

French Family Values

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Americans tend to believe that we do everything better than anyone else. That belief makes it hard for us to learn from others. For example, I've found that many people refuse to believe that Europe has anything to teach us about health care policy. After all, they say, how can Europeans be good at health care when their economies are such failures?

Now, there's no reason a country can't have both an excellent health care system and a troubled economy (or vice versa). But are European economies really doing that badly?

The answer is no. Americans are doing a lot of strutting these days, but a head-to-head comparison between the economies of the United States and Europe -- France, in particular -- shows that the big difference is in priorities, not performance. We're talking about two highly productive societies that have made a different tradeoff between work and family time. And there's a lot to be said for the French choice.

First things first: given all the bad-mouthing the French receive, you may be surprised that I describe their society as "productive." Yet according to the Organization for Economic Cooperation and Development, productivity in France -- G.D.P. per hour worked -- is actually a bit higher than in the United States.

It's true that France's G.D.P. per person is well below that of the United States. But that's because French workers spend more time with their families.

O.K., I'm oversimplifying a bit. There are several reasons why the French put in fewer hours of work per capita than we do. One is that some of the French would like to work, but can't: France's unemployment rate, which tends to run about four percentage points higher than the U.S. rate, is a real problem. Another is that many French citizens retire early. But the main story is that full-time French workers work shorter weeks and take more vacations than full-time American workers.

The point is that to the extent that the French have less income than we do, it's mainly a matter of choice. And to see the consequences of that choice, let's ask how the situation of a typical middle-class family in France compares with that of its American counterpart.

The French family, without question, has lower disposable income. This translates into lower personal consumption: a smaller car, a smaller house, less eating out.

But there are compensations for this lower level of consumption. Because French schools

are good across the country, the French family doesn't have to worry as much about getting its children into a good school district. Nor does the French family, with guaranteed access to excellent health care, have to worry about losing health insurance or being driven into bankruptcy by medical bills.

Perhaps even more important, however, the members of that French family are compensated for their lower income with much more time together. Fully employed French workers average about seven weeks of paid vacation a year. In America, that figure is less than four.

So which society has made the better choice?

I've been looking at a new study of international differences in working hours by Alberto Alesina and Edward Glaeser, at Harvard, and Bruce Sacerdote, at Dartmouth. The study's main point is that differences in government regulations, rather than culture (or taxes), explain why Europeans work less than Americans.

But the study also suggests that in this case, government regulations actually allow people to make a desirable tradeoff -- to modestly lower income in return for more time with friends and family -- the kind of deal an individual would find hard to negotiate. The authors write: "It is hard to obtain more vacation for yourself from your employer and even harder, if you do, to coordinate with all your friends to get the same deal and go on vacation together."

And they even offer some statistical evidence that working fewer hours makes Europeans happier, despite the loss of potential income.

It's not a definitive result, and as they note, the whole subject is "politically charged." But let me make an observation: some of that political charge seems to have the wrong sign.

American conservatives despise European welfare states like France. Yet many of them stress the importance of "family values." And whatever else you may say about French economic policies, they seem extremely supportive of the family as an institution. Senator Rick Santorum, are you reading this?

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