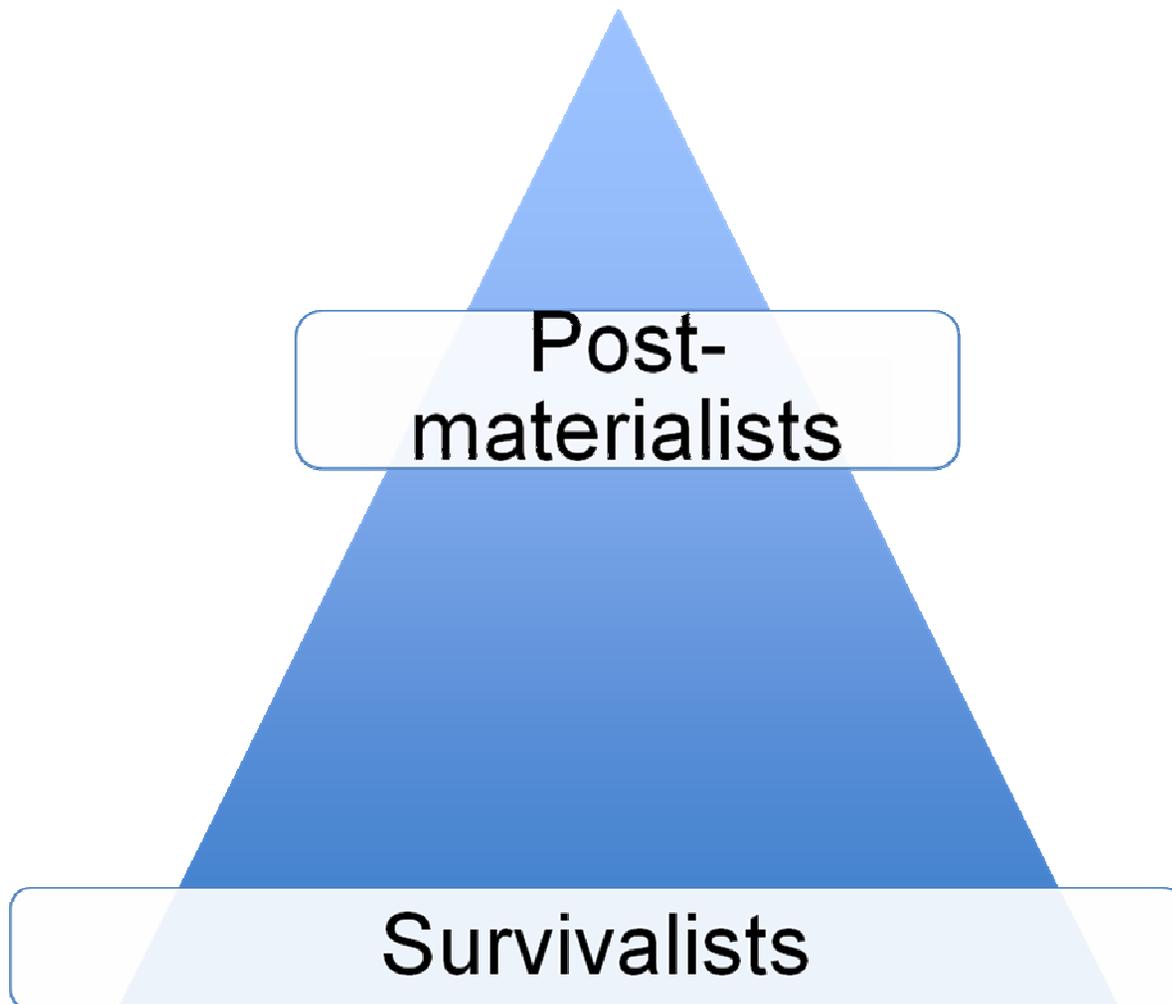


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