A new term has emerged that cannot be ignored when considering contemporary Japanese society: *parasaito shinguru*, from the English words *parasite* and *single*. Yamada Masahiro, a sociologist who teaches at Tokyo Gakugei University, coined this term; as he explains in the article below, it refers to “young men and women who continue living with their parents even after they become adults, enjoying a carefree and well-to-do life as singles.” According to Yamada, this pattern is characteristic of today’s young Japanese, and it is one not seen in other countries. Basing his calculations on the number of singles aged 20–34 who are living with their parents, he estimates that as of 1995 there were 10 million such people in Japan, divided roughly equally between men and women, and that they will account for around 10% of the total population in 2000.

The parents of these unmarried young people have generally done well during Japan’s post–World War II period of rapid economic growth and in the more recent “bubble economy” phase of the 1980s. Thanks to the prosperity produced over these years, the Japanese now have a higher rate of home ownership than people in some major European countries. Real estate is more expensive here than in other countries, and so are rental accommodations, but as long as one does not need to pay off a large mortgage on one’s own home or rent an apartment, wage levels are such that one can easily earn enough to live quite comfortably. Young people living “at home” (that is, with their parents) have quite substantial disposable incomes. They can afford to travel overseas, staying at deluxe hotels and shopping for designer-brand goods. Getting married and raising children means giving up this sort of casual affluence. This, according to Yamada, is why more people are staying single and the birthrate is falling. He also complains that their ability to reject jobs that do not appeal to them is hurting the Japanese economy by putting a damper on effective demand, and that the same phenomenon is also adversely affecting Japanese society by eroding the traditional “can do” spirit.

In our second article, economist Genda Yūji contests the notion of “luxury unemployment” among young people—the idea that they have a high rate of joblessness because they do not need to work in order to live. Neither this nor the declining share of those who take permanent jobs should be at...
tributed to a change in attitudes toward work, he claims. According to Genda, the real cause of both of these phenomena and of the increasing numbers of singles living with their parents are the fact that, as Japan’s work force ages, older workers are holding on to their jobs, and corporations are thus recruiting fewer young people.

One employment pattern that has become increasingly common among young people is that of the furitō or “freeter,” a word coined from the English word free and the German Arbeiter (used in Japanese to refer to relatively short-term, part-time workers, especially students and other young people). The Ministry of Labor defines it as meaning people aged 15–34 working in part-time or other nonpermanent jobs. And the general concept is that of young people flitting from one temporary position to another. Given the worsening of regular employment opportunities for new entrants into the labor market, it is natural to assume that many of the so-called parasite singles are following this pattern. A recent survey by the Japan Institute of Labor has found that the “freeters” fall into three major categories: (1) the “on hold” group, consisting of those who have left school and possibly quit regular jobs without any clear idea of what they want to do, accounting for about 40% of both male and female freeters, (2) the “no choice” group, consisting of people who are looking for a regular job but have not been able to find one yet (40% of the males, 30% of the females), and (3) the “dream-pursuing” group, who are working toward entry into specialized fields (20% of the males, 30% of the females).*

The question of how one views today’s young Japanese depends largely on how one judges the “on hold” group.

Among the young people surveyed by the JIL, most were working four to six days a week; their median monthly incomes were in the ¥130,000–¥140,000 range, and more than 60% were living with their parents, spending the bulk of their earnings on themselves. Blaming the “parasite single” phenomenon solely on the employment situation, as Genda does, seems strained.

The “parasite” phenomenon has been able to emerge, we may say, because contemporary parents are generally well enough off that they do not need financial support from their children. But before much longer they will be old and in need of care. To cope with the requirements of the rapidly growing cohort of seniors, a new public insurance scheme, Long-Term Care Insurance, was launched on April 1 this year. But if members of the youngster generation do not settle down into regular jobs, neither this new scheme nor the public pension system on which their parents are counting for old-age income will function properly. And young people show little interest in these social security programs, which appear likely to break down before they are old enough to benefit from them.

