

# Virtue or vice? Female workers in the Japanese labour model

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## *Introduction*

The principal themes of this paper are an examination of the Japanese labour system, with a particular focus on the importance of women in the post-war system. Post-war labour institutions in Japan such as so-called lifetime employment and seniority wages arose out of historical conditions and within a particular historical framework. Although Japan had a period of rapid economic growth and remains one of the world's largest economies, it has also more recently seen decades of stagnation and increasing criticism for the underutilization of its female labour force.

The female labour force participation rate in Japan has come under increasing scrutiny in recent years, with the Global Gender Gap Report 2011 explicitly stating that Japan makes ‘...inefficient use of the female talent available in the country’.<sup>1</sup> This was echoed by a special report on women working in *The Economist* that calculates a boost to GDP of 16 per cent in Japan from eliminating the remaining gap between male and female employment rates.<sup>2</sup>

Indeed, the participation rate of women in the Japanese labour force has been fairly consistently low in the post-war period. The Japanese Statistics Bureau reports a labour force participation rate of Japanese women over the age of 15 of 48.5 per cent in 2009.<sup>3</sup> Even more noteworthy in the case of Japan is the amazing consistency of this relatively low female labour force participation rate over the past decades: from a rate of 48.6 per cent in 1950, it increased slightly to around 50 per cent in the 1960s, and then fell back down to around 48 per cent where it has hovered since the 1980s.<sup>4</sup> This makes Japan a fairly unique member in the club of developed countries, not only due to the low participation rate of females in the labour force, but for the notable lack of change in these numbers through both a period of high economic growth and a period of economic stagnation. Additionally, this corresponds to a period of time in which women in other developed countries substantially increased their

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<sup>1</sup> Global Gender Gap Report 2011. World Economic Forum. p. 26.

<sup>2</sup> *The Economist*, ‘Women at work: closing the gap’, Nov. 26, 2011.

<sup>3</sup> Compare with 68% in China, 58% in United States, 55% in United Kingdom, and 53% in Germany in the same year. Taken from World Bank data: <http://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS>.

<sup>4</sup> Statistics Bureau, Japanese Ministry of Internal Affairs and Communications, Chapter 19 Labour and Wages, Table 19-1: <http://www.stat.go.jp/english/data/chouki/19.htm>

labour force participation rates. This paper explores why female labour force participation rates in Japan have remained low.

