CHANGING LIFE VALUE AND DEMOGRAPHIC CHANGE IN CONTEMPORARY JAPANESE SOCIETY

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ABSTRACT
Japan has experienced a rapid decrease in population. The main reason for this distorted demography (called Shoushi Koureika in Japanese) has been caused by a reduction in the number of children. Another reason is the extension of human lifespan. This rapid demographic change has caused social issues such as lack of workforce, an increase in the social security revenue and a reduction in the number of schools. The Japanese government has tackled these social problems and its effort has had an effect to some extent, but the hard work needs to continue. In this article, I try to explore reasons for the social issues and problems by focusing not only on changes in the social conditions but also on changes in the life value of Japanese people. Some possible solutions for the social issues and problems can be suggested for the coming decades in Japan. In particular, I try to explore solutions that are compatible with Japanese society to alleviate the problems.

KEYWORDS
life value; demographic change; Japanese society; shoushi koreika (fewer children and more the elderly)

ABSTRAK
1. INTRODUCTION
Japan has experienced a rapid decrease in population. The country’s population, at 126.44 million in 2018, may shrink by 30 percent to 90 million in 2025 (see Chart 1). The demographic shape is a small bottom of young people and a large top layer of seniors. More than 20 percent of the population is made up of people over age 70, and the number of people of working age (from age 15 to age 65) is currently 59.7 percent of the population (75.45 million) (National Institute of Population and Social Security Research 2018). The main reason for this distorted demography (Shoushi Koureika in Japanese) is caused by decreasing numbers of children. The total fertility rate or the average number of babies a woman will bear was 1.42 for 2018, and the number of babies born in that year was less than 1 million (918,397) for the last three years. Another reason is an extended human lifespan. The Japanese are living longer lives thanks to the progress of medical science and better living conditions.

This rapid demographic change has caused social issues such as a reduced workforce, higher social security revenue, and fewer schools. The Japanese government has tackled these social problems and its efforts have had an effect to some extent, but still more efforts need to be done.

In this article, I try to explore reasons for the social issues and problems by focusing not only on changes in the social conditions but also on changes in the life values and awareness of the Japanese. At the same time, I will reflect on these issues and problems through my 50 years observation to my birthplace, a small village in the north of Kyoto.

2. DEMOGRAPHIC CHANGE IN JAPAN
According to the National Institute of Population and Social Security Research of Japan, the demography of Japan has a distorted shape in 2015 and the projection for 2060 is a totally distorted one (see Charts 3, 4, and 5). This distorted demography is caused mainly by two factors, as mentioned above: higher numbers of elderly and fewer children.

Japan is known as one of the most rapidly aging societies in the world. Recently Gratton and Scott (2017, 1–21) stated that the lifespan of the Japanese will reach 100 years. Half of the Japanese born after 2007 are predicted to live up to 100 years. The number of seniors older than 65 has doubled within 20 years (1995 to 2015). The elderly are projected to reach 40 percent of the population by 2060 (see Chart 2).

To illustrate, let us visit the village where I was born, part of the city of Ayabe, north of Kyoto prefecture. The population of Ayabe has shrunk to 32 thousand compared to 51 thousand when I was born in 1960. The population projection for 2060 is 24 thousand. Within 100 years the population of Ayabe will be half. My village is situated in a small valley and the distance to town is a 20-minute drive. Archeological research shows the village to be at least as old as its 11th-century built temple and shrine in the village. The village

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1 This article was written on the basis of my paper presented at the International Postgraduate Conference on Social and Political Issues 2017 on 25–26 October 2017, hosted by Faculty of Social and Political Sciences, Universitas Indonesia.
2 The population numbers for seniors over age 80 are 107.4 million, constituting 8.5 percent, while the population over age 90 is more than 2 million for the first time (Nikkei Shinbun, morning edition dated 18 September 2017, 30).
3 Source: Official Home Page of Ayabe city.
seems to have flourished in the past. I remember that a considerable number of inhabitants lived there in my childhood. Rice fields and woods spread widely around the village and various agricultural products were abundant.

However, the population is decreasing rapidly within such a short period and most are elderly nowadays. Old men and women left behind by a deceased spouse are living alone in big farmhouses, and some houses are empty. Rice fields are abandoned and no forestry was maintained because of a shortage of workforce, so wild animals such as boars, deer and monkeys come down to the village and threaten the elderly. The healthy senior villagers aged 70 or 80 cultivate vegetables in a small field surrounded by iron fences to protect them from the animals. Why did this happen? The younger generation has left their village to seek higher education, find jobs, and live a different life in the big city, like me, whereas most of their parents do not want to move to unknown places by following them to the city. Such villages are called “endangered village”, and in fact remote villages are vanishing all over the country. This shows that the demographic change in terms of an increasing elderly population is more remarkable in local rural districts. There is a great caretaking need, as we will see later.

