

The Winner of the 2017 ISS–OUP Prize

The editors of *Social Science Japan Journal* (SSJJ) at the Institute of Social Science (ISS) of the University of Tokyo have joined forces with Oxford University Press (OUP) to award the ISS–OUP Prize to the author of the best article published in SSJJ each year. The prize includes ¥25,000 in books and a year's subscription to SSJJ. With the author's consent, the winning paper is translated into Japanese and published in the Institute's *Shakai Kagaku Kenkyū* (*The Journal of Social Science*).

After soliciting recommendations from SSJJ's International Editorial Board, the SSJJ Editorial Board selects the article making the greatest contribution to research on modern Japan. The main criteria are (a) originality of research theme, (b) excellence of theoretical framework and empirical data, and (c) contribution to future studies in the field.

The Editorial Board is proud to announce that the winner of the 2017 ISS–OUP Prize is

Andrew GORDON

Lee and Juliet Folger Fund Professor of History, Harvard University

New and Enduring Dual Structures of Employment in Japan: The Rise of Non-Regular Labor,
1980s–2010s
SSJJ Vol. 20, No. 1, pp. 9–36

Japan's distinctive system of 'regular' employment (*seiki koyō*), more commonly but less accurately known abroad as 'permanent' employment, has played a central role in structuring postwar Japanese society. Management gurus dismiss its privileged treatment of prime-age males as a rigid and outmoded relic of the past, while social critics assail it as a major source of inequality that inhibits the many workers denied its advantages from marrying, bearing children, and supporting Japan's health and pension systems, thus exacerbating the country's demographic dilemma. Yet regular employment remains a key pillar of contemporary Japanese society.

Andrew Gordon's masterful article adroitly examines the evolution of this 'regular–non-regular' divide and places it in the context of three other long-standing and overlapping labor market dualities. The sharp status divide between *white-collar staff* (*shokuin*) and *blue-collar workers* (*kōin*) largely disappeared by the early 1950s, when unions gained recognition of a new common category of regular employee (*jūgyōin* or *shain*) (pp. 12–13). The gap in pay and working conditions between *large and small firms* has been reduced, though it remains significant. The distinction between *regular and non-regular employees*, however, has grown starker. Regular employees work full-time on open-ended (rather than fixed-term) contracts, with access to good wages, bonuses, regular opportunities for formal and on-the-job training, and the promise of a reasonable pension, in return for low initial pay, slow promotions in accordance with seniority, long working hours, and the threat of sudden and involuntary long-distance transfers. The diverse cast of non-regular employees includes part-time, contract, and dispatched workers, and even 'non-regular regular workers', such as full-time employees of subcontractors who often work on the same shop floor as employees of the mother company, but for far lower compensation.

Gordon acknowledges that the trend toward increasing employment of non-regular workers is virtually universal across advanced capitalist economies, but argues that 'neither the rigid demarcation

of “regular” and “non-regular” work, nor the huge wage differential between these categories is replicated elsewhere’ (pp. 30–31). He also makes an important and little-recognized point that helps explain the continuing stability of Japanese society even after the bursting of the financial bubble in the early 1990s. The rising share of non-regular workers has come not at the expense of regular employees, whose ranks have barely declined over the last decade or more (and have actually slightly increased since 2014), but from a surprisingly robust 35% growth in total employees. Increasing numbers of old, young, and female workers have entered the employment market, mostly filling non-regular jobs (pp. 15–16). While surveys suggest that some workers, particularly women, like the flexibility of non-regular employment, many men and not a few women in their prime working years would prefer regular employment if they could secure it (p. 33).

The *gender gap* in employment status is not new, of course, but only recently, Gordon observes, has it come to be seen as a problem rather than an inevitable concomitant of ‘natural’ gender roles (p. 12). Gordon provides intriguing historical snapshots of the intersection of gender with economic sector, age, and education (pp. 18–28):

- Self-employment (including family employment, much of it by women) declined sharply from around a quarter of the workforce to under 10% by the 1980s.
- Manufacturing witnessed a massive loss of regular jobs, especially by women, along with a rise in subcontracting and ‘non-regular regular employment’ for men.
- In retail and eateries, men lost regular jobs while women gained non-regular jobs. This is a case that *does* resemble the popular image of unstable, low-paying, non-regular employment squeezing out ‘good jobs’, but with a crucial and often under-appreciated gender aspect.
- Medical and welfare: demographic aging has propelled a huge *increase* in employment, with men taking most of the regular jobs and women most of the non-regular jobs.
- Age: a detailed examination by age cohort shows that men are more likely than in the past to begin their work lives in precarious employment, but by their late 20s and early 30s the vast majority have found regular jobs (pp. 22–23). In contrast, even though women are more likely than in the past to enter the workforce, stay single, and attain higher education levels, single women college graduates are *less* likely to secure regular employment than in the past, and only women with lower educational qualifications are (slightly) closing the gender gap in pay (pp. 27–28).

Gordon is skeptical that the gaps dividing the workforce by firm size, work status and above all gender will shrink, despite labor market tightening as the working age population declines. Few signs of improvement have occurred so far. Average wages, for example, have barely budged ([Genda 2017](#)). Unlike the case of the 1920s or the 1950s and 1960s, when aggressive labor unions took advantage of booming labor markets to demand greater equality, today’s labor movement is feeble and social movements relatively quiescent (p. 35).

Gordon expresses concern that efforts by management to weaken regular employment could reduce protections and working conditions for regular employees without much helping other workers (p. 34). With unemployment rates under 3%, however, efforts to find a new golden mean are likely to continue ([Tsuru 2017](#)). The labor market is tightening so fast, in fact, that it will pose a fascinating test of the durability of the multiple forms of employment inequality that Gordon so clearly delineates. For example, the Ministry of Health, Labour and Welfare announced that in October 2017 the ratio of job openings to job applicants reached 1.55. The ratio of *new* job openings to job applicants climbed to a remarkable 2.36, tying the previous record set in November of 1973 at the climax of the rapid growth period, but surpassing 2.0 for a far longer period—18 months as of October 2017 ([Ministry of Health, Labour and Welfare 2017](#)). Tellingly, the ratio of *regular* job openings to job applicants, which frequently slumped under 0.50 as recently as 2013, reached parity for the first time

in August 2017 and by October hit 1.06 ([Ministry of Internal Affairs and Infrastructure, Statistics Bureau 2017](#)). However, workers and their employers react to these increasingly exacting labor market conditions, researchers and practitioners alike will greatly benefit from Professor Gordon's insightful analysis of the historic evolution of labor market duality in Japan.

The Editorial Board of *SSJJ* is pleased to award the 2017 ISS–OUP Prize to Andrew Gordon and offers him our hearty congratulations. We invite researchers in all areas of Japanese social sciences (including relevant areas of law and modern history) to submit their most promising papers to *SSJJ* for consideration in next year's prize competition.

References

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