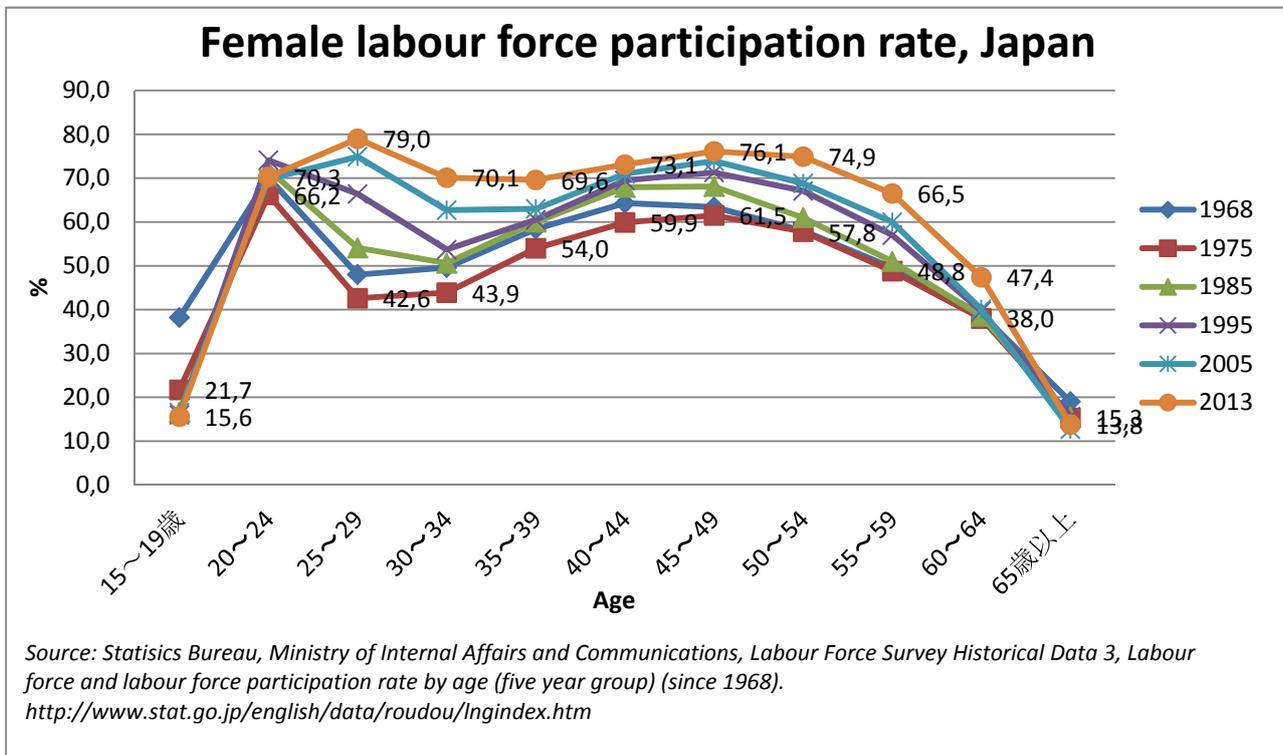
### Methodology

This study locates itself primarily within qualitative research methods, though it does also make use of publicly available statistics and labour data collected by various Japanese and international agencies. The primary sources for this data are the Statistics Bureau of Japan, which is housed within the Ministry of Internal Affairs and Communications; employment and labour statistics compiled by the Ministry of Health, Labour, and Welfare in Japan; reports published by the Japan Labour Institute for Policy and Training on Japanese working life and labour laws; statistics and data from both the International Labour Organization and World Bank; and available Global Gender Gap Reports produced every year since 2006 by the World Economic Forum.

A core portion of the research and analysis presented in this study is based on a series of interviews conducted in Japan with working people over the course of several weeks in early 2014. 14 on-site interviews were conducted with Japanese workers in the Kanto and Kansai regions of Japan, which serve to augment the statistical data and introduce Japanese perspectives. Interviewees were found through personal contacts built up over the past nine years, and are neither random nor representative. However, given the time frame as well as the importance of built-up trust and personal relationships in Japanese culture, this was determined to be the best and most feasible method of introducing contemporary Japanese perceptions of the labour and employment market into the research. The interviews were conducted over a period of six weeks, and were all conducted personally by the author. The fact that the author is not Japanese naturally created some methodological problems, which could be partially mitigated by trust built up over years as well as conducting interviews in Japanese rather than English when desired. Nonetheless, the author's 'outsider' status could not be fully overcome. The interviews were subsequently coded and analyzed according to the precepts of grounded theory.

Role of Women in Post-War Period

The post-war labour system in Japan has been characterized by lifetime employment, seniority wages, and job rotations. Although lifetime employment only covers about 20 per cent of Japanese workers, this is partially because women and the elderly are almost by definition excluded. These post-war institutions were built around a breadwinner model, and the tacit job guarantee also required long working hours, attending after-work commitments, and job rotations to other, possibly distant, branches of the company. Such a system did not easily accommodate family and household tasks; female labour force participation rates in the post-war period have therefore been characterized by a uniquely M-shaped labour curve, in which women dropped out of the labour force after marriage or childbirth and returned only after the children were raised.



Female workers could therefore be conceptualized as a peripheral labour force that provides the flexibility needed to maintain a stable core workforce, especially in times of significant tension or slack in the labour market. Susan Houseman and Katharine Abraham view women as a buffer in the Japanese economy and to the male workforce, with women bearing a greater share of employment adjustment relative to men in Japan.<sup>5</sup> As a result, women have been found disproportionately in part-time, temporary, or ‘non-regular’ work

<sup>5</sup> Houseman, Susan and Katharine Abraham, ‘Female workers as a buffer in the Japanese economy’, p. 50. In: *The American Economic Review*. 83(29): 45-51. 1993 .

which affords them flexibility but also limits upward mobility, since career-track employment and promotion in Japan are closely tied to working hours and job tenure. Thus, taking any kind of leave to have a child or leaving work before others to take care of a child or family member effectively precludes a worker from promotion. Up through the end of the 1980s, when economic growth was rapid, this system worked reasonably well from a purely economic standpoint—men committed themselves to the companies, companies committed themselves to male workers, and women took up the slack in the labour market and took over household tasks. However, since the onset of economic stagnation, the ability of firms to provide job security has become more tenuous; despite this, institutional rigidities have not loosened significantly. Rather, Hiroshi Ono and others have shown that lifetime employment has consolidated itself around an elderly, male core of regular workers.<sup>6</sup>

### Current Outlook

Given the state of the Japanese economy, why haven't women moved in greater numbers into the Japanese labour market, and why have they not seen the kind of upward mobility evident in other countries? What accounts for the persistence of labour rigidities in the Japanese workplace? A series of interviews with Japanese workers highlights the obstacles and pressures faced by both men and women in the Japanese labour force.

