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Economic Inequality Drives Longer Work Hours

Mindy Shoss,

Department of Psychology, University of Central Florida, Psychology Building Room 347, 4111
Pictor Lane, Orlando, FL 32816

Tara Behrend

School of Human Resources & Labor Relations, Michigan State University South Kedzie Hall, 368
Farm Ln, Room S408, East Lansing, MI 48824

Why do individuals in industrialized, wealthy nations, such as the United States, still work long hours, contrary to Keynes' famous prediction that the balance of work and leisure would eventually shift to leisure? The focal article's authors presented a variety of potential explanations, ranging from societal norms and values to individuals' financial need and personal work values. Allan and Alliger argue that the reasons for long work hours differ among higher and lower status individuals, such that personal fulfillment, greed, and occupational norms drive behavior for those who do not necessarily "need" the incremental pay that would come from incremental work hours (i.e., the higher class) whereas lower class individuals are more dependent on the incremental income that comes from additional hours worked.

Understanding the effects of social class is of central importance. The focal article (Kaplan et al., 2025) is effective in highlighting the various ways that the social safety net that once existed in the United States and elsewhere has eroded, leaving workers to fend for themselves in securing childcare and healthcare, and saving for education and retirement. We contend, however, that a consideration of macrolevel factors is incomplete without considering the impact of societal income inequality—the degree to which a society distributes its resources in a manner that creates economic "winners" and "losers" (International Monetary Fund, n.d.). Income inequality is a powerful shaper of economic and social behaviors (Wilkinson & Pickett, 2009) and is crucial for understanding why people work as much as they do.

Income Inequality and Working Hours

As described in the focal article, Keynes predicted that strong economic growth from rising capital accumulation would result in countries growing richer overall. The assumption is that people, having met a sufficient standard of living and production of goods, would then be free to turn their attention toward other activities such as leisure. Although countries in the Global North have indeed gotten richer, this growth has been increasingly unequal. In North America, 70% of the wealth now belongs to the top 10% of people. The top 1% holds 35% (World Inequality Report), and the combined wealth of the top five richest men has

more than doubled since 2020, increasing from \$405 billion to \$869 billion, while almost five billion people have seen their wealth decrease during the same time frame (Fleck, 2024; see also Riddell et al., 2024). Most damningly, absolute mobility has decreased, such that only half of children born in the 1980s can reasonably expect to do better than their parents, compared to over 90% born in the 1940s. Children born in the bottom 20% of the income distribution have almost no chance of moving beyond that quintile (Chetty et al, 2017). The “active hand of the state” that Keynes argued would propel a future of growth and prosperity clearly has not been in place in the United States and other countries that followed the U.S.’s neoliberal turn (Harvey, 2007).

This sense that the “American dream” is no longer possible shapes people’s perceptions, decisions, and beliefs. Academic, political, and religious commentators have described inequality as a “root of social ills” that “is in the air” and operates pervasively and perniciously outside of conscious awareness (Francis, 2013; Rodríguez-Bailón et al., 2019; United Nations, 2020). Inequality attunes people to status hierarchies in social systems and creates anxiety about being able to attain critical economic, social, and psychological resources (Wilkinson & Pickett, 2009; 2017). Notably, this anxiety is not just present for people lower in the status hierarchy. Those higher up in the hierarchy also worry about the extent to which they can maintain their relative position in society (Layte & Whelan, 2014). As it is said, the higher one rises, the further one could fall (Engler & Weisstaner, 2020). Social psychological research emphasizes that status anxiety is not only about manifest (economic) resources. It also reflects the degree to which one is afforded dignity from others (Delhey & Dragolov, 2014). Not surprisingly, in highly unequal societies, people are more attuned toward status objects both as a means of assuring oneself of one’s position in the social hierarchy and conveying this position to others (Walasek & Brown, 2015).

In countries such as the United States, with few social protections, work is the primary way to attain economic resources (Bidwell et al., 2013; van Dijk et al., 2020). Against this backdrop, it is not surprising that people in more unequal societies feel that they need to work more and more hours to get ahead and that they need to compete to attain economic resources and security. As a result, long working hours and being busy are symbols of status (Bellezza et al., 2017).

System justification theory, which aims to explain the persistence of unequal social and economic systems, would suggest that people are motivated to justify and rationalize the status quo even if doing so goes against their own interests (Jost & van der Torn, 2012). This may lead people to overly attribute working hours to some intrinsic characteristics rather than pressures of the current economic/political/social structure. In highly unequal societies, people by and large have no choice but to work long hours to maintain their economic and social positions, to compete with others for limited resources, to accumulate an economic buffer against future threats, and to secure their children’s place in that hierarchy. Those lower in the status hierarchy furthermore need to work to make ends meet, to manage crushing levels of debt, and because the rules of work are dictated by those with greater economic power (e.g., benefits are only provided to full-time workers, promotion opportunities require personal sacrifices that serve symbols of “commitment” to the organization; Bal & Dóci, 2018). Of course, individuals might work long hours

to achieve personal goals and find meaning, as the commentary suggests, but industrial-organizational psychology should not ignore the economic and political constraints under which these decisions are made (see e.g., Oishi et al., 2018).

Although the overall economic standard of living has improved as Keynes predicted, the bifurcation of “haves” and “haves not” that underlie this average makes it such that few workers can truly afford (both financially and psychologically) to substitute leisure for work. Indeed, only at the very top echelons of society is leisure considered a status marker of success. For others, “nonwork” hours are likely to be filled with unpaid labor: child and elder care, household maintenance, cooking, and myriad other responsibilities that are easily outsourced for people with financial means. Clearly, there is plenty of “work” that needs to be done. Inequality and underlying economic power structures determine which groups in society shoulder the burden of this work, for which they get paid very little (and often nothing at all) and for which they rarely gain social status.

A Nonleisure Filled Future

Keynes stated that a “master economist...must study the present in light of the past for the purposes of the future” (1951, as cited by Boettke, 1992). The same is true for industrial-organizational psychologists. The focal article claims that understanding why economic growth has not resulted in fewer work hours is crucial for thinking about how work may change in light of advances in AI and automation technologies. The authors suggest there are two camps of people—those who fear that automation will take away their jobs and those who welcome automation to escape meaningless work and long work hours. We again argue that societal context matters here. From a societal inequality lens, these technologies often represent the continued accumulation of capital in the hands of a very small number of individuals. Economists (in the vein of Keynes!) warn that, without a change in policies, this unequal accumulation coupled with loss of jobs due to automation will continue to exacerbate income inequality (Brynjolfsson et al., 2024). In a world where these technologies theoretically boost productivity, we anticipate that long work hours will continue to remain essential for maintaining economic security and social status—and may even increase in importance to the extent that work becomes scarcer. In other words, without a change to the prevailing political and economic status quo, a leisure-filled future seems far out of reach.

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