The Issue of Japan's Aging Population

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I. INTRODUCTION

Japan’s life expectancy has increased steadily over the past century, and currently stands as the highest in the world at almost eighty-four years.\(^1\) As science and medical technologies improve, it is natural for people to live longer, healthier lives. This is generally (and rightfully) seen as a good thing, as lives that are both longer and healthier provide more opportunities for people to fill those lives with fulfilling activities. However, when you have a society where people are living longer, healthier lives combined with a low birth rate (1.4 births per woman),\(^2\) the result is an aging society that cannot sustain itself. While the aging population phenomenon is becoming more common in the world today, the problem is particularly acute in Japan.\(^3\) In 2014, 26% of Japanese citizens were over the age of 65.\(^4\) This number is expected to increase, reaching 38.8% by 2050,\(^5\) which will undoubtedly put stress on the government’s various social programs and the country as a whole.

The reasons for the aging of the population of Japan are many: as already mentioned, Japanese people maintain the longest life expectancy in the world\(^6\) as well as one of the lowest fertility rates.\(^7\) In addition, Japan has a very high suicide rate, particularly among men,\(^8\) with suicide being the leading cause of death for people aged 15-39.\(^9\) This paper will look at the special issues the

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5 Id.
6 World Bank, supra note 1.
7 World Bank, supra note 2.
9 Id.
aging population presents for Japan, what the Japanese government is currently doing to solve that problem, and what possible legal courses of action the Japanese government could use in the future to mitigate the issues of an aging population.

II. THE PROBLEMS OF A REDUCED WORKFORCE

One of the primary issues that comes with an aging population is the ratio of retiring workers to new hires. As people age, they eventually retire and leave the workforce, and there are currently not enough young people in Japan to fill all of the necessary jobs left by these retirees. This means that some of Japan’s biggest industries—such as motor vehicles and electronics—don’t have the manpower to continue at the current rate of production. If Japan cannot maintain its current levels of production, it could lose its spot as the third largest economy in the world\textsuperscript{10} and a leader in cutting-edge technology. Such a hit would be devastating not only for the Japanese economy, but for the morale of the Japanese people.

While there are many proposed solutions to the problem of a decreased workforce, many of these proposals are simply unworkable. Increasing the amount of time spent working for each Japanese citizen is not a plausible solution to this issue, as many, if not most, Japanese are already overworked as it.\textsuperscript{11} Increasing the load for which each worker is responsible could increase stressors and lead to a less healthy nation. Japanese people already traditionally work past retirement age,\textsuperscript{12} so

\begin{footnotesize}
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  \item \textsuperscript{11} See Stanley White, “Death by overwork on rise among Japan's vulnerable workers” (Reuters 2016) available at \url{http://www.reuters.com/article/us-japan-economy-overwork-idUSKCN0X000F} (last accessed June 14, 2016).
\end{itemize}
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it seems unlikely that increasing the minimum retirement age would have any impact. Increased participation in the workforce by women has been targeted by Prime Minister Abe,\(^\text{13}\) and will be discussed in a later section.

While strictly increasing hours worked by the current labor supply would not work as a means of maintaining production, an increase in productivity could work. It is possible that workers will become more productive over time through improvements in production processes to the point that increased productivity could offset or even outweigh the decreased number of workers.\(^\text{14}\) With the development of technology, especially robotics, this seems like a plausible workaround for the decreased workforce issue. Japan is a very technologically-advanced nation, with many manufacturing jobs already currently being performed by robots. As more work becomes automated, there becomes less of a need for physical bodies to do the same amount of work. Japan’s economy would be able to maintain or even increase its current level of exports and production, even with less people to perform the work.

Even if Japan is able to continue producing at current levels, the issue is not only production levels and maintaining exports. Technology and improvements in productivity may allow Japan to continue the same level of output, but the general aging of the population translates into more people who need help through Japan’s social security and public pension plans.\(^\text{15}\) Because there will be fewer young, working people, there will be less people to foot the bill in the form of taxes to fund those programs. To avoid going bankrupt, it will be necessary for the tax rate to be increased


dramatically, which could harm the economy. In Japan, it is not unusual to have aging parents live with their adult children, and three generation households are very common. The prevalence of such households may help with the burden the aging population imposes on the welfare system for some time, but the lower fertility rate means these older people will have less adult children to care for them. This will necessarily increase the average cost of help required by each retired person, which, with the increased number of retired persons, would only compound the issue. It certainly seems that increasing the number of workers is imperative in order to obtain the tax revenue necessary to support the system.