Interview respondents pointed on one hand to long working hours and to the difficulty of taking leave if one wants to advance one's career:

*But it doesn't mean that not-known companies have shorter working time. Every company has long time....<sup>7</sup>*

*It never happens [leaving work on time]...I think he or she, in general he, will have another present on the next day... like an extra job...yeah I think so, because that's what I got. I said I have to go... I left the office at 6 but the next day around half past 5 or quarter to 6, my boss, he called me and said 'hey, um, can you do this, this, and this for me?' That means you can't say no.<sup>8</sup>*

*Hmmm, the system of paternity leave does exist in Japan, but it's almost a legend. If someone takes it, he will be in the newspaper... well companies are encouraging it on paper, but their faces say no.<sup>9</sup>*

*We can take leave theoretically, but in reality companies say 'Why? You have a wife! We're busy!'<sup>10</sup>*

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<sup>6</sup> Ono, Hiroshi, 'Lifetime employment in Japan: concepts and measurements', p. 35. In: *Journal of the Japanese and International Economies*. 24 (2010): 1-27.

<sup>7</sup> MO Interview, 14 Feb. 2014, p. 7.

<sup>8</sup> SS Interview, 11 Feb. 2014, p. 6.

<sup>9</sup> MO Interview, 14 Feb. 2014, p. 2.

<sup>10</sup> MK Interview, 1 Feb. 2014, p. 13.

*They set a tone that the company has a childcare leave system but that it is difficult that you take advantage of that system. This tone lets her think that she should quit.<sup>11</sup>*

*If an ordinary housewife wants to work, child daycare centers are limited and the cost is high. What do they work for?<sup>12</sup>*

Although only a small sample of interview responses, these comments highlight some of the main issues brought up by most interviewees. Japanese companies continue to require long working hours from employees, and leaving ‘early’ (at 5 or 6pm) results in extra work or lost opportunities for promotion. This dovetails with Japanese conceptions of hard work, as illustrated by the following analogy:

*I was in badminton club in university and... 4 times a week everybody has to come to the gymnasium. And if a person doesn't come to the gymnasium, even if she's very contributing to the team, even if she wins, people will think she is not working.<sup>13</sup>*

Kumiko Nemoto also points to long working hours as being at the core of Japan's masculine working culture.<sup>14</sup>

Additional obstacles are the difficulty in taking childcare leave, especially for men despite being legally entitled to take such leave. Laws regulating equal employment and childcare leave were introduced in 1986 and 1991 respectively, but with little punishment for non-compliance. Nonetheless, men are pressured out of taking childcare leave, with wives expected to take up this task, though they too may face pressure. There appears to be a substantial disconnect between official policy and actual reality with regards to childcare leave. Additionally, even in the event that women want to return to work after a leave of absence, a lack of childcare facilities makes this difficult.

### Some explanations

The continued importance of institutions such as lifetime employment within the Japanese labor system as well as the persistently low female labor force participation rates begs the question of what is keeping this system in place. Given the troubles of the Japanese economy in the past decades, the fact that changes to the labor system have been more or less marginal requires an explanation.

On the one hand, the system in some regards has worked quite well. The post-war success of the Japanese economy and the narrative of hard work and long hours as having been instrumental to that success has become embedded in the psyche of Japanese workers.

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<sup>11</sup> HN Interview, 9 Feb. 2014, p. 9.

<sup>12</sup> RS Interview, 22 Feb. 2014, pp. 8-9.

<sup>13</sup> MO Interview, 14 Feb. 2014, p. 9.

<sup>14</sup> Nemoto, Kumiko, ‘Long working hours and the corporate gender divide in Japan’. p. 520-4. In: *Gender, Work, and Organization*, 20(5), pp. 512-527, 2013.

To some extent, this attitude continues to be pervasive and wide-spread, such that a belief in hard work and personal sacrifice is still often considered necessary for improving economic conditions—thus, because the labor system was considered to be successful in the past, there is a certain kind of ideological path dependency within which workers, especially middle-aged or older workers, believe that Japanese-style labor relations can again lead to success in the future.

Although younger workers may be less willing to buy into this narrative than the generations before them, or are at least less confident in the security of the Japanese labor market, the general narrative of self-sacrifice continues to be pervasive and underlies the willingness of male Japanese workers to invest long hours into work. Japanese women have somewhat more maneuverability in terms of opting out of this kind of work, a circumstance that is underpinned by the fact that women tend to control household finances; thus economic power does not rest solely with the male worker. To the contrary, women in Japan have significant economic power even if they are not working. This is because husbands generally hand over their entire paychecks to their wives, from whom they then receive spending money.<sup>15</sup> This type of agreement helps to equalize power relations within the household, though it does also exert pressure on women to successfully manage the household finances, which may in some cases not be considered a form of financial freedom but rather an additional responsibility placed upon wives to fulfill “...her husband’s expectation that she will be able to manage with what he can provide”.<sup>16</sup> Thus, while wives often determine the spending money their working husbands receive and manage household financial decisions, thereby imbuing them with a great deal of power within the household, this can also become a burdensome responsibility.