Then there are the dwindling numbers of children. Those younger than age 14 constitute only 13 percent of the 126-million population (see Chart 2) – half of the number of elderly, as mentioned above. The total fertility rate or the average number of babies a woman will bear was 1.42 in 2018 compared with 4.3 in 1947. The total number of babies born in 2016 became less than 1 million for the first time on record in 100 years and continues to decrease. By comparison, the total fertility rate in Indonesia was 2.60 in 2012 (Badan Pusat Statistik 2012). The average number of babies needed to maintain the current population in Japan is 2.07. The reasons why Japanese women are having few children are many and complex.

In practice, it is very difficult to combine work with childrearing because of the shortage of childcare services. It is also very difficult for women to return to similar full-time positions once they quit their jobs at most private companies. This is due to rigid corporate employment practices that emphasize continuous tenure and limited mid-career recruitment. This practice is based on a traditional belief that wives stay at home to rear children. This is sometimes regarded as a reflection of gender discrimination in society. However, some mothers themselves tend to think that they want to rear and educate their own children, for the children’s own good.

On the other hand, this traditional way of thinking has been changing. Some women believe marriage is not necessary and enjoy their own lives as they like, not depending on a husband and children. As a result, the number of women delaying or forgoing marriage is increasing. For instance, the 7.6 percent rate of unmarried women aged 40 in 1995 increased to 14.1 percent in 2005 (Kingston 2014, 190). Indeed, a considerable number of women and men are unmarried in my workplace. This was almost unthinkable some 30 years ago in Japan when marriage still had an absolute value in people’s lives. For comparison’s sake, in Indonesia, one of the most important elements of happiness can still be found in marriage, yet this could change in the future.

3. SOCIAL ISSUES CAUSED BY DEMOGRAPHIC CHANGE

A demographic change could cause significant problems. One crucial issue is economic decline: fewer babies mean fewer consumers, fewer workers, and fewer taxpayers. If these problems are not tackled seriously with a deliberate and long-term plan, no economic growth can be expected and even societal sustainability cannot

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4 The Ministry of Health, Labor and Welfare announced that the total number of babies born in 2018 was 918,397 (Nikkei Shinbun, morning edition dated 7 June 2019).
be realized. We will discuss imminent social issues in Japan caused by demographic changes: (1) smaller number of workforce, (2) increased social security revenues, (3) shortage of caregiving, and (4) reduced numbers of schools.

Japan is suffering from a shortage of workforce. An estimate claims that a 77 million workforce in 2017 will shrink to 65 million by 2037 and 47 million by 2065 (National Institute of Population and Social Security Research 2017, see Chart 2). A decreasing workforce means fewer taxpayers, as we saw above. It is quite difficult to support the increasing numbers of the elderly by a shrinking workforce. For instance, 10 workers supported each retiree (over age 65) in 1950, but the number of workers shrank to 3.6 workers for a retiree in 2000 and will become 1.9 by 2025 (Kingston 2014, 189). The shortage of workforce is not only caused by the shrinking population but also by instability in the job market. The reasons for this instability are a considerable number of non-regular workers with limited incomes and tenuous job security, fragile and temporary immigrant workers, and difficult working conditions for mothers.

The second issue is the increased social security revenue. Social security revenue has surged tremendously for the last decade, by 42 percent (Kingston 2014, 192). This is mainly caused by the increasing medical costs for the elderly. These costs are massive and increased to up to 8 percent of Gross Domestic Product (GDP) in 2003 from 7 percent in 1980. However, this figure is not so high if we compare it with the United States, where it reached 17 percent of GDP from 9 percent in the same period (Kingston 2014, 192). Perhaps the Japanese of all ages are healthier and Japanese government policies may have had some effect, as we will see in the next section.

The third issue is the shortage of caregiving services for the elderly. It is predicted that 7.8 million people will need caretaking in 2025: this number has almost doubled within 20 years (Kingston 2014, 193), which means that Japan will face a serious shortage of caregivers. The solution is not easy. Most people aged 70 and older live independently at home nowadays, whereas they used to live with their children and grandchildren before Japanese society rapidly changed from agricultural to industrial about 50 years ago. The village elderly live alone in big farmhouses, such as in my native village, while their sons and daughters live in cities. The local government and community take care of them within the scheme and limited budget of social security.