In the third article of this section, Kaji Nobuyuki, a scholar of Chinese philosophy, decries the self-centered tendency of people to discuss programs like these only in terms of whether they will gain or lose from them, declaring, “Such moral concepts as self-sacrifice or mutual aid without compensation are attenuated to the point of invisibility.” He urges the implementation of educating children to observe such traditional popular precepts as honoring one’s parents, respecting one’s seniors, and dealing sincerely with others. But how well do young people in other countries measure up? In order to understand our own contemporary youth, we need to compare them carefully with their foreign peers. (Kondō Motohiro, Professor, Nihon University)

*Results of the survey were published in the Asahi Shimbun, evening edition, March 29, 2000.
The Growing Crop of Spoiled Singles

YAMADA MASAKIRO

The phenomenon of the group I call parasito shinguru ("parasite" singles) is the most striking feature of Japan's young people today. Just as the label implies, these are young men and women who continue living with their parents even after they become adults, enjoying a carefree and well-to-do life as singles. In Japan, unmarried men and women typically do not live on their own. As many as 60% of single men and 80% of single women between the ages of 20 and 34 live with their parents. Though this arrangement itself is not new, the recent trend toward marrying later has led to an explosive increase in their numbers. Estimates drawn from the 1995 national census reveal that 5 million men and 5 million women, or a total of 10 million, belong to this group. Given the steady rise in the proportion of people not marrying, parasite singles will likely account for 10% of the Japanese population in 2000.

My own belief is that the attitudes and lifestyles of these 10 million "parasite" singles have a major impact on Japanese society and the economy and also cast a shadow on the health of society in the future. (Naturally, not all singles are "parasites," but for the sake of convenience, I will assume so here.) An examination grounded on this hypothesis confirms that many of the problems facing Japanese society today, from the economic slump and the declining number of children and its implications for the future to the widespread belief that dreams hold no sway, are linked to the surge of these singles.

In fact, it is not that much of an exaggeration to say that this group is a symbol of the impasse at which contemporary Japanese society finds itself. A feeling of being at a dead end arises when people have all they want at present with few prospects for the future, an emotional state that describes these singles to a tee.

SATIATION AT AN EARLY AGE

It is first necessary to note that the situation surrounding unmarried young Japanese, whom I define here as singles aged 20–34, has no parallel in other countries or in history. The affluence of young Japanese today is striking. Surveys on how satisfied people of different age groups are with their lives illuminate this.

In 1970, satisfaction was lowest among respondents in their twenties and rose progressively higher with each succeeding age bracket. Such a pattern suggests that young people could look forward to a better life in the future, despite the hardships they endured at present. In fact, as many as 47% of people in their twenties expressed a belief that life would improve in the future.

In 1997, however, satisfaction peaked among twenty-year-olds, fell to a low among forty-year-olds, and rose again among older age groups, though not to the peak level. In addition, the proportion of people who identified their own living standard as "high" or "upper middle" was largest among the twenty-year-olds.

This situation stands in striking contrast to Europe and the United States, where youth is a symbol of poverty. The unemployment rate among young people is high, their incomes are low, many have children, and both couples and single parents struggle to raise children and find a way to make ends met.

The reason young Japanese are well off today is that so many live with their parents without getting married. In 1970, about 70% of men and 45% of women between the ages of 20 and 29 were single. In 1995 these ratios had risen to 85% of men and 65% of women. The proportion who continue living with their parents is also on the rise.

By living with their parents, young people avoid having to pay rent and contribute just ¥10,000 to ¥30,000 a month for food. They also can leave the housework to their mothers. Though jobs may be hard to come by and salaries low for new graduates, temporary employment paying ¥100,000 a month is still plentiful. This is a ridiculously large amount of pocket money. According to a survey of single working men and women in the Tokyo metropolitan area, monthly spending money averaged ¥70,000 among men and ¥80,000 among women, with 40% of the women enjoying an amount in excess of ¥100,000. With this sum, they can easily purchase famous-brand goods, a car, and virtually anything else that takes their fancy.

