

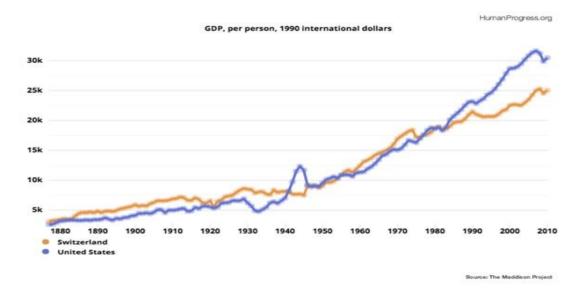
## **Rising GDPs, Declining Work Hours**

Marian Tupy

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In 1877, Switzerland was fast emerging as one of the world's manufacturing powerhouses and richest nations. Its average annual per capita income of \$5,584 was well ahead of America's \$4,708. Along with industrialization came the creation of a proletariat and a new ideology—socialism. To combat the spread of the latter, the Swiss government passed a Factory Act that limited, for the first time, the length of the working day... to 11 hours.

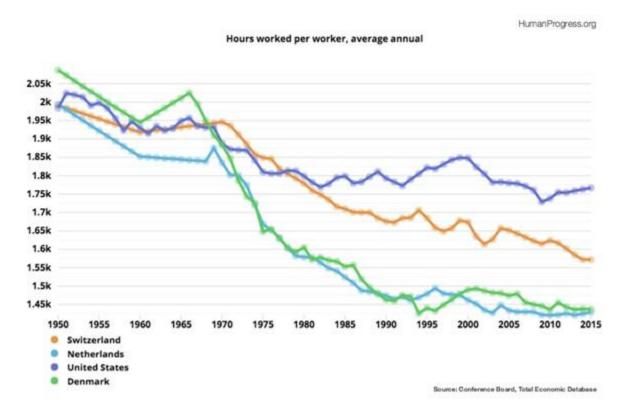
In 2010, when Angus Maddison's valuable dataset ends, per capita income in Switzerland and the United States was \$45,414 and \$55,316 respectively (all figures are in 2016 dollars). The real standard of living in Switzerland and America improved 8-fold and 12-fold. In the meantime, Swiss worked, on average, <u>7 hours</u> per day and Americans 7.6 hours per day.



Working hours have been declining throughout the industrialized world. Between 1950 and 2015, one dataset shows, working hours in Switzerland and the United States declined by 21

percent and 11 percent respectively. Some of the biggest declines were in Holland (28 percent) and Denmark (31 percent).

In the coming decades, we will see a shrinking labor force precipitated by declining birth rates and a robotics revolution that will upend the economy as we know it. Time will show if the salutary trend of declining working hours and growing incomes can continue.



Explore more data like this at HumanProgress.org.

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