III. THE SUICIDE EPIDEMIC

While the elderly in Japan are living longer, many younger people in Japan are ending their own lives early. Suicide is the leading cause of death for people aged 15-39. The increased suicide rate means less people in the work force, and less young people to have children and offset the ever-increasing average age. Japan’s suicide epidemic is an extremely complicated issue with a long history. It is commonly believed that one reason for the prevalence of suicide in Japan is the country’s history of samurai who were seen as being honorable for choosing to commit suicide rather than losing battles. In more recent years, the image of an honorable suicide was reaffirmed by the existence of the “kamikaze” pilots in World War II, who would crash their planes into enemy

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shaps.\textsuperscript{20} Even with these prominent examples of “honorable” suicides, the view of an “honorable” suicide is being replaced by the stigma surrounding suicide shared by the most of the rest of the world.\textsuperscript{21}

While suicide is less likely to be seen as honorable these days, there is still not adequate support for programs designed to reduce suicide deaths.\textsuperscript{22} Mental health issues have a very negative stigma in Japan and are usually taboo, with sufferers afraid to discuss any issues for fear of social backlash.\textsuperscript{23} In addition to the stigma, there simply aren’t enough mental health care professionals to care for those afflicted by mental illnesses. While Japan has psychiatrists that can prescribe medicine for those suffering from mental illness, there is little understanding of the importance of counseling.\textsuperscript{24} Mental health counselors do not have specific requirements to work, like they do in countries like the United States, and there is no state-mandated training required. This means that sufferers of mental illness, even if provided with counseling, cannot be sure that what they are getting will actually help them. The seemingly obvious solution to this problem is to add requirements for mental health counselors and to make the work they do more public and accessible to those requiring treatment.

However, even if changes were made to the mental health care profession, the stigma in Japan behind mental health in general and especially depression could make it hard for individuals to use even helpful and easily accessible resources.\textsuperscript{25} In Japan, asking for help is sometimes not seen as “culturally acceptable,”\textsuperscript{26} and this perception must be changed for any sort of help to be useful to

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\textsuperscript{20} See Andrew Chambers, \textit{supra} note 19. \\
\textsuperscript{21} \textit{Id.} \\
\textsuperscript{22} See Rupert Wingfield-Hayes, \textit{supra} note 19. \\
\textsuperscript{23} \textit{Id.} \\
\textsuperscript{24} \textit{Id.} \\
\textsuperscript{25} See Andrew Chambers, \textit{supra} note 19. \\
\textsuperscript{26} \textit{Id.}
\end{flushleft}
the Japanese public. While the Japanese government has begun some programs aimed at suicide prevention, and the suicide rate has been decreasing for a few years, the fact remains that suicide is a leading cause of death in Japan, and that seems unlikely to go away until Japanese society is able to overcome its negative views on depression and mental health. Until this problem is solved, the issue of the aging population will only be made worse by the prevalence of suicide among younger people in Japan.

IV. WOMEN RETURNING TO THE WORKPLACE

While there are fewer younger Japanese people in general, a simple way to increase the workforce is by increasing the labor participation rate among women. Japan is a very traditional society, and despite the high level of working women, often women are not expected to hold jobs to help support their families. It is more usual for wives to raise children and leave the full-time work to the husbands. However, as there are less young people to work the jobs necessary in society, women who have left the workforce to have children or who are otherwise not employed can step in and perform that role. In addition, these women and those already working can progress to more leadership positions, which will not only strengthen women’s rights, but also bring Japan up to the international standard of more egalitarian business and employment practices.