While middle-aged people do not have the time or money to travel overseas, single men and women in Japan can make a few such trips a year. In the West, young people must support themselves and therefore have no money, so those who wish to go abroad must lug a backpack around and stay at youth hostels. Japan's "parasite" singles, meanwhile, stay at top-notch hotels and go on shopping sprees for brand-name goods.

These singles do not have to work hard. Since their
parents ensure their basic needs are taken care of, they can choose the work they want to do. As long as they live with their parents, they do not have to worry about making ends meet, even if they lose their job.

The findings of an international comparison of youth published by the Management and Coordination Agency’s Youth Affairs Administration (The Japanese Youth: A Summary Report of the Sixth World Youth Survey, 1998) reveal crucial differences in the attitudes toward work among young people in Japan and the West. When asked about the goal of working, the ratio citing “to earn money” ranged from 75% to 90% in Europe and the United States but was just 60% in Japan. A substantially higher proportion of Japanese cited “to fulfill own potential.” Only Japan’s “parasite” singles have the luxury of taking a job only if it is one that appeals to them.

Japan has become a society where people can indulge themselves to the hilt when they are young. Some commentators interpret this phenomenon in a positive light, pointing to the higher demand for luxury goods and the absence of a problem of homelessness due to unemployment. They regard the lifestyles of live-at-home singles, who do not work hard, enjoy hobbies and other pursuits, and look for work that lets them use their talents, as befitting the affluence of Japan today.

However, there is clearly something wrong with a society in which young adults lead extravagant lives free of responsibility while the middle-aged suffer the most hardship. The surge in this breed of singles is beginning to wreak havoc on Japanese society. It may also be undermining the economy and eroding such traits as individual vitality and motivation.

**SLUMP FUELED BY RISE OF SINGLES**

Let us begin by examining the impact of the growing number of singles on the economy. Without doubt, the 10 million “parasite” singles have generated demand for luxury goods, including brand-name clothing and other items. This is why sales have reportedly been rising at Louis Vuitton Japan and other such companies despite the current downturn. Personal computers, mobile phones, and other items attractive to young singles living with their parents are also selling well.

It is important to note, however, that the surge of such singles actually dampens what economists refer to as effective demand—more specifically, the demand for housing and consumer durables that is generated when young adults get their own place or get married and start a home. Presently, the number of singles living with their parents and using the goods in their parents’ home is climbing, and the number of young people living on their own or marrying is falling steadily, resulting in the loss of a demand that under normal circumstances should have been expanding. A slightly higher demand for luxury goods does not compensate for this loss.

The frugality of Japanese consumers today is said to lie at the heart of the downturn. During the years of the “bubble economy,” demand for newer and better models and luxury goods grew, and personal spending accounted for an increasing share of the family budget. But consumption is equal to the number of households multiplied by the average expenditures in the family budget. No matter what measures are taken to stimulate consumption and reverse consumer sentiment, a fundamental solution will not be achieved if the number of households remains the same.

For instance, even if a measure were enacted to make home purchases easier, the only people who would take advantage of it are married couples, who could move forward their plans to buy a home, or homeowners, who could push forward their plans to rebuild. Demand would rise temporarily but the increase would not be sustained over the long term, since housing demand is contingent on the
The real reason for the declining birthrate

The fall in the number of children is a source of great concern today. The trend is sure to have far-reaching consequences for Japanese society, including an increase in the pension burden and a shortage of labor. The central and local governments, as well as economic organizations, have begun formulating measures to address this matter.

Although a plethora of views have been put forth to explain the decline, from women’s growing role outside the home to the lack of child-rearing support, my own view is that the surge in “parasite” singles is a direct cause of the phenomenon.

As surveys show clearly, married couples today have an average 2.2 children, a figure that has not changed in 20 years. This means that the declining number of children can only be attributed to the increase in the number of young people putting off marriage or not getting married at all. And the reason that young people, especially women, do not want to tie the knot is that they cannot bear to let go of their affluent lifestyles.

A survey carried out in Yokohama, which I took part in conducting, reveals that men and women who lived on their own before getting married did not experience a decline in their living standard or a significant increase in the amount of housework after marriage. They found, in fact, that it makes good economic sense to live together with somebody else, and cooking for two requires little more work than cooking for one. By contrast, a majority who lived with their parents before marriage said their standard of living had fallen and the amount of housework had increased dramatically.