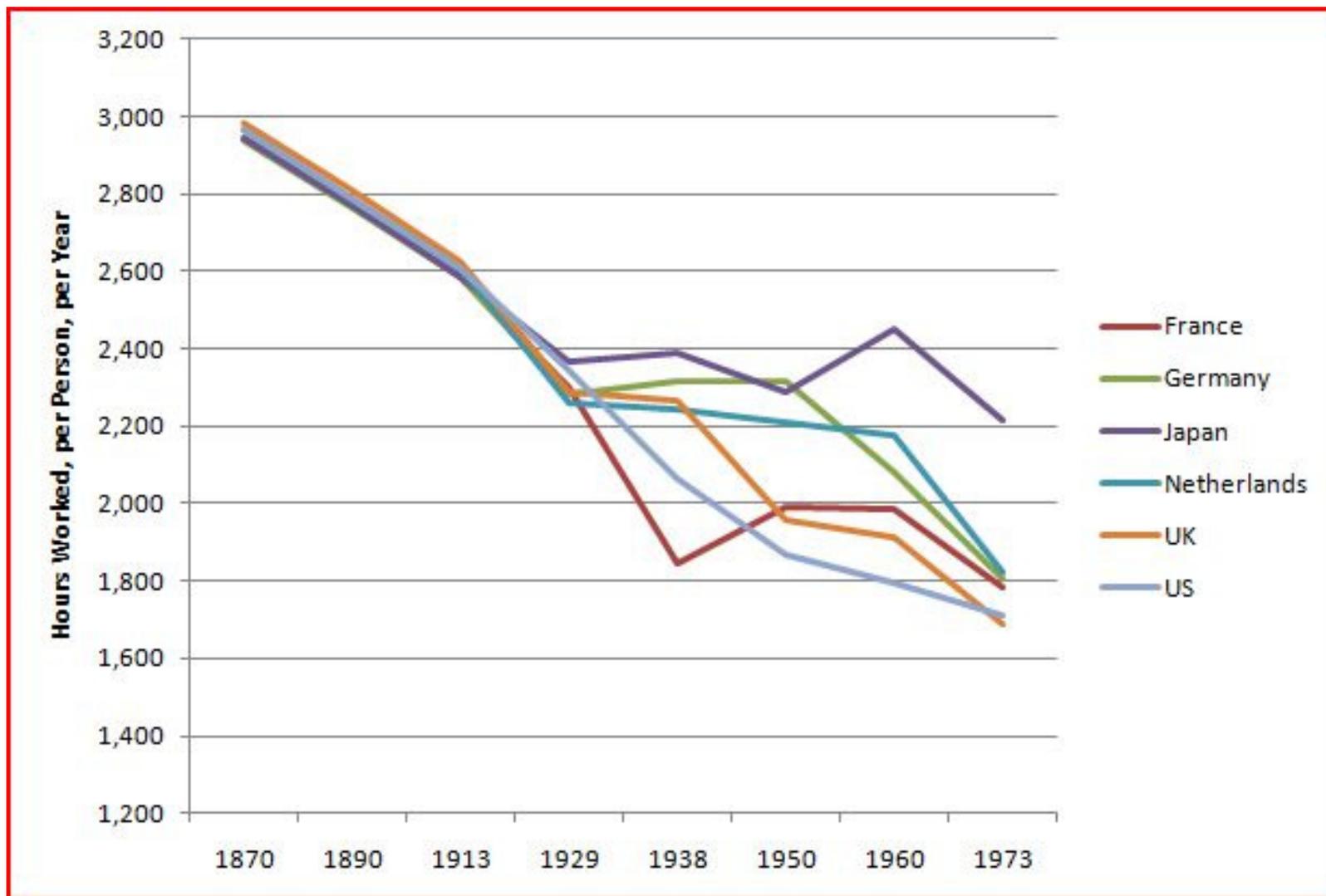
Is the environment a luxury good? the environmental Kuznets curve