Prime Minister Abe is currently pursuing such a path, which has been called “womenomics,” where companies are pressured and incentivized to hire more women and give more leadership positions to women. While currently sixty-six percent of Japanese women aged fifteen to sixty-four

28 Id.
29 See Shinzo Abe, supra note 13.
are employed—a number much higher than that of most developed countries—many of these women are only able to work part-time or contract-based jobs, which come without the same level of job security, pay, or advancement opportunities provided to the predominantly male working class. Many women are forced to make the hard choice between a career and a marriage, knowing that if they get married and leave the workforce they will not likely be able to return in a meaningful way. The aims of womenomics are to improve the condition of women specifically, by providing women with opportunities for meaningful work opportunities even after marriage, and Japan as a whole, by increasing the workforce and thus the GDP of Japan.

While Prime Minister Abe’s “womenomics” plan is a big motivation bringing women back into the workplace who have left to have children, there are some other factors in Japanese society today that naturally lead to more women working and potentially render some of Abe’s programs unnecessary. The average age of couples getting married in Japan is increasing, and more and more young people are opting to live the single life instead of settling down and starting a family. This will naturally leave more women in the workplace to begin with, so drastic measures to reintroduce women into the workplace won’t be as necessary. Couples who do decide to get married are having very few children, so women may not need to leave the workforce at all even after marriage. These women who opt to continuously remain in the workforce will likely not face many of the same issues as those women who are returning to work after raising a family. These reentering women, as

34 See World Bank, supra note 2.
mentioned above, are often only able to obtain largely unfulfilling part-time work, but women who remain in the workforce will more naturally progress through the social hierarchy and reach positions of power within their companies even without womenomics’ incentives to make companies hire and promote more women.

Besides contributing to overall output and increasing taxable income for social programs, increasing the number of women in the workplace can also have several other positive impacts on Japan. With its Confucian influence and history, Japan is still a very patriarchal society, in which men assume more leadership roles in the workplace. Women are often seen as inferiors at work and forced to do lesser work than equally-qualified men. This toxic society can be bad for not just women, but men also, and is not acceptable by today’s basic human rights standards. As women are able to better assert themselves in the workplace, it will lead to a more equitable populace and a more healthy work environment for everyone.

While policies leading to an increase in the presence of women in the workforce in tandem with the natural social effects from the decreasing marriage rate seem to at least slow the problem of a shrinking working class, these “solutions” can in turn create their own problems as they have the potential to lower the fertility rate even further. The current fertility rate is around 1.4 births per woman, and to make the population of Japan sustainable, that number must increase. It necessarily becomes harder to increase the fertility rate if more women are staying in the workplace for longer periods of time. Proponents of Abe’s womenomics believe that improved maternity leave, a stronger

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35 See Eleanor Warnock, supra note 30.
37 See id.
38 See Shinzo Abe, supra note 13.
39 See World Bank, supra note 2.
daycare system, and more flexible work arrangements can mitigate the hit these policies potentially have to the fertility rate, even going as far as to say that the fertility rate will increase under womenomics policies. Indeed, if such policies were successful, Japan could possibly get both the benefits of having more women in the workplace and more children who will become future workers and families in Japan.

V. THE DAYCARE SHORTAGE

However, a major setback to the womenomics theory is that there is a severe lack of affordable daycares to which working mothers can take their children. While Abe has promised to lower the waitlist to zero, the waitlist in fact increased eight percent in 2015. In addition to the overall lack of daycares and the long waiting lists to even be considered for daycare, the quality of daycares seems to be deteriorating, with abuse and harassment being commonplace. As women are either unable or unwilling to leave children in daycares, these women are often left with no choice but to stay home with the children instead of returning to work. Because Abe’s womenomics relies on increasing the workforce by increasing the number of women in the workplace, naturally women with children will need some way to make sure their children are taken care of during the day while at work.

40 See Shinzo Abe, supra note 13.
42 See id.
44 See Shinzo Abe, supra note 13.
In Japan, there are both private daycares and government-run daycares called hoikuen. The private daycares are often expensive enough that families would rather have the mother stay home to watch the children than pay for care, as it wouldn't make economic sense to have the wife work. Using a hoikuen is a good option for many, but it can be very hard to get into one because they are in short supply, often with the long waitlists mentioned above.

One reason for the shortage is that it is hard to find people willing to work in a daycare. Many daycare workers complain that the work is difficult and the pay is not enough to compensate for the stress involved in caring for children. There are more than enough licensed daycare workers to meet the needs of society, but many of these workers choose to either not work or take a more profitable job instead of staying in the daycare system. This is thus an area where simply increasing the workforce won’t help, because the shortage of workers comes from the undesirability of the work itself and not because of a shortage of available persons to do the work.