People who live on their own have little to lose by marrying, while singles who live with their parents face an immediate decline in their living standard when they marry and start a home. Obviously, nobody wants to trade in a life of comfort for one of hardship, which is why a growing number of people remain single.

The reason that marriage and cohabitation are so common in Europe and the United States is that young people are expected to support themselves and find their own place once they become adults. Though many share an apartment with friends, most figure they may as well live with their boyfriend or girlfriend.

In Japan, few young people feel that cohabitation is worth sacrificing their affluent lifestyles for. There are plenty of places where they can go on dates, and many couples even have enough money to travel abroad. And there are also plenty of “love hotels,” motels, and other such places where they can go to have sex outside the home. Such facilities are basically nonexistent in the West, because single young people living on their own have neither the money nor the need to use them.

When live-at-home singles get engaged, they often put off marrying until the groom-to-be earns enough and has enough saved so they can maintain their affluent standard of living. Evidence for this is found in the results of a recent survey by the National Institute of Population and Social Security Research, which show that it takes couples a year longer today to tie the knot from the time they first meet than 10 years ago.

Whether the trends toward fewer children and more elderly, which pose a threat to Japan’s future, develop further is a question inextricably linked with these singles. If for one reason or another young adults start to live on their own or get married, the decline in the number of children will reverse itself. If, however, the number of singles living with their parents continues to increase, the trend toward fewer children and more elderly will become even more pronounced. The only measure that can effectively check this situation is one that deals with these singles.

Youth as agents of the status quo

It used to be that the young were progressive and older people were conservative. But a variety of opinion polls...
conducted in recent years show that young people in their twenties, especially women, have grown more conservative. The desire to change society is now strongest among those in their thirties and forties.

For example, a 1996 survey on a proposed amendment to the Civil Code conducted by the Prime Minister’s Office found that a larger share of respondents in their fifties (63% of men and 59% of women) than those in their twenties (59% of men and 51% of women) believe that married men and women who have lived apart for five years should be granted a divorce. Similarly, in a survey on lifestyle preferences carried out by the Economic Planning Agency, the ratio of respondents who support the current system under which full-time homemakers do not pay into the public pension system is highest among those in their twenties and early thirties and lowest among those in their late forties. Naturally, these are just two examples and in some cases young people favor reform, but as a group, they have lost their progressiveness, a trend that many commentators have already pointed out.

The growing conservatism of young people is actually not surprising, since they stand to benefit most from the current system. And live-at-home singles account for a substantial proportion of this group. Why should people satisfied with the way things are at present want to change the system? Moreover, since their affluent lifestyles are made possible by living with their parents, defying their parents would be tantamount to throwing away their livelihood, a choice few would actively make.

Until about 1970, the percentage of those expressing satisfaction with their lives was lowest among young people even in Japan, and their collective dissatisfaction ultimately erupted. This was a source of disruption in some quarters, and many youths experienced disillusionment. But their push to realize an ideal society had a lasting impact and provided the impetus for major social reforms.

Youths today feel no need to struggle, not because they “know better” but because they have no reason to change the status quo. In a Management and Coordination Agency survey on the type of life people want to lead, such responses as “valuing the bonds I have with the people close to me” and “enjoying each day” were chosen most frequently, while “achieving more,” “becoming more affluent,” and “contributing to society and helping others” ranked lowest. A feeling that one’s own life counts most has become pervasive, with people seeking to maintain their affluence and enjoying each day.

Many people say that these singles do exert themselves and have their share of hardship. But the object of their energies differs from that of other groups. What they desire is praise from others, and they will work hard to win this admiration. Some do it by sporting brand-name goods and others by mastering a leisure pursuit, landing a job seen as “cool” by others, or devoting themselves to work as a professional while relying on mom as their full-time homemaker. Their hardships are all luxurious choices made possible by a living situation with no risks.