In any case, regardless of their status within the household, multiple surveys and volumes of research point toward the fact that many Japanese women both want to work more than they currently do, and would prefer a regular contract.<sup>17</sup> Thus, although the household distribution of finances does not necessarily disadvantage women, there is some mismatch between the desire of women to work and their actual representation in the regular workforce. Much of this can be attributed to the decision to have children, and both the difficulty of

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<sup>15</sup> The Economist. “Japan’s Salarymen: Feeling the Pinch”. 29 Sept 2012. <http://www.economist.com/node/21563765>.

<sup>16</sup> Imamura, Anne E. *Urban Japanese Housewives: At Home and in the Community*. p. 83. University of Hawaii Press, 1993.

<sup>17</sup> Aoyagi, Chie and Giovanni Ganelli. “The Path to Higher Growth: Does Revamping Japan’s Dual Labor Market Matter?”. p. 6. IMF Working Paper, No. 202. International Monetary Fund, 2013. See also AH Questionnaire, March 2014, p. 1 and EM Interview, 9 February 2014, p. 5.

continuing to work long hours under such conditions as well as the perception of management that mothers will have less of a singular focus on work and therefore overlooking them for promotion. In light of the long working hours and the commitment required of regular workers, women's employment decisions as well as management's treatment of women reinforce each other to depress female labor aspirations.

While many women would prefer to have a regular contract on account of the increased job security as well as higher pay, the reality of working conditions under such a contract make it unfeasible for many female workers tasked with household duties and child care. Indeed, research and statistics have shown that continued employment after childbirth has actually decreased over time, with slightly more women dropping out of the labor force after childbirth than in the past.<sup>18</sup> Despite this, the M-shaped labor force participation curve has flattened over time. This seems to indicate conflicting trends in terms of more women taking childcare leave, but also a concomitant increase in the percentage of women dropping out of the labor force upon the birth of their first child. However, this can be explained by the fact that the increases in women taking maternity leave has almost exactly corresponded to an equal decrease in the amount of women who continue to work without taking childcare leave after the birth of the first child.<sup>19</sup> Therefore, the observed trend is not that more women are continuing to work because they can take maternity leave, but rather a shift toward taking maternity leave for women who would have continued to work anyway. The fact that an increasing percentage of women are dropping out of the labor force upon the birth of the first child, coupled with the fact that less women are unemployed prior to childbirth than previously, also has disquieting implications for the flattening of the M-shaped labor curve since women do not appear to be dropping out of the labor market less but rather are remaining single and/or childless, thus mitigating the need to make this decision at all.

Much of what keeps this system in place is company management, which may derive benefits from having a small but highly dedicated and constantly available core workforce buoyed by a large pool of non-regular workers who pick up the slack in the labor market. This allows companies to have an internal pool of employees working long hours and conforming to the rigors of Japanese working life in order to achieve upward mobility within the firm, supported by non-mobile clerical staff who work shorter hours and do not commit fully to the

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<sup>18</sup> Tomoyasu, Sakamoto, Yōko Morita, and Makio Kimura. "Female Life Events and Continued Employment—Marriage, Childbirth, Elementary School Attendance". p. 33. In: *Quarterly Journal of Household Economics Research*, No. 100, Autumn 2013. (坂本知靖、森田陽子、木村牧郎 「女性のライフイベントと就業継続—結婚・出産・小学校就学」, p. 33. 季刊家計経済研究, No. 100, Autumn 2013.). Ministry of Health, Labor and Welfare. "Equal Employment and Child Welfare Report 2011-2012". p. 173.

<sup>19</sup> Ministry of Health, Labor and Welfare. "Equal Employment and Child Welfare Report 2011-2012". p. 173.

firm. At the micro-level and from a managerial standpoint, this type of labor division is conceivably efficient. However, against a backdrop of changing economic conditions as well as changing labor relations at the global level over the past five decades or so, it is not clear that such a labor system as found in Japan can continue to work efficiently at the macro-level.

So what is actually the logic of the system? Given that it remains largely in place, and not forgetting that Japan remains one of the world's largest economies despite decades of sluggish economic growth, there must be some kind of logic driving Japanese labor policy and practice. There are several factors that contribute to the persistence of the Japanese labor system:

### ***Legal Situation***

There are legal stipulations in place which do provide a basis against gender discrimination as well as establishing childcare and family care leave for both men and women in Japan. These laws have been on the books since 1986 and 1991 respectively. However, the enforcement policies for both have been lax and, despite some revisions over the years, these laws have failed to bring about substantial changes to the constellation of the Japanese labor market. It is clear that individual workers will not be able to change or buck the system on their own. So why have legal and governmental policies been so toothless?