Qualitative research on climate change attitudes: Maslow's hegemony



WORKING HOURS IN SELECTED COUNTRIES, 1870-1973



Working Hours in Selected Countries, 1973-2007

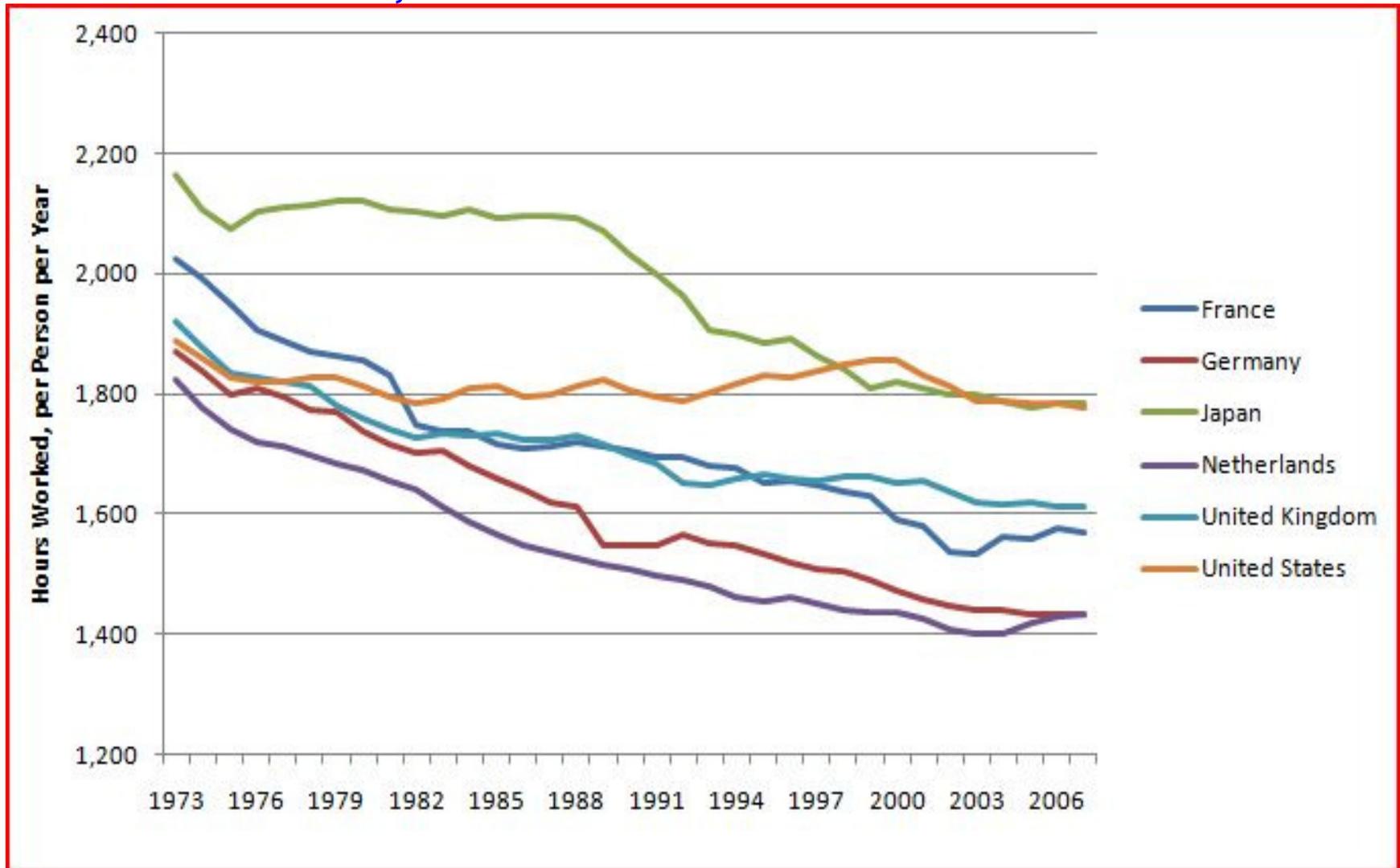
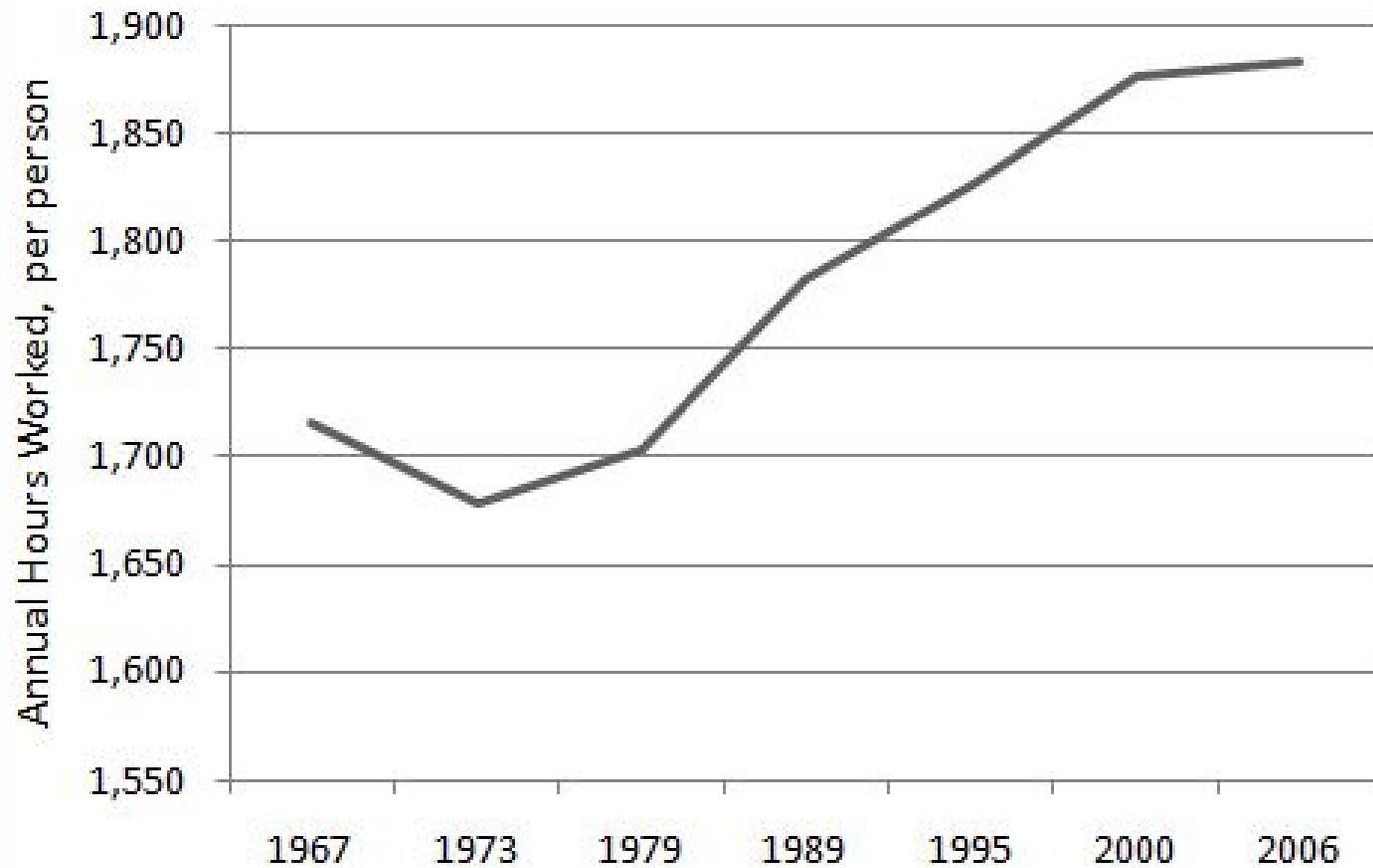
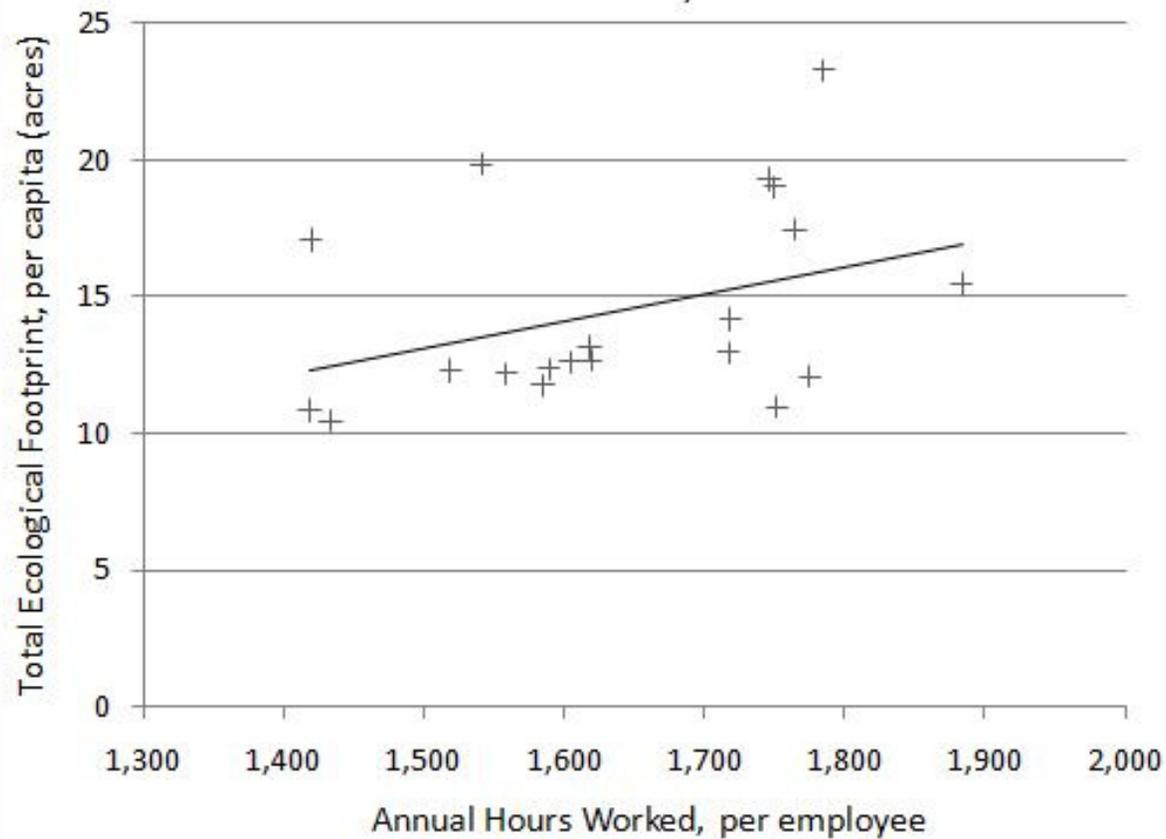


