Finding Time: The Economics of Work-Life Conflict

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RECENT PUBLICATIONS

FINDING TIME: THE ECONOMICS OF WORK-LIFE CONFLICT.
HEATHER BOUSHEY. HARVARD UNIVERSITY PRESS, 2016. 343 PAGES.

Heather Boushey’s recent book, Finding Time: The Economics of Work-Life Conflict (2016), makes a forceful argument about revitalizing our long-neglected national system of work-life protections.1 Boushey outlines how a combination of paid sick and family leave, universal child care, and anti-discrimination policies can protect workers when they are at their most vulnerable.

Boushey demonstrates how these policies interact to create an economic cycle that boosts family income and human capital, which translates into increased business profits and economic growth. As Boushey describes, families, not firms, are the basis for continued prosperity.2 When families struggle to recover financially from an illness or delay a family member’s education because of uneven working conditions, they are less productive and secure, which translates into a weaker economy.

Given President Donald Trump’s election and the Republican Party’s majority control of the House and Senate, Boushey’s book has changed from a governing agenda to an organizing manifesto for those resisting repeal efforts or arguing for progress at the state and local level. As Boushey contends, this work is vital precisely because of the challenges U.S. households still face.

For example, family incomes that used to keep pace with overall economic growth and productivity have declined or flat-lined for most.3 For

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3. See id. at 47, 73 (noting that U.S. median income has grown by only nineteen percent from 1979 to 2013).
those working families with low and middle-incomes, the specter of debt, unsustainable or unpredictable work hours, and termination are constant threats.

These daily pressures are exacerbated by the fact that most American families do not fit the two-parent breadwinner-caregiver model upon which the workplace was structured. This model has never reflected the reality of most American families, but the divergence between the model and reality continues to increase (e.g., twice as many children now live in families headed by a single mother than in 1960). This dynamic is made worse by the fact that many basic workplace benefits remain inaccessible to most. When working parents need time off or flexibility to handle a child’s illness or the routine care of an elderly family member, there are few options that do not risk unemployment or financial ruin. Contrary to critics who view work-life policies as economically disastrous, Boushey contends that, when viewed from a macroeconomic perspective, such policies can boost growth, profitability, and family stability at the same time. Unfortunately, entrenched social norms and a misunderstanding of the economic impact of such policies have stymied national efforts at reform.

HISTORICAL ROOTS

Boushey traces many of our current challenges to the political and economic decisions made during the formation of the New Deal. The historic labor protections that established the eight-hour workday, the abolition of child labor, and the minimum wage never envisioned the need for policies such as paid sick leave or predictable scheduling. The drafters relied on America’s “silent partners,” stay-at-home moms who could smooth the inevitable conflicts of family life while men worked. As Boushey notes,
these policies — or the lack thereof — seemingly “made sense in a radically different social environment.”  

When policy-makers drafted exceptions to this social script — such as the national expansion of child care centers during World War II to support women on the factory floor — they were contingent and temporary.  

Yet the post-war social and economic upheaval that culminated in the Civil Rights Act of 1964, the 1978 Pregnancy Discrimination Act, and enhanced reproductive freedom, laid the foundation for increased labor participation among women.  

For example, from 1979 to 2007, while corporate profits skyrocketed by 130 percent, family incomes increased a mere nineteen percent — even while the American worker remained more productive than ever.  

With rising costs and flat or negative income growth, more and more families had little choice but to send both parents (if they were able or available) into the workplace. As Boushey describes, “the single largest contributor to middle-class incomes [between 1979 and 2012] was the rise in women’s work hours, closely followed by the rise in women’s pay. Without women’s added hours and pay, middle-class incomes would have fallen.”  

In this context, it is no wonder that families are stretched beyond their means and are reaching a breaking point. Men and women at every rung in the income ladder are facing time crunches at work, and unprecedented work-life conflict has pitted care for one’s family against the ability to earn an income.  

Single working parents, once a smaller fraction of the overall workforce, now make up a significant portion of families (more than half of low-income children under the age of 14 live with a single parent). And while families face increased time pressure, data from the Bureau of Labor

14. Id. at 44.  
15. Id.  
16. Id.  
17. Id. at 61-63.  
18. Id. at 59.  
19. See id. at 51-53 (noting that declines in productivity can be traced to both increased globalization but also efforts to impede and reverse workplace unionization); see also id. at 141 (“United States [workers] produced $67 worth of goods and services per hour worked, the third-highest rate among developed nations”).  
20. See id. at 73.  
21. Id. at 59 (emphasis added). Without women’s entry into the labor force between 1979 and 2012, the U.S. economy would have spent $1.7 trillion less on goods and services. Id. at 134.  
22. See id. at 63-64.  
23. Id. at 74.
Statistics indicates that jobs with the fastest rates of growth are likely to be those with “erratic and unpredictable schedules.”