These young people, who will form the backbone of Japanese society in the future, hold the key to revitalizing Japan and putting it back on the path to change. Can people who are caught up in their own lives and interested only in impressing others be motivated to work toward social change? In the realm of social concern and awareness, these singles again hold the key to the future.

HELPING YOUNG PEOPLE TO HELP THEMSELVES

“Being able to dream of happiness through childbirth and child rearing” appeared as the subtitle of the Ministry of Health and Welfare’s 1998 white paper; the same phrase was used in a report issued by a blue-ribbon panel set up by the government to consider measures to counter the trend toward fewer children. Its use in the two documents reflects the fact that young people today no longer see marriage and children as the path to happiness. In the white paper and other reports the situation is attributed to the lack of support for women who wish to continue working after having children, but is this assumption really correct?

The reason young people do not want to marry and have children is that their lives are sufficiently comfortable and they are content with the way things are. Conversely, older generations in Japan could dream of happiness through marriage precisely because their lives as singles were far from affluent. This is true also of young people in the West today.

If today’s “parasite” singles dream of the future, their dreams are bound to enter the realm of fantasy. What could they get in the real world that would make their already good lives even better? Women who see their future in the home would have to marry men who earn even more than their fathers, and those interested in a career would have to marry men they could both respect for the work they do and rely on to take care of most of the housework and

THE REASON YOUNG PEOPLE DO NOT WANT TO MARRY AND HAVE CHILDREN IS THAT THEIR LIVES ARE SUFFICIENTLY COMFORTABLE AND THEY ARE CONTENT WITH THE WAY THINGS ARE.
Since it is now common for both spouses to work, mothers of small children generally have to rely on day care for their offspring. Child-rearing responsibilities. Though some might find a member of the opposite sex who fits the bill and is worth giving up their affluence for, the chances of not only finding somebody like this but getting that person to fall in love with them are pretty slim.

These singles are stuck where they are because they dream of a better life. It is highly unlikely that any desire a life in which they and their spouse both work, leave the children at day care, divide housework responsibilities, and race around all day trying to get everything done—a life devoid of the comforts they have, in other words.

People capable of some compromise are now married, have children, and work to make a living. The reward that awaits them is the important realization that they are part of the community. However, “parasite” singles will continue to depend on their parents and society indefinitely, holding on to unachievable dreams of the future as they pass their days in comfort.

My criticisms notwithstanding, these singles do not really want things to stay as they are. Many want to try living on their own, marrying, or having children. The problem is that life is too good and they can’t bring themselves to give up everything they have. They are also, however, beset by anxiety about the future. They know that their parents, who are still only in their fifties and sixties, will grow frail one day. Thus, the very people who now do all the housework for them and ensure their basic living expenses will ultimately be their responsibility. And when their parents die, they may end up living all alone in a big house. For this reason, they cherish a dream that someday their ideal partner will come along and they will marry.

The lives of these singles can be compared to a warm bath that is becoming increasingly cool. The bathers know that there is a hot bath somewhere in the distance, but getting there requires braving the cold, a step they are unwilling to take. Instead they stay where they are, hoping that somebody will come along and heat up the water.

As a group, the 10 million “parasite” singles are dragging down the economy, jeopardizing the future of Japanese society by contributing to the decline in the number of children, and depleting the supply of energy for social reforms. What is needed to transform these singles, or more accurately, the social conditions that give rise to them? The answer, I believe, lies in policies formulated on the basis of two approaches.

The first approach is to support young people who wish to become self-sufficient. Welfare and social security policies until now have been targeted at older people. What we need now are policies that support young adults. For example, tax breaks can be given to young people who live on their own, housing can be made available on a preferential basis to couples that are independent of their parents, and assistance can be provided to young people who move away from home to attend school and acquire a specialized skill. It is crucial that a system be created in which people can maintain a certain standard of living even if they forgo their lives as live-at-home singles.

In addition, employment practices must also be revised. Seniority-based pay scales in which older employees are treated well and younger ones given short shrift make it even harder for young people to become independent. An additional deterrent in the case of women is the continued prevalence of discriminatory practices in the workplace. Many firms pay women less than men, hire only those who can commute from their parents’ home, and provide dormitory space for men but not women.