Figure 4.1 Annual Hours Worked, U.S. 1967-2006



Source: Mishel, Bernstein, & Shierholz (2009, Table 3.2)

Figure 4.2 Ecological Footprint and Hours Worked
Across Countries, 2005



Sources: Ecological Footprint from Global Footprint Network (2008); hours from The Conference Board and Groningen Growth and Development Centre (2008)

Variables

- Population total
- GDP per capita (2000 US\$)
- Annual hours worked
- Employees as % of population
- GDP per hour of work
- Urban % population
- Age 15-64 % of population
- Material footprint= total footprint-carbon footprint

Unstandardized coefficients from the fixed-effects OLS regression of total material ecological footprint on selected independent variables: 32 countries, 1961-2006

| | | |
|------------------------|--------------------|---------------------|
| lnPopulation | 0.82 (.221)*** | 0.90 (.232)*** |
| lnGDPpc | 0.69 (.087)*** | |
| lnWorkhours | 0.41 (.228)* | 1.17 (.239)*** |
| lnEmp%pop | | 0.63 (.139)*** |
| lnGDPperhour | | 0.71 (.097)*** |
| lnUrban | -0.79 (.230)*** | -1.01 (.253)*** |
| lnManufact%GDP | 0.07 (.083)*** | 0.033 (.085) |
| lnPop1564 | 1.32 (.510)*** | 1.43 (.523)*** |
| Constant | -7.56 (1.42)*** | -11.90 (1.59)*** |
| R ² Within | 0.303 | 0.300 |
| R ² Between | 0.849 | 0.917 |
| R ² Overall | 0.843 | 0.909 |
| Observations | 755 | 755 |
| Countries | 32 | 32 |

Notes: All models include a correction for first-order autocorrelation and unreported period-specific intercepts. All variables are natural log transformed. Standard errors are in parentheses. *p<.10 **p<.05 ***p<.01 (two-tailed tests).

Unstandardized coefficients from the fixed-effects OLS regression of total carbon footprint on selected independent variables: 32 countries, 1961-2006

| | | |
|------------------------|-------------------|-------------------|
| lnPopulation | 2.40 (.537)*** | 2.55 (.544)*** |
| lnGDPpc | 0.87 (.172)*** | |
| lnWorkhours | 0.67 (.406)* | 1.63 (.433)*** |
| lnEmp%pop | | 0.79 (.275)*** |
| lnGDPperhour | | 0.93 (.188)*** |
| lnUrban | 0.22 (.511) | -0.10 (.543) |
| lnManufact%GDP | 0.33 (.013)** | 0.30 (.132)** |
| lnPop1564 | 0.04 (1.14) | 0.10 (1.15) |
| Constant | 2.99 (.289)*** | 3.42 (.298)*** |
| R ² Within | 0.607 | 0.611 |
| R ² Between | 0.591 | 0.509 |
| R ² Overall | 0.191 | 0.140 |
| Observations | 752 | 752 |
| Countries | 32 | 32 |