This notwithstanding, caregiving still strongly relies on the family and 85 percent of caregivers are female relatives if the task is taken up by the family. This practice can also reduce the amount of social security revenue because such female caregivers are compelled to give up their jobs to nurse their parents. Another feature of caretaking is that half of the family caregivers are aged 60 or older – the elderly take care of the elderly. In some cases, both caretakers and caregivers need medical care.

A solution for the shortage of government-arranged caregiving is bringing nurses and caregivers from abroad. The Japanese government made agreements to accept 1000 nurses and caregivers over two years from Indonesia since 2008, from the Philippines since 2009, and from Vietnam since 2014 through the framework of Japan's Economic Partnership Agreement (EPA). Nurses and caregivers are expected to work three to four years and stay longer if they pass the national nursing examination. In practice, only 104 nurses and 101 caregivers came to work from Indonesia in 2008 and the number reached a total of 440 until 2014 (Hirai 2014, 1). The problems are setting qualification standards that are too high, and the language barrier.

The fourth issue is the reduced number of schools. Japan does not need to have as many schools of all levels as it does today because there are fewer children. For instance, 18-year-old youth numbered 2 million in 1992, but by 2017 this had decreased to 1.2 million (Japanese Ministry of Education, Culture,
Sports, Science and Technology 2019). It is estimated that the number will further decrease to 0.8 million by 2040. Roughly speaking, half of the schools will not be needed. And yet, the percentage of students enrolled at higher education institutions has now increased up to 57 percent.\(^6\) Accordingly, the number of universities has doubled since 1992. The number of universities in Japan is 780 (86 national, 90 municipal, 604 private) in 2017.\(^7\) This means that many universities are suffering from a shortage of students and a severely financial crisis that some of them have already closed or merged with another university. It is roughly predicted that 100 universities will close before 2040. The concern is that the quality of education has been deteriorating. The Japanese Ministry of Education, Culture, Sports, Science and Technology (MEXT) introduced an evaluation system for national universities in 2004 to preserve the high quality and stimulate improved governance by providing subsidies rated by performance evaluations. Schools of all levels have to struggle seriously to survive in Japan nowadays. The same situation could occur in Indonesia if a demographic change happens in the future.

4. POSSIBLE SOLUTIONS

We have seen that several problems are due to demographic change, and they may grow if the population decreases and the distorted shape of demography – *Shoushi Koureika*, or fewer children and more the elderly – is not be resolved. There are at least five possible solutions: (1) improving social conditions to support having children, (2) increasing the workforce, (3) increasing productivity, (4) silver business, and (5) good policy and governance.

As we have discussed, the number of children has drastically dropped in the last three decades. For mothers who want to continue working, it will remain difficult to raise children unless the shortage of childcare centers is not overcome. It is not common for contemporary Japanese households to have nannies. Sometimes grandparents who live nearby take care of their grandchildren. Three generations seldom live together in a house. However, young parents cannot always expect support from the older generation. Hence, the shortage of childcare centers has been a crucial social problem for a long time, but central and local governments have been improving these conditions in recent years. Another solution is making the workplace friendlier to women. Male-oriented environments and discrimination against women still prevail in the Japanese workplace. Women are expected to stop working after having children and are not expected to have career trajectories as ambitious as those of male workers. Such a culture and mindset in the workplace must change.

As we have seen at the beginning of this article, the workforce will shrink by 20 million within the next 50 years. The Japanese workplace has to consider seriously how to increase the workforce. Female workers, the elderly, and immigrants constitute a potential workforce. Changes in the social conditions and companies’ practices might support women to resume work after having children. As mentioned previously, there remains a conventional culture in the Japanese workplace: many women are marginalized and few land career-track jobs, as it is believed that they will not work as long as males. If they come back to a different workplace, they have low-paid nonpermanent positions. The tax system does not encourage wives and mothers to continue with a full-time job either. The Japanese government and businesses are now trying to improve

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\(^6\) If we also include students enrolled at vocational schools, the numbers reach about 80 percent for 2017 (Nikkei Shinbun, morning edition dated 19 September 2017, 11).

\(^7\) Next to universities, there are 337 two-year junior colleges. All data in 2017 is from MEXT’s official announcement of 1 May 2017.
these inadequate and discriminating conditions for female workers. At large the Japanese society has to support a female-friendlier working environment by adopting a new cultural value.