The second approach should focus on altering the attitudes of parents. Japanese parents today will do anything to ensure the happiness of their children. They do not want their sons and daughters to live on their own because of the hardships that come with such an arrangement. Japan is probably the only developed country where parents shoulder the high college tuition fees for their children. The existence of parents ready to support their grown children is the underlying cause of the problem of singles living at home. But when confronted with this analysis, parents invariably counter by asking what is wrong with their desire to ensure the happiness of the children they love. In Japan the roots of this phenomenon run deep.

In the August 1998 issue of Shokun, I proposed taxing households in which unmarried adult children live together with their parents, though I knew the measure could realistically not be put into action. But it may be possible to achieve the same effect by providing support for individuals or couples who live on their own and excluding children who live with their parents. Unless steps are taken to make young people self-sufficient and get parents to kick their children out of the house when they are grown, there will be no hope of turning around Japan’s darkening prospects for the future.

Translated from “Parasaito shingurun no jida,” in Voice, August 1999, pp 154–63; slightly abridged. (Courtesy of PHP Institute)
Don’t Blame the Unmarried Breed

GENDA YÜJI

Yamada Masahiro has recently published a book titled *Parasitai shin-guru no jidai* (The Age of “Parasite” Singles) in which he examines the growing cohort of people aged between 20 and 34 who are unmarried and live with their parents, of whom he estimates there are as many as 10 million nationwide in Japan.* These young adults reject the falls in living standards that, they fear, would accompany getting married or living independently, claims Yamada. By choosing instead to continue living with and depending on their parents, they hope to maintain the comfortable lifestyles they have always enjoyed. He also says that the increase in the numbers of such singles is a cause of the recent trend for people to marry later and is consequently exacerbating Japan’s declining birth rate.

Meanwhile, the employment situation for young people is becoming tougher and tougher. Since the second half of the 1990s the unemployment rate among young people has sharply increased. Since spring 1999 the proportion of men under 25 without a job has stubbornly remained around the 10% mark. Japan’s unemployment rate has overtaken that of the United States; among people in their twenties, Japan’s rate is now considerably higher.

Those putting forward the parasite-singles argument usually suggest that “luxury unemployment” is caused by young people’s not needing to work in order to live. They prefer, the argument goes, to maintain their living standards by depending on their parents. From an economic point of view this would be described in terms of a change in the attitude of young workers, causing an increase in voluntary unemployment.

Many people also hold that changes in working attitudes among the generation of live-at-home singles have directly caused unemployment to rise and job switching to become more common. I would like to offer a rebuttal based on a look at conditions in today’s job market.

MISUNDERSTANDING YOUNG PEOPLE

People say that nowadays young people do not have the patience to stick with a job, and that they quit as soon as they encounter anything troublesome. Judging from statistics relating to young people working full-time, however, there is no sign of a fall in the length of time that young workers remain with one company. Even in the 1990s, the average number of years worked within the same company by both men and women in their late twenties and early thirties has hardly changed. The equivalent figure has been rising, meanwhile, among men in their fifties and over. This is in complete contrast to the notion that such practices as long-term or lifetime employment are fading away.

Some say that young people’s work patterns are becoming more varied. As proof, they point to the fact that among people under 30 the proportion of those in permanent employment—officially defined as “executives” or “people working on contracts of more than one year or where the duration of employment is unspecified”—is falling. Among people in their teens who are out of school and willing to work, less than half are now in permanent employment. The equivalent proportion among those in their early twenties fell dramatically in the 1990s. On the other hand, the proportion of the permanently employed among those aged 30 and over has gone up, and among those in their late fifties it has risen by close to 7 percentage points.

Changes such as these could be explained by an unwillingness on the part of people in younger age groups to enter permanent employment. A more natural explanation, however, is that opportunities for young people to enter permanent employment are decreasing. Surely the rise in youth unemployment reflects a worsening of the employment situation for young people caused by major reductions in corporate recruitment.

