

Work-life balance

**Europeans have more time,
Americans more money. Which
is better?**



Life expectancy, happiness, sustainability and innovation among factors shaping work attitudes

Simon Kuper APRIL 30 2024

Comparing Europeans and Americans is dangerous terrain, but last week Nicolai Tangen, head of Norway's giant oil fund, went there. He told the Financial Times there was a difference in "the general level of ambition. We [Europeans] are not very ambitious. I should be careful about talking about work-life balance, but the Americans just work harder."

This has been said often before. In Franz Kafka's novel *Amerika*, published posthumously in 1927, the main character, Karl, travels from Europe to the US, where he meets a man who studies by night and is a salesman by day. "But when do you sleep?" asks Karl.

"Yes, sleep!" said the student. "I will sleep when I'm done with my studies. For the time being I drink black coffee."

Europeans and Americans do things differently.

Europeans have more time, and Americans more money. It is a cop-out to say which you prefer is a matter of taste. There are three fairly objective measures of a good society: how long people live, how happy they are and whether they can afford the things they need. A society must also be sustainable, as measured by its carbon emissions, collective debt and level of innovation. So which side does it better?

Americans, who typically have less paid holiday, notch up the equivalent of more than an hour of extra work every weekday, compared with Europeans: 1,811 annual hours per American worker in 2022, versus about 1,500 across northern Europe, bottoming out at 1,341 in Germany, according to the OECD. Because Americans are also more productive per hour worked than most Europeans, their average incomes are higher than in all European countries bar Luxembourg, Ireland, Norway and Switzerland.





Nicolai Tangen, head of Norway's giant oil fund. Even he has taken enough leisure time to amass a collection of Nordic modernist art © Chris Ratcliffe/Bloomberg

Earning more is, in part, an American choice that is not shared by other nations. As economies advance, Americans have opted for more money. Europeans have stuck with the historical trend: once people rise above subsistence level, and have covered their needs, they tend to prioritise free time, rather than devoting their lives to maximising wealth.

As if making Tangen's point for him, HSBC's British chief executive, Noel Quinn, unexpectedly announced on Tuesday that he was [stepping down](#), saying he needed "rest and relaxation" and a "better balance between my personal and business life" after an "intense five years" in the job.

In 1870, the average worker in industrialised countries put in more than 3,000 hours a year, calculated economic historians Michael Huberman and Chris Minns. Today's Europeans do about half that.

Average hours per European worker have slipped further since the pandemic. "Men — particularly those with young children — and youth drive this drop," reported a recent IMF paper by Diva Astinova and others. It also noted: "Declines in actual hours match declines in desired hours." Today's young fathers seem to want to spend more time with their children (or at least feel they ought to). And surveys repeatedly show that millennials and Gen Z-ers want shorter hours.

Few Americans win the big prizes. Many others end up overworked and unhappy, albeit in big

This displeases strivers at the top of society such as Tangen, who tend to want everyone else to strive too. These people love their jobs, are well paid, employ home help and probably die wishing they had spent more time in the office. Emotionally, I have to

houses and cars

admit, I am in this team. Through a recent series of ill-advised decisions, I am currently working seven days a week, and started writing this on a sunny Sunday afternoon.

But workaholic strivers are exceptions. Most people do not particularly like their jobs. Gallup, the pollster, publishes large-scale international studies of workplace engagement. American workers do express more enthusiasm about their jobs than Europeans. Yet even in American companies, reported Gallup last year, “only about 30 per cent of employees are truly engaged. Another 20 per cent are miserable and spreading their misery in the workplace, and 50 per cent are just showing up — wishing they didn’t have to work at all — especially in this job.”

In short, most Americans would probably prefer European working hours. It is just that their employers, and the cost of health insurance, get in the way. The US offers big prizes for finishing top, and big punishments for finishing bottom. That is partly why Europe exports its most ambitious strivers there.

But few Americans win the big prizes. Many others end up overworked and unhappy, albeit in big houses and cars. In the latest World Happiness Report — a partnership between Gallup, the Oxford Wellbeing Research Centre and the UN — the US finished 23rd for self-reported happiness. Nordic countries took the top spots. As the Swedish political scientist Bo Rothstein observed: “It is now clear that, from the many societal models that have been tried since the breakthrough of industrialism, social research can point to a winner in terms of human wellbeing and this is the Nordic model.”

Even Tangen seems to like it. He has taken enough leisure time to build up the world’s largest collection of Nordic modernist art (the sort of activity the typical New York hedge-funder would not do alone), and enjoys holidays in his summerhouse. It was from there or some other vacation spot that he posted an idyllic photograph on LinkedIn of a pizza poised above a fjord, beneath the text: “My hobby this summer is to recycle leftovers into lunch pizzas! Today is the all time favourite with prawns in garlic and chilli. Wow! Any suggestions for the rest of the week?” Life doesn’t get more European than that.

Europeans also win on the most important indicator of societal success: longevity. Spaniards, for instance, are much poorer than Americans, yet live on average to 83, versus 77.5 for Americans. Even super-rich Americans only live about as long as the wealthiest Britons, despite being much richer.

There is a rightwing belief that the European good life of short hours and long pensions is unsustainable. European states will go bust, the argument goes, and then Europeans will have to work like Americans. The facts suggest otherwise. The US has a higher government debt-to-GDP ratio than almost all European countries: 123 per cent, nearly double that of work-shy Germany, and triple Norway, Sweden and Denmark, reports the IMF.

And the US is unsustainable in the most fundamental sense: carbon emissions. Americans use their extra wealth to buy more stuff than Europeans, and to drive more, use more air conditioning and so on. Consequently, the US's emissions were 13.3 tonnes per capita in 2023, against 5.4 for the EU, estimates the International Energy Agency.

True, the US produces more innovation, some of it beneficial. There is no European Google, Tesla or Facebook. Perhaps the global economy needs the US, or at least a few inventive bits of it — as long as you don't have to live there.

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