A PATH FORWARD

While a chilling vision of the future of work, Boushey explains that these trends have also culminated in a labor market with women increasingly at its center. For example, women will “make up the majority in thirteen of the top twenty fastest-growing occupations” by 2022 and now earn a majority of the bachelor’s degrees and half of the law school degrees. Since it is difficult to imagine turning back the dial on this momentum, there is growing urgency at the state and local level for policies that address work-life challenges currently ignored by the private sector. San Francisco’s flexible scheduling laws and California’s paid family leave provisions have demonstrated the ability of public policy to respond to the everyday challenges of working Americans without jeopardizing business innovation or economic growth.

Though, reform at the national level has been haltingly slow. When advocates passed the Family Medical Leave Act (FMLA) – a program that provides unpaid job-protected leave to a limited number of private sector workers – it was vetoed by President George H.W. Bush in 1990 and 1992. Boushey poignantly recalls that on his first veto he argued that the program would “stifle the creation of new jobs,” a common refrain whenever similar policies are proposed.

Any new benefit, opponents argue, comes directly from a company’s bottom line, the cost of which will ultimately get passed on to consumers in the form of higher prices, or worse, fewer jobs (although research into the effects of programs like FMLA demonstrates the opposite result).

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24. Id. at 78.
25. Id. at 87.
26. Id. at 62.
27. Boushey is quick to point to companies like The Gap and JetBlue that are attempting to smooth the inevitable conflicts of work and family life with solutions like flexible scheduling. Id. at 181-82, 184. Yet, a majority of young workers who make up the workforce in these industries report that they still have no control over their work schedules. Id. at 183 (noting that young workers of every income category lack such discretion over their work hours). And despite gains among some companies, access remains uneven. Cf. Bridget Ansel, Netflix and the Paid Family Leave Debate, WASHINGTON CENTER FOR EQUITABLE GROWTH (Sept. 1, 2015), http://equitablegrowth.org/equitablog/netflix-paid-family-leave-debate/ (noting that new workplace leave policies at Netflix do not extend to workers in their DVD distribution centers).
29. Id. at 171.
30. Id. at 162.
31. Id. at 124.
32. Id. at 163 (noting that FMLA protections in the workplace have not lowered female labor participation and have made it more likely that a previously employed mother returns to the same employer after her birth).
Boushey responds by noting that this perception comes from a misreading (accidental or otherwise) of economic theory. Instead of placing a singular focus on the firm as a job-creating engine, our focus should be on the economic cycle that begins at the household level.

Families represent 70% of the *all spending* on goods and services, which makes their decisions – and specifically their ability to earn a productive and sustainable income – profoundly important for the overall economy. Moreover, families do not simply buy what employers produce. They are active sellers, bargaining with employers to sell their time and effort for money, and, at a very basic level, are the producers of the next generation of workers.

How much employers pay for labor does matter since increases in paid sick leave or mandatory childcare can make labor more expensive. But those costs are mitigated by increases in productivity that yield more value out of every hour of paid labor.

The clearest example of this is the employee who comes to work sick. Not only does she perform her job more slowly than usual, but she can spread her illness to fellow employees and make a business unenticing to customers. Employers avoid costly declines in productivity by enacting paid leave policies that allow employees to recover.

Access to quality childcare enables many workers (especially women) to enter the workforce. Studies demonstrate that “for every 10 percent reduction in the cost of center-based child care . . . women increase their labor-force participation by about 2 percent,” which, if universal, “would increase their working rates by twenty percentage points.” Likewise, studies suggest that women “who took paid leave for thirty days or more for the birth of their child were 54 percent more likely to report a wage increase in the year following their child’s birth, relative to mothers” who took no leave at all.