The aging of Japan’s work force is continuing apace. Just after the second oil crisis in 1979, the proportion of males working full-time in large corporations with over 1,000 employees who were aged 45 or over was only 22%. Two decades later, in 1999 it had risen to 36%. The aging of society as a whole and the rise in the retirement age, coupled with the fact that those hired in the mass employment drive of the rapid-growth era are now in their fifties or above, together have meant a shift toward a higher proportion of older people in the workplace.

In effect, young people are being denied employment opportunities so as to allow older workers to stay in their jobs. This situation could be described as a product of the “vested interests” of middle-aged employees, who

*See the preceding article by Yamada.—Ed.
continue to occupy positions that they held in the past, robbing young people of employment opportunities that traditionally would have been open to them. As the ratio of workers aged 45 and over at large corporations has increased, the number of new graduates hired has decreased substantially, confirming the power of these “vested interests.”

The power of older workers stems from the employment customs fundamental to Japanese corporations. Corporations say that they are working to gradually phase out the seniority-based wage structure and introduce a system based on merit. Despite this, however, the wage structures of Japanese corporations, and above all large corporations, remain just as deeply colored as ever by elements of seniority. Even in the 1990s, the closeness of the correlation between an employee’s length of service and level of monthly salary has hardly changed. With the seniority system essentially being maintained, therefore, the aging of the work force is causing personnel costs to increase dramatically.

Ironically, tackling the cause of spiraling personnel costs by sacking older workers would itself cost corporations dearly. The human capital they have accumulated through on-the-job training will be lost if they dismiss senior employees. That is why corporations, and especially those that have given priority to developing employees’ skills, are doing their best to avoid employment reform, even at the expense of their profits. The trend for older workers to remain in long-term jobs is a reflection of this.

Legally speaking, corporations are in principle free to make employees redundant. In reality, however, if a corporation tries to dismiss an employee, it soon discovers that severe restrictions are imposed by judicial precedent. Standards governing the right to dismiss workers are not set out in a way that is generally understandable. Companies therefore fear that dismissals will lead to expensive court cases. In its 1999 report, the Organization for Economic Cooperation and Development ranked Japan’s regulations governing dismissal among the strictest in the industrialized world.

As a result, to have older workers continue their jobs is the most logical economic option from the corporations’ perspective, even though it results in higher labor costs. In such circumstances and with corporate results getting worse, the only methods open to corporations seeking to adjust their employment levels are to shuffle employees among sections or transfer them to affiliates and to refrain from hiring new employees. Until the mid-1990s it was possible for large corporations to offload excess employees to small and medium-sized companies within their corporate groups through temporary transfers and other such arrangements. Unlike past downturns, however, the economic troubles of the late 1990s have forced smaller firms themselves to slash recruitment. Consequently, the only way left for large corporations to squeeze their labor costs is to restrict their recruitment of young people. There are few jobs on offer to young people like those found at large corporations—where wages are high, long-term employment is the norm, and individuals can develop their skills through in-house training. This shows that the decline in employment opportunities for young people and rising unemployment cannot be explained simply by changes in attitudes among workers, such as the alleged trend toward viewing work as a “hobby” that proponents of the parasite-singles hypothesis point to. One cannot say that all unemployment among these singles is by choice.

**THE STRUCTURE OF THE JOB MARKET**

Some take the optimistic view that the problem of youth unemployment will naturally solve itself because of a labor shortage. It is certainly true that the declining youth population will cause a drop in the number of young job seekers. Yet the number of young people being recruited is falling even faster because of the aging of the work force. Consequently, full-time and permanent employment is decreasing, and unemployment is increasing. These phenomena are exacerbating young people’s economic dependence on their parents, which in turn adds momentum to the trends toward delaying marriage and having fewer children that are cited in criticism of “parasite” singles.

Workers are aware that young people’s employment opportunities are being sacrificed for their own job security. That is why they dare not mention that youth unemployment is not the fault of young people. Even young people themselves do not acknowledge that compared to those now in middle age they have fewer chances of finding a job offering skills development and long-term employment. Those who are conscious of the situation tacitly avoid thinking about it through the belief that there is nothing they can do to change it.