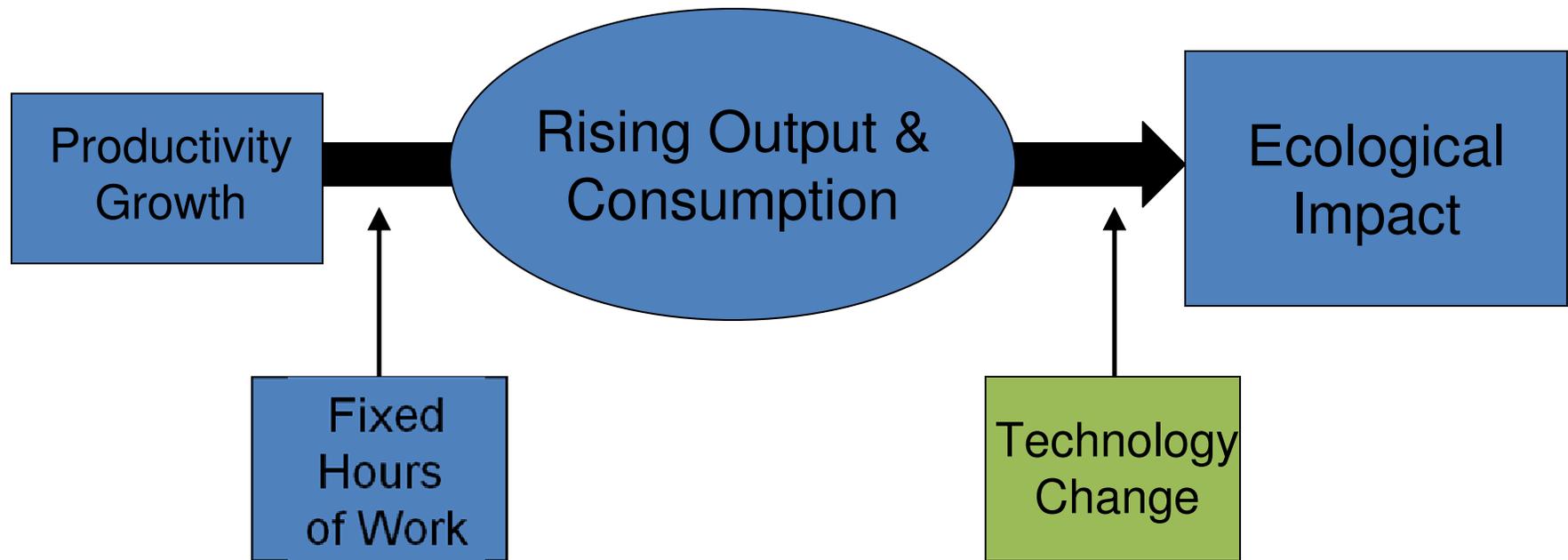
Notes: All models include a correction for first-order autocorrelation and unreported period-specific intercepts. All variables are natural log transformed. Standard errors are in parentheses. *p<.10 **p<.05 ***p<.01 (two-tailed tests).

Unstandardized coefficients from the fixed-effects OLS regression of total carbon dioxide emissions on selected independent variables: 33 countries, 1960-2005