When viewed from Boushey’s macroeconomic perspective, increasing workforce participation and helping families stabilize their income creates a virtuous cycle. Households can buy even more goods and services from businesses and children who benefit from early care become more productive employees. Further, with these policies in place, no single employer would

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33. *Id.* at 130.
34. *Id.* at 137.
35. *See id.* at 137-38.
36. As Boushey notes, paid sick leave may be the easiest example of this productivity theory at work since studies indicate that the employer only pays thirty-five cents per worker per hour to offer sick leave to its employees. *Id.* at 155.
37. *Id.* at 207.
38. *Id.* at 171.
be put at a competitive disadvantage, because all employers would be required to meet minimum standards.\(^{40}\)

**THE “HERE, THERE, CARE, FAIR” FRAMEWORK**

The demonstrable benefits of these policies leads Boushey to a four-fold prescription for the next generation of work-life policy: Protections to be “Here at Home,” including paid sick and family leave, “There at Work” with predictable, flexible, minimum and maximum work hours, “Care” for children and elder family members, and “Fair” treatment for caregivers in the job market.\(^{41}\) This “Here, There, Care, and Fair” framework acts as a unified theory of modern workplace protections that build on those already in place.

Some of her most persuasive writing on this new framework blends both moral and economic arguments for concerted action. For instance, between 1960 and 2008, as much as “a fifth . . . of U.S. economic growth was due to women and people of color entering professional occupations.”\(^{42}\) Despite these trends, implicit bias plagues working mothers and caregivers, with studies suggesting that they are viewed as less promotable, less skilled, and held to more exacting expectations than non-caregiver job candidates.\(^{43}\)

In fact, a significant portion of the wage gap can be attributed to caregiver bias in the workplace with research demonstrating that men get a 6% pay bump when they have children at home, while women’s pay drops 4% for each child.\(^{44}\) Thus, Boushey supports efforts by the Equal Employment Opportunity Commission to provide business guidance around caregiver accommodations that go beyond the “letter of the law,” and instead reflect burgeoning interpretations of anti-discrimination laws as they relate to caregivers.\(^{45}\)

What Boushey demonstrates through her book is the need to reject the halcyon perspective that economic progress alone is the solution to work-life conflict. Growing productivity and business profit has not translated into an easier life for millions of workers. Thus, national policy must begin aggressively responding to the needs of working families who have been left behind. But the abolition of abhorrent working conditions and the right to unionize did not materialize on their own: “Someone had to propose [the policies], and then they had to be passed.”\(^{46}\)

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40. See id. at 167.
41. Id. at 18
42. Id. at 237.
43. Id. at 235-36.
44. Id. at 240.
45. Id. at 238 (noting, for example, that companies should be cautious about applying stricter standards to caregivers requesting leave).
46. Id. at 228.
With cabinet nominees from the incoming Trump administration displaying open hostility to the minimum wage and House Speaker Paul Ryan voicing opposition to paid family leave, for example, there is seemingly little room for movement on Boushey’s agenda nationally.

However, Boushey’s book is not only an effective rebuke of proponents of the status quo, but a positive prescription for action at the state and local level. As she describes, when advocates put together the reform package that eventually became the New Deal, they drew nearly every policy from versions already piloted by state and local governments.

With Boushey’s analysis, proponents can both bolster recent victories to expand paid family leave in Washington D.C. and sick leave in Chicago, while laying the groundwork to design a more inclusive statewide paid sick leave law in Maryland or new flexible scheduling standards in New York City. Every victory is a new data point validating the idea that we can protect our families and grow our economy at the same time. What we need next are leaders willing to listen to that data.

49. While national movement may be possible, given President Trump’s occasional calls for an increase in the minimum wage and his campaign proposal for paid family leave, his positions on these issues have been inconsistent, and there have yet to be signs that the Republican-dominated Congress will make these campaign pledges a reality. Compare Melanie Trottman, Donald Trump Calls for $10 Hourly Minimum Wage, Breaks From GOP Position, WALL ST. J. (July 26, 2016), http://www.wsj.com/articles/donald-trump-calls-for-10-hourly-minimum-wage-breaks-from-gop-position-1469647220 with Michelle Ye Hee Lee, A Guide to All of Donald Trump’s Flip-Flops on the Minimum Wage, WASH. POST (Aug. 3, 2016), https://www.washingtonpost.com/news/fact-checker/wp/2016/08/03/a-guide-to-all-of-donald-trumps-flip-flops-on-the-minimum-wage/.
50. Boushey, supra note 2 at 33.
Boushey’s dedication page makes such a call to policymakers of all stripes who might read her work: “To all those too busy to read this book, in the hope that it reaches those with the power to find and return our lost time.”

Let us hope indeed.

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55. Boushey, supra note 2.