One reason is the historic reliance on administrative guidance in Japan. This has been a central feature of Japanese governance in the post-war period and relies on bureaucratic agencies rather than legal institutions to promote compliance and cooperation from firms, corporations, or other parties.<sup>20</sup> This guidance can be regulatory, adjusting, or advisory and generally involves a bureaucrat from a Japanese ministry providing guidance or direction to the concerned party and expecting voluntary compliance through mutual understanding and subtle coercion rather than through defined legal ramifications.<sup>21</sup> While this may seem ineffective from a western point of view, such extra-legal maneuvering is in fact widespread in Japan, has been used to great effect, and corresponds closely with cultural notions of maintaining harmony.

While it is true that such guidance is commonly used in Japan and accepted as being a legitimate way for government to steer corporations in the 'correct' direction without necessarily relying on specific legal codes, such a system also allows a great deal of room for semi- and non-compliance while establishing a precedent for company managers to similarly coerce employees to behave in certain desired ways outside of the official policies. The

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<sup>20</sup> Lepon, Jeffrey M. "Administrative Guidance in Japan". *The Fletcher Forum*, Vol. 2. pp. 139-141.

<sup>21</sup> *Ibid.* p. 140.

mechanisms of administrative guidance are reproduced in the practice of maternity and paternity harassment, workplace bullying, and enforcement of long hours. None of these practices have a legal basis, nonetheless they are commonplace. Thus, although administrative guidance has served Japan reasonably well in many cases<sup>22</sup>, it has also established extra-legal coercion as a legitimate means of shaping worker behavior to suit management needs.

Both the Equal Employment Opportunity Act (EEOA) and Childcare and Family Care Leave Law (CCFCLL) in Japan rely on administrative guidance and fairly weak enforcement mechanisms to encourage compliance. While such methods of enforcement must be regarded as more effective within the Japanese context than they likely would be in a western context, there is little evidence of true repercussions to firms for non-compliance and there have not been substantial changes in the gender equality of workers within firms, the number of men taking advantage of leave allowances, or a reduction in the duality of the Japanese labor market. The dual nature of the employment system, which is particularly notable in Japan as opposed to elsewhere, has been shown to have negative effects on the productivity of non-regular workers and subsequently entails high economic costs.<sup>23</sup> Rather than reducing duality, legal stipulations have been circumvented by firms through use of coercion and pressure, much in the same way these laws are intended to be enforced in the first place. Since firm management is overwhelmingly made up of older, male workers who generally have an interest in maintaining the status quo, this has largely resulted in the replication of practices from previous decades and has limited the scope for change. This means that in contrast to legal codes or official statistics, both horizontal and vertical pressure is exerted to encourage men to continue working much longer hours than officially required or recorded, both men and women to minimize childcare or family care leave despite their legal rights, and to push women to leave the regular workforce upon the birth of a first child. This generally makes legal recourse difficult while eliciting the behavior that managers want, resulting in a constantly on-call, long-working core workforce and a less fully committed (or at least compensated) supporting workforce who more fluidly enter and exit the labor market.

### ***Micro vs Macro***

The existence of a dual labor force bifurcated into regular and non-regular workers may have different implications at the micro- and macro-levels. As such, part of what may

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<sup>22</sup> For examples, see Chalmers Johnson, *MITI and the Japanese Miracle*, pp. 265-266. Stanford University Press, 1982.

<sup>23</sup> Aoyagi and Ganelli. "The Path to Higher Growth". p. 20.

keep the labor system in place is the perceived benefits of having both a stable core workforce and a flexible peripheral workforce at the level of the individual firm. One of the benefits of expanding non-regular employment is lower costs for firms, both in wages paid to employees as well as training costs since non-regular employees earn significantly less than their regular counterparts, and also receive less on-the-job training. Duality in the labor market and increasing reliance on non-regular workers has also been shown to have helped keep overall levels of unemployment low in Japan.<sup>24</sup> A large residual workforce to augment the stability of the core workforce therefore can be seen as allowing firms to effectively manage the size of the workforce depending on economic conditions and so keep unemployment levels fairly low. Additionally, the costs of asking core workers to do overtime work rather than expanding employment also keeps costs low, as the premium on overtime pay is only 25% of the regular hourly wage, and in many cases even this goes unpaid.<sup>25</sup> Thus, pressure to work long hours and exert great effort from the core workforce coupled with lower wages and less investment in training for non-regular workers can be seen as an effective way for firms to cut costs, especially within the unfavorable economic conditions Japan has found itself in over the past years.