There are two possible ways to counter this problem, namely, by making the work easier or increasing the compensation. Just as technological advances can increase production and manufacturing, the use of technology could lessen the stress of daycare workers. A system of human

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46 See id.
48 See Isabel Reynolds, supra note 41.
50 See id.
51 See id.
and drone daycare workers could monitor more children while requiring less workers. By lowering the stress on daycare workers, this could both increase the productivity of current workers and incentivize other workers to enter the daycare field, which would then allow more children to enter the daycare system so that parents can work.

Another simpler answer is to increase wages for daycare workers. However, as mentioned already, the Japanese government is going to have to provide more funding for benefits for the aging population as is, and will likely not have the money to increase wages for daycare workers as well. Technology seems to be a better solution to the daycare problem than simply increasing the wages of employees.

Much like the issue of women returning to the workplace, the daycare problem also seems like it will help resolve itself over time. The low fertility rate and lower number of childbearing-age women will necessarily decrease the demand for daycares. Even so, a restructuring of the daycare system could in turn increase the fertility rate, which would be then slow the aging of the population. While the issues behind the daycare problem are many and varied, improvements in technology can benefit not only the daycare system, but also create many spillover effects that will benefit the Japanese economy as a whole.

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53 See id.
VI. BARRIERS TO INCREASED IMMIGRATION

A seemingly obvious solution to Japan’s aging population is to increase immigration. Allowing more young people into Japan from abroad would help bring the average age down and provide more people to work the jobs that need filled. This would provide the government with more taxable income, solving many of the issues related to the aging population all in one fell swoop. This method, however, is one which the Japanese government has been reluctant to pursue, despite its obvious merits.54

The issue stems from the fact that fewer than 2% of residents in Japan are foreign,55 and many of those counted as foreign are Japan-born “zainichi” Koreans who are Japanese in everything but blood only.56 The homogeneity of Japan is not due to Japan’s lack of appeal to foreigners; Japan actively restricts immigration, citing fears of increased crime by foreigners57 and the desire to be united as “one nation, one language, one people.”58 The Japanese people have a strong sense of national unity, and the fact that the almost all Japanese citizens are full-blooded Japanese strengthens this unity on an ethnic level. The general public has been very hesitant to accept any immigration plan that increases the amount of foreigners in any significant amount.59

57 See Jonathan Soble, supra note 55.
Even with an optimistic increase in the fertility rate, it would take about 200,000 immigrants per year to keep the population over 100 million.\textsuperscript{60} Most Japanese I met with while gathering research simply laughed when I mentioned the idea of increasing immigration to counteract the declining size of the population. While a plan increasing immigration would definitely help the aging population issue, it seems unlikely that the Japanese government will pursue any serious immigration reform because of the pushback from the public. Indeed, Abe has even recently come out reassuring the Japanese people that there will be no major changes to immigration in the near future.\textsuperscript{61} Without the help of increased immigration, it seems highly unlikely that Japan can maintain the level of population needed to keep up.

\textbf{VII. CONCLUSION}

While the aging population of Japan is a difficult, multi-faceted issue, there are many approaches that could be taken by the Japanese government to lessen its ill effects. Improvements in technology could help Japan maintain current levels of output even with a decreased workforce. Education and more support for mental health programs could reduce the number of suicides that are so prevalent among young people. Increasing the number of women in the workplace would not only improve the economy, but would also make Japan a more egalitarian society. While dramatic reforms to the current daycare system would be necessary to allow many women to return to the workforce, advances in technology could improve daycare workers’ experiences and open the field to more efficient options. If daycares were more widely available, improvements would be seen in the fertility rate, which would bring down the average age in Japan and secure a profitable future.

\textsuperscript{60} See Jonathan Soble, \textit{supra} note 55.
Finally, increasing immigration, though an unpopular option, is something that is all but necessary if Japan truly wants to reverse the aging population.

All in all, in addition to free market improvements in technology, there are many legal routes available to help fix Japan’s aging population problem, and the Japanese government should pursue these as soon as possible, whatever the social backlash, to help solidify its position in the world economy and prevent the country from losing all influence in the international sphere.