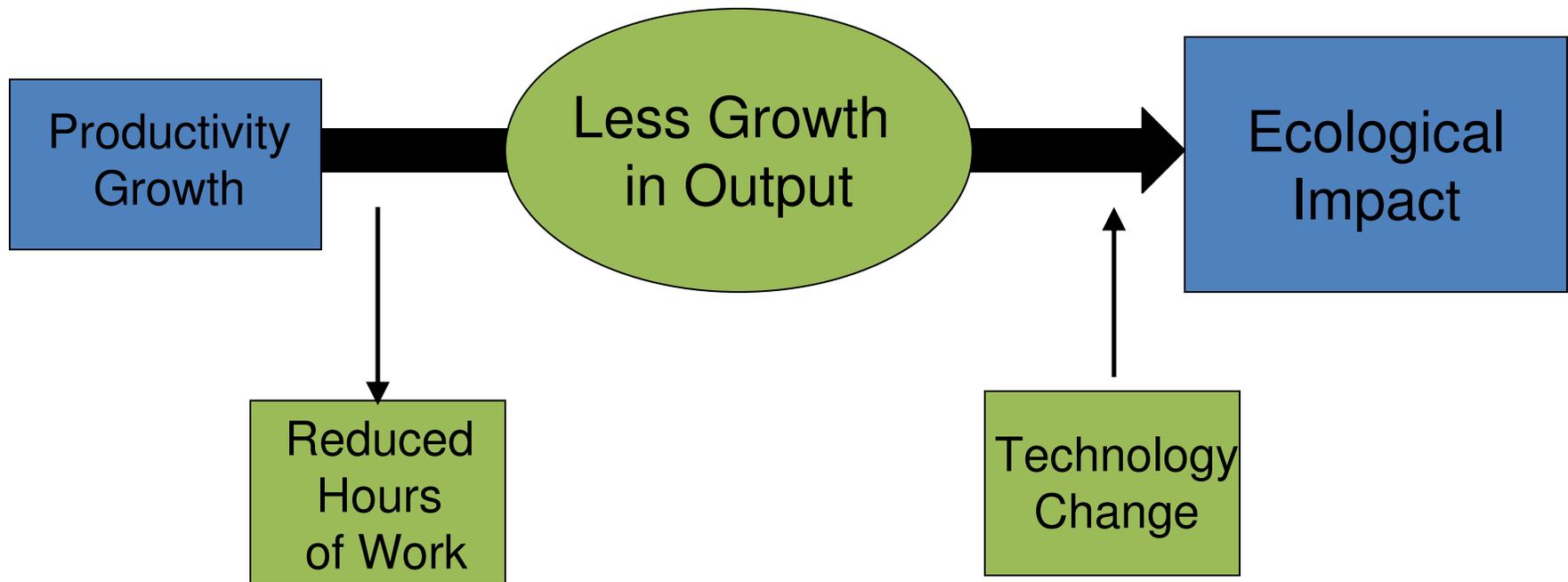
| | | |
|------------------------|---------------------|---------------------|
| lnPopulation | 2.28 (.271)*** | 2.37 (.255)*** |
| lnGDPpc | 0.69 (.058)*** | |
| lnWorkhours | 0.004 (.123) | 0.71 (.133)*** |
| lnEmp%pop | | 0.72 (.093)*** |
| lnGDPperhour | | 0.69 (.061)*** |
| lnUrban | 0.63 (.252)** | 0.50 (.242)** |
| lnManufact%GDP | 0.102 (.003)*** | 0.11 (.034)*** |
| lnPop1564 | -0.28 (.481) | -0.37 (.465) |
| Constant | -34.74 (.537)*** | -38.81 (.554)*** |
| R ² Within | 0.573 | 0.607 |
| R ² Between | 0.890 | 0.865 |
| R ² Overall | 0.879 | 0.855 |
| Observations | 738 | 738 |
| Countries | 33 | 33 |

Notes: All models include a correction for first-order autocorrelation and unreported period-specific intercepts. All variables are natural log transformed. Standard errors are in parentheses. *p<.10 **p<.05 ***p<.01 (two-tailed tests).

From Productivity Growth to Ecological Impact: when hours do not fall



Reducing Ecological Impact: achieve sustainability in ways that enhance well-being



The triple dividend of shorter hours

- **Benefit #1**: shorter hours lead to lower unemployment and more job creation
- **Benefit #2**: shorter hours reduce ecological and carbon footprints
- **Benefit #3**: shorter hours give people more free time, reduce stress, enhance family life and community.
- So with more time, how do we consume differently?

The policy path to shorter hours

- New hires at 80%
- V-time
- The right to a short-hour job
- Unemployment payments for short-time work
- Tax credits for employers who provide short-hours jobs
- Contracts tying hours reductions to productivity growth

Answering the critics

- Why lump of labor fallacy is its own fallacy
- Didn't the French already fail at this?
- Is shorter worktime affordable in hard economic times?