However, on a broader scale, there are serious drawbacks to the increasing duality of the Japanese labor force. On the one hand, the lower wages of non-regular workers as well as the expanding base of non-regular workers accounts for a large portion of the increasing income inequality seen in Japan in recent years. Surveys by the Ministry of Health, Labour and Welfare as well as OECD comparative analyses of member countries found that the Gini coefficient for disposable income in Japan rose by around 12% from the 1980s until 2000; this was well above the OECD average of 7% in the same period.<sup>26</sup> The fact that part-time and non-regular work has increased in that time in conjunction with the fact that part-time workers earn on average only about 40% per hour of their full-time counterparts has helped drive up the income gap in a country that has long prided itself on having egalitarian values.<sup>27</sup> Additionally, such duality has been shown to depress the total factor productivity of non-regular workers through a negative impact on such workers' efforts<sup>28</sup> as a result of low wages and stymied career opportunities. As the numbers of non-regular workers have grown, an

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<sup>24</sup> Aoyagi and Ganelli. "The Path to Higher Growth". p. 6. The unemployment rate in Japan in 2009-2010 was just above 5%, which was well below the OECD average of 8%, despite the effects of the financial crisis in Japan.

<sup>25</sup> Ibid. p. 19.

<sup>26</sup> Jones, Randall S. "Income Inequality, Poverty and Social Spending in Japan". p. 5. *OECD Economics Department Working Papers*. No. 556. OECD Publishing, 2007.

<sup>27</sup> Jones. "Income Inequality, Poverty and Social Spending in Japan". p. 26.

<sup>28</sup> Aoyagi and Ganelli. "The Path to Higher Growth". p. 20.

increasing number of workers are thus sidelined into poor-paying and insecure jobs, thereby lowering worker efforts and negatively impacting overall productivity.

Ultimately, at the macro level, low wages and depressed productivity in a significant portion of the labor force will make it difficult for Japan to exit the deflationary rut of the past decades and return to an era of higher growth rates. At the micro-level, however, firms do have an incentive to cut costs and have found that an effective way to do this is to maintain a slightly reduced core workforce supplemented by a growing peripheral workforce; the high demands made of regular workers in conjunction with inadequate paternity leave protection and child care facilities have perpetuated the gendered nature of this division as well as the increasing duality of the Japanese labor market. As such, that which allows for flexibility and low costs at the micro level may very well lead to increasing inequality, bifurcation, and instability at the macro level.

### ***Path Dependency***

As touched upon earlier, the narrative of post-war economic growth and success in eclipsing all of the world's economies save one may also contribute to the persistence of the defining features of the Japanese labor market. Although Japan has shown itself capable of drastic and rapid change, this has generally come at times of extreme crisis coupled with outside intervention<sup>29</sup> as seen in the forced opening of Japan and subsequent collapse of the Tokugawa shogunate in the 19<sup>th</sup> century as well as the total destruction, occupation, and rebuilding of Japan during and after World War II. However, Karel van Wolferen has argued that domestically the Japanese political and industrial system has no strong leadership, no political center, and no concrete shape or form, which results in a country that "...trundles along while officials, politicians and businessmen tinker endlessly with minor policy adjustments".<sup>30</sup> Thus, van Wolferen argues, there is no accountable center of power that can make quick or binding decisions—to the extent that Japan has historically changed course, it has been through a confluence of external pressure and internal crisis rather than decisive or preemptive political action. While van Wolferen may overstate the case in terms of the entire Japanese polity, his analysis of the difficulty of Japan to change course may have some insights into the continuity of the post-war labor system.

The fact that unions are largely decentralized, coordinate closely with management and are generally non-confrontational<sup>31</sup>, coupled with administrative guidance as the main

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<sup>29</sup> Van Wolferen, Karel. *The Enigma of Japanese Power*. p. 418. Vintage Books, 1990.

<sup>30</sup> *Ibid.* pp. 48-9.

<sup>31</sup> Benson, John. „A Typology of Japanese Enterprise Unions“. p. 378. In: *British Journal of Industrial Relations*. 34(3): 371-386. 1996.

enforcement mechanism of labor laws indicates that there isn't an obvious center of power that can properly affect change to the existing labor market dualities found in Japan. This can be seen as having resulted in a kind of stasis or path dependency in the Japanese labor market, especially when it dovetails with the narrative of hard-working salarymen as drivers of economic success. The value of hard work, sacrifice, and even suffering is deeply rooted in Japanese culture and may serve to explain to some degree why men continue to work long hours and perpetuate masculine working norms. Nonetheless, this sacrificial tendency is not innate or necessarily an internal drive; it is elicited and reproduced through subtle but constant pressure and coercion techniques applied both vertically and horizontally. Since it is impossible for all workers to work in this manner, a residual workforce is needed; this has traditionally been women. Changing this would require fundamental changes to working culture and managerial practices. The fact that there has been no clear central power to force such a change together with a certain path dependency and incentives for individual firms to stay the course has meant that male-oriented labor institutions have remained in place and duality in the Japanese labor market has increased rather than decreased.