If the trend toward young people living with their par-
ments really is gathering momentum, it is not because of psychological problems like a lack of an independent spirit or an unwillingness to work. Rather, it is the product of a social and economic structure that encourages middle-aged people to continue in their jobs and keeps their wages high.

The generous structural reforms that are being undertaken for the benefit of elderly people to cope with society’s rapid aging are putting the fewer and fewer young people at an increasing disadvantage. The Ministry of Labor is encouraging the development of a consensus that the retirement age should be extended to 65. As the massed ranks of today’s middle-aged workers grow older, calls for the complete abolition of mandatory retirement will become stronger. With the aging of society already well underway, the need to maintain a work environment conducive to older people has become the accepted wisdom. But we must not forget that a blanket extension or abolition of the mandatory retirement age would increase the power of older workers’ vested interests and further rob young people of employment opportunities.

To avoid making vested employment interests even stronger, we need to make wage adjustments more appropriate while at the same time reviewing the right to dismiss workers. The interests of older workers have until now been protected through restrictions on dismissal and the seniority system, but we need to change this. Otherwise we will not solve the problems of youth employment.

This does not mean encouraging excessive or across-the-board wage cuts or allowing corporations to fire workers at will. Rather, it means that corporations should seize the opportunity of reviewing wage structures and staff organizations to fundamentally alter their relationships with individual workers.

To achieve this it is necessary to put in place a new set of arrangements linking corporations and individuals. Objective and consistent standards must be formulated to clarify job content, degrees of responsibility and discretion, skill development, and remuneration in ways that are understandable to outsiders. I think that both corporations and individual employees should try to stick to these arrangements once they are made, but we should also build new ways to review remuneration and break off employment relations in cases where, for some reason, either side is not satisfied.

**Contracts vs. Promises**

What should be done in order to make such arrangements run smoothly? It is important to avoid the moral hazard of a situation in which corporations can profit by intentionally violating their agreements with workers. It is also important for workers to stick to their side of the bargain. Some would say that this means Japan should become a contract society in the style of Europe and the United States. They would suggest that regulations governing such issues as wages and employment should be contract-based. The word “contract” is not generally used in everyday life in Japan, however, except in business-to-business dealings. The equivalent everyday word “promise” is used instead. Rather than transplanting the Western concept of contracts, it is important for Japan to build a society where keeping promises is considered important.

In Europe and the United States, people’s different linguistic, religious, and ethnic backgrounds increase the risk of misunderstanding. The concept of contracts, therefore, has developed within a structure based on a presupposition of what may be termed “distrust.” Promises, on the other hand, are based on “trust.” Promises join partners who trust or wish to trust each other. Partners in love or marriage do not make contracts. A promise is the strongest possible bond between two people.

What would happen if more and more adults throughout Japanese society were desensitized to the guilt caused by breaking promises? At great cost, the punishments and rules for maintaining the social fabric would have to be strengthened. On the other hand, the risk of guilt caused by breaking promises made between corporations and individuals could help to build a free and unrestrained society.

Adults today bemoan the fact that young people have lost interest in politics and the economy. As can be seen from politicians’ flip-flops over such issues as premiums under the new public Long-Term Care Insurance system and the system of guarantees for bank deposits, however, adults themselves are all too willing to break promises they once made with society. In this context it is hardly surprising that young people grow up with little interest in political and economic affairs.

How can we instill in young hearts and minds the importance of keeping one’s word? First, by spending time at home and at school teaching children the value of observing promises. Even more important than that, however, is the time children spend playing with friends. The way that children naturally learn the importance of keeping promises is through having and playing with friends. That is why play is considered so important for children.

In the 1990s mobile phones removed some of the guilt of being late for meetings with friends. The development of such means of communication as mobile phones and e-mail has undoubtedly made daily life and business more convenient. At the same time, however, it has also compromised people’s awareness of the importance of keeping their word.

Implementing education that respects individuality and makes the rest of the world judge that “Japanese people are unique” is all well and good, as is reversing the decline in children’s math skills and gaining the reputation that “Japanese people are logical.” But surely we could derive much greater pride and confidence from being trusted by others because “Japanese people keep their promises.”

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