Coping with
stagnant
incomes:
innovation in
“connected
consumption”

9.1 million
items a year
on freecycle



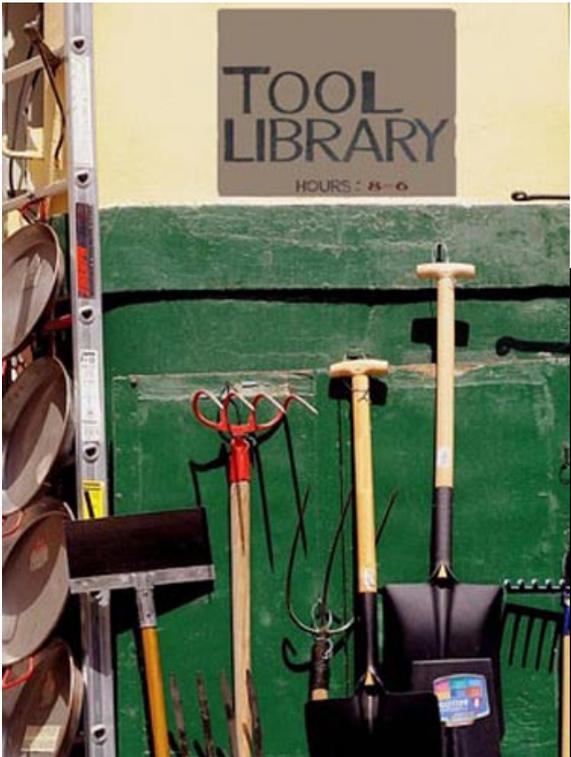
WHAT IS THE FASTEST GROWING FORM OF
TRANSPORTATION IN THE WORLD?

BIKE SHARING



the
CouchSurfing
project

The world is smaller than you think.
www.couchsurfing.com



THE NEW SHARING ECONOMY

A STUDY BY **LATITUDE** IN COLLABORATION WITH SHAREABLE MAGAZINE

IT'S TRUE THAT SHARING IS A SIMPLE CONCEPT AND A FUNDAMENTAL PART OF EVERYDAY LIFE. THANKS IN LARGE PART TO THE WEB, IT'S NOW AN INDUSTRY WITH SEEMINGLY UNBOUNDED POTENTIAL.

THE NEW SHARING ECONOMY IS ONE INSTALLMENT OF LATITUDE 42s
an ongoing series of open innovation studies which Latitude, an international research consultancy, publishes in the spirit of knowledge-sharing and opportunity discovery.

Latitude
LIFE. CONNECTED



time/bank is a platform where groups and individuals can pool and trade time and skills, bypassing money as a measure of value. Time/Bank is based on the premise that everyone in the field of culture has something to contribute and that it is possible to develop and sustain an alternative economy by connecting existing needs with unacknowledged resources.

The economics of “connected consumption”

- Recession shifts people from money rich/time poor to the reverse
- Transactions costs drastically reduced by the internet
- Trust issues solved by ease of ratings/reputational information
- “Excess capacity” in consumer goods and services (goods as income-producing assets)
- “Excess capacity” in time

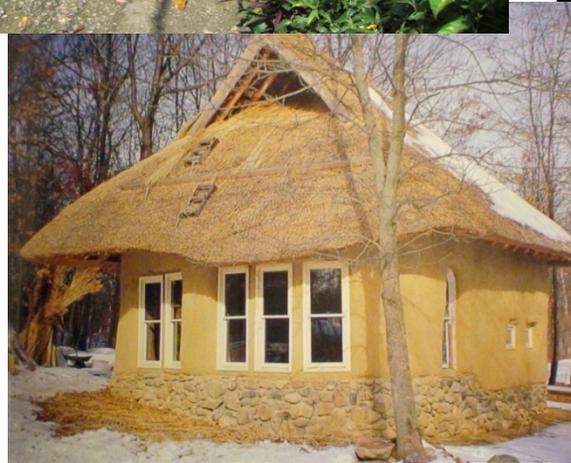
Using free time differently: High tech self-provisioning

Urban food growing and agriculture, permaculture

Alternative home construction using low-cost, natural materials (earth, straw, stone)

Micro-generation of energy

Small scale manufacturing using “fab lab” technologies



Why self-provisioning is savvy economics

High-productivity: high-tech, high in knowledge, esp
eco-knowledge

Small scale

Low financial barriers to entry

Insurance against adverse events (climate or financial
disruption)

Can build social capital

And it is a pathway to a small-scale, green
sector

Plenitude: the economic model

Green tech shift: to a closed loop/clean production and consumption system

Eco-knowledge: open source transmission and ecological skill diffusion

Reduce hours in BAU jobs, build time wealth

Expand “self-provisioning”

A growing green sector of small scale enterprises; new property forms

Invest in social capital and common property

Revamp the consumer sector



Plenitude Emerging