### ***Women's Movements***

One question that comes up in this context is the existence and success of women's movements in Japan. Many changes in the west in terms of women's rights both inside and outside of the labor force can be attributed at least in part to feminist movements of the 19<sup>th</sup> and 20<sup>th</sup> centuries. Why has Japan not seen a similar trend?

In fact, in Japan as elsewhere, there have been feminist movements that have attempted to take up some of the main issues identified as preventing women from participating equally in society. The first women's movement in Japan existed already before World War II, but was concentrated around middle class women and oriented toward a socialist ideal that "...could not respond usefully to the dramatic changes in the lives of women in the 1960s".<sup>32</sup> This early women's movement thus faded into the background as a new women's movement began to take hold in the 1970s. This consisted of numerous groups formed to raise awareness and take action against specific social issues under the umbrella term *uman ribu*, a japanization of the English term *women's lib*.<sup>33</sup> Although these groups did have some success in the political and legal arena, one of the major failures of the post-war women's movement was the Equal Employment Opportunity Act; women's groups had long been fighting for legislation against sex discrimination, but disputes within the feminist

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<sup>32</sup> Fujimura-Fanselow and Kameda, eds. *Japanese Women: New Feminist Perspectives*. p. 344. Feminist Press at CUNY, 1995.

<sup>33</sup> *Ibid.* p. 347.

movement over the introduced legislation prevented them from forming a unified front and resulted in the bill, passed in 1985, being weak and without proper enforcement mechanisms.<sup>34</sup> Within the framework of women's place within the labor market, the inability to eke out a stronger bill speaks to the overall impotence of women's groups in Japan in spite of ongoing efforts.

Ultimately, although a feminist consciousness developed already in the Meiji era<sup>35</sup>, and both the pre-war and post-war periods of the 20<sup>th</sup> century saw women's movements in Japan, a lack of unification has meant that many of the successes of women's groups have been rather superficial than substantial. As Kazuko Tanaka points out, "although the situation for women seems to have much improved on the surface, the improvement is a function of women's assimilation into the male-dominated system and culture rather than of the transformation of the system and culture. The oppression of women has, in fact, become more submerged and less visible...[while] the deeply embedded gender-role assumptions of Japanese society, which view women as second-class workers whose primary role is in the home, [have] hardly changed."<sup>36</sup> Sharon Sievers points out that government initiatives regarding women were already in the Meiji period predicated more on image than substance in an effort to "...enact some policies that could answer Western criticism without actually engaging Japanese women in the sweeping social change of early Meiji".<sup>37</sup> Thus, a lack of unification together with both lip-service to and active intrusion against women's issues by government have made it difficult for women's groups to realize substantial changes to the position of women within the Japanese labor force.

While these explanations go some way toward explaining the stasis in the Japanese system, it remains puzzling that Japan and the Japanese government seem to recognize many of the problems, yet do little to mitigate them. Shinzo Abe, in his second run as Prime Minister, has placed an emphasis on women in his platform of structural reforms; nonetheless, little true progress appears to have been made on this front despite it being arguably the most important of Abe's proposed reforms. Structural reforms are of course more difficult to enact than monetary or fiscal policies, along with requiring a longer timeline. Abe's reforms may thus still take hold; nevertheless, the fact that economic sluggishness has been ongoing

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<sup>34</sup> Ibid. p. 350.

<sup>35</sup> Sievers, Sharon L. *Flowers in Salt: The Beginnings of Feminist Consciousness in Modern Japan*. p. xiii. Stanford University Press, 1983.

<sup>36</sup> Fujimura-Fanselow and Kameda, eds. *Japanese Women: New Feminist Perspectives*. p. 351.

<sup>37</sup> Sievers. *Flowers in Salt*. p. 10.

coupled with long-standing recognition of inefficiencies in the labor market presents a conundrum regarding the general inaction of both government and firm management.

One explanation with regards to firm management is surely the discrepancy between micro and macro incentives and disincentives to expand the workforce. Additionally, however, despite the fact that Abe has brought the issue of female workplace empowerment into government policy and therefore into the mainstream, there have been and continue to be a substantial number of stakeholders in the system with an interest in maintaining the status quo. Just about all upper management in large Japanese firms have themselves progressed up through the ranks of regular employment; as such, they are almost universally male and Japanese. Of the top 10 largest Japanese companies, only Nissan has a non-Japanese President and board chairman, as well as nearly half of all executives being non-Japanese. The only other firm that comes close to this is Toyota, with around 10% of executives being non-Japanese; the top management of all other large Japanese firms is either made up entirely of Japanese men, or includes at best one female Japanese executive and two non-Japanese male executives.<sup>38</sup> As a result, the main stakeholders are not necessarily influenced to any meaningful degree by outside pressures that might agitate for greater changes. A benefit of top managers having moved up through the ranks of the firm is an intimate knowledge of the operations of the firm; a drawback, however, may be that, having gone through a rigorous and difficult process of moving up within the firm, these top managers have a great incentive to reproduce these processes and expect the same from others. Allowing employees to enter management more easily would de-value their own strenuous efforts. Thus, a relaxing of the long working hours, undesired job rotations, and general job immobility directly threatens the people at the top who persevered against such odds to reach the upper echelons of firm management. The insularity and homogeneity of upper management in Japan sets it apart from the majority of Western European and North American countries, where company boards tend to be more diverse and thus somewhat less beholden to a uniform stakeholder incentive to perpetuate established norms.

Further, it could potentially be argued that as non-regular employment rises, regular employees represent a dwindling group that will eventually become so marginal as to no longer be relevant. While it is certainly true that the proportion of regular workers to non-regular workers has declined, regular workers do still have an outsize influence on the labor

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<sup>38</sup> Top management taken from corporation websites, accurate as of April 1, 2015. The top 10 Japanese companies are Toyota, Mitsubishi, Sumitomo Mitsui, NTT, Honda, Softbank, Mizuho, Nissan, Hitachi, and Canon. Other large firms such as Panasonic or Kyocera also have executive boards made up almost exclusively of Japanese men.

system as a whole. Upward mobility in a Japanese firm is still largely the bastion of regular workers, especially with regards to movement into management positions. Both interviews and statistical data also indicate that young people continue to seek and desire regular employment, largely because this is still seen as the way to the top. As such, a majority of workers are still found in regular employment, with something like 63% of all Japanese workers employed under regular contracts in 2013.<sup>39</sup> Additionally, surveys have found that a majority of non-regular workers are in such work due to a lack of opportunity to work as a regular employee or because of the potential to become a regular employee after working for a period of time.<sup>40</sup> It may be true that this will eventually break down to such a state that non-regular employees are the majority, at which point the dynamics of the system will have reversed; however, this is unlikely to happen in the near future. Within the regular group of workers, however, not all fall under the long-term employee paradigm—women, notably, are generally exempted. Conceptualizations of long-term employment could potentially give way to either more easily include women or it could cease to exist at all. However, given the stakeholders in the system and incentives for individual firms to lower costs through a dual labor force, such a conceptual shift has yet to take place.

### Conclusion

Rather than greater labour market integration of women into the Japanese labour market over the past decades, both labour statistics and on-site interviews with Japanese workers indicate that there has been increasing segmentation between and amongst female workers. Thus, despite more women remaining in the labour force over the past years, which has led to a flattening of the distinctly M-shaped Japanese female labour curve, this has not been accomplished by structural reforms in employment practices but rather through intra-female segmentation into career-oriented and family-oriented women. The proportion of women who drop out of the labour force after the birth of their first child has actually increased rather than decreased over time<sup>41</sup>; the increase in women remaining in the labour force reflects rather that a growing number of women are forgoing marriage and children altogether. Thus, the flattening of the M-shaped curve of female labour force participation has

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<sup>39</sup> Ministry of Internal Affairs and Communications, Statistics Bureau. “Annual Report on the Labour Force Survey 2013: Summary of Average Results for 2013 (Basic Tabulation)”. p. 2.

<http://www.stat.go.jp/english/data/roudou/report/2013/pdf/summary1.pdf>.

<sup>40</sup> Asao. “Overview of Non-Regular Employment in Japan”. p. 12. In: *Non-regular Employment—Issues and Challenges Common to the Major Developed Countries*. JILPT Report. 10: 1-42. 2011.

<sup>41</sup> MHLW, ‘Equal Employment and Child Welfare’, p. 173. <http://www.mhlw.go.jp/english/wp/wp-hw6/dl/07e.pdf>.

not been the result of more women remaining in the labour force after marriage or childbirth but rather the result of an increasing number of women forgoing marriage and family in order to stay in the labour force. As such, structural barriers to female employment in Japan have not been broken down. Instead, women must choose to either adopt masculine work norms of long hours, job rotations, and limited leave from work or to drop out of the regular workforce either entirely or into non-regular work with its attendant instability, depressed wages, and lack of upward mobility. Although lifetime employment has only ever covered something like a quarter of Japan's working population, the system remains intact for a specific group of core workers, and the working norms upon which the system is based continue to permeate employment expectations in Japan. While female workers have played and continue to play an important role in the Japanese labour force, large structural impediments such as long working hours, difficulty of taking childcare leave, lack of kindergartens, and socio-cultural gender norms discourage women from greater labour force participation and impede upward mobility. This imposes not only a drag on the Japanese economy but also has disquieting implications for Japan's demographic decline, since women are effectively forced into a binary decision of either career or family.