The second potential workforce is senior workers. Most retirees over 65 are still in good health and want to work – according to a survey, up to age 70, for instance, 3-4 hours a day three days a week (Harada 2017). This was reflected when the average mandatory retirement age was raised – it has progressively climbed from 55 in my father’s generation (in the 1990s) to 65 years nowadays. It is very possible to raise it to 70 years and to eliminate it altogether in the near future as the present Prime Minister Abe administration proposes. It is remarkable how the number of workers over 65 has rapidly increased in recent years. In fact, there are about 2 million more workers in the last 5 years, reaching 8.07 million in 2017. These senior workers can mitigate the shortage of workforce even though their work might be supplementary and their working conditions and wages are arranged differently in general.

The third possible workforce is immigrants and foreign workers. The number of foreign residents has rapidly increased: it was 1.1 million in 1990 and 2.63 million in 2018. Among them, 2.19 million are from Asian countries. By June 2018 the largest number of foreigners was from China, 741 thousand, the second-largest number was from South Korea, 452 thousand, the third was from Vietnam, 291 thousand, and there were 51 thousand from Indonesia. About 85 percent of the foreigners are workforce of age between 15 and 64. Foreigners constitute a small part of the population in Japan, namely 1.8 percent. This small presence of foreign residents is remarkable compared with other countries – for instance, 5 percent in the United Kingdom and 19 percent in Germany (Kingston 2017, 195). Japanese immigration policy is always to keep doors closed to foreigners because the Ministry of Justice considers the risks of a large and permanent foreign community undesirable. The Japanese, in turn, do not always hope for more immigration in their society because the nation has been mono-ethnic and homogeneous for a long time. However, new immigration law has come into force since April 2019 to mitigate the shortage of workers in various workplaces in spite of divergent opinions in society.

The third-possible solution for the problems is probably related to the complexity of working conditions and practices. Japan has seemingly not made enough efforts to increase productivity. Japanese productivity per capita is low compared to other countries. For instance, Japan ranked 18th among 35 OECD countries in 2018 (OECD 2019). The Japanese industry could use more robots, artificial intelligence (AI), and information technology (IT) to reduce production manpower. More cooking robots may help the food industry, robots at hotel receptions may replace human receptionists, and automatic driving cars could run in the streets. Another workplace reform is in process, a change in the wages system. The Japanese salary scale has been based on age and years of service, but it is gradually shifting to a merit and ability system. A recent discussion is that not seniority but work results should be appreciated, as conclusive remarks will show below.

The fourth-possible solution is also related to potential economic growth for years to come. It is the “silver business”, which targets the growing numbers of senior citizens. As we have seen above, the elderly constitute almost 30 percent of the population in present Japanese society: people over age 65 years are 28.1 percent and over age 70 are 20.7 percent. It seems that senior consumers are growing and various kinds of new businesses related to them have emerged. These new businesses are not only nursing- or product-related (e.g. health/medical goods), but also include hobbies, tourism, foods, clothes for the active

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8 Abe administration proposed that the retirement age for public servant will be raised from 60 to 65 years and also asked businesses to hire the elder workers up to 70 years so that the age for receiving national pension will be raised to 70 years as well (Nikkei Shinbun, morning edition dated 17 September 2018, 2).
11 Idem.
and healthy elderly who want to enjoy their “second life” after the retirement of age 65 or 70 years. This business sector is growing rapidly along with the fast increase of the elderly population.

The last and related to the above-mentioned solutions is good policy and governance. The Japanese government has to play an initiative role for these problems. It must create a more child-friendly environment so that the younger population can raise a family as well as pursue careers. The other policies are securing sources of revenue, reducing healthcare costs, and creating a more foreigner-friendly environment. In fact, the government has initiated policy reforms since the early 1990s. A new nursing care insurance scheme was launched in 2000, obliging workers over age 40 to contribute to support the elderly. At the same time, another scheme was introduced: the elderly population over age 75 has to share medical co-payments if they have a higher income. A different approach to reduce health costs was to introduce cheaper generic drugs through a new regulation enacted in 2012. One of the most problematic policies is raising the consumption tax, which will be doubled in 2018 from 5 percent to 10 percent in 2019 to finance the policies to resolve problems caused by the demographic change or Syoushi koreika (fewer children and more the elderly).

5. CONCLUSIVE REMARKS

In recent years a new movement has emerged in Japanese workplaces, called “revolution in working style”. It says that the Japanese are working too long and too hard, so many workers fall sick. The “revolution” is trying to change this present working style. It suggests, for example, cutting long working hours and no overtime work, work sharing, equal wages for equal jobs, and more flexible working conditions. These attempts would lead to improving the work-life balance of the Japanese so that more women will join the workforce and society will witness a new style of working.

However, it can be different from what we see in the West. The Japanese have the longest lifespan in the world and its senior population is relatively healthier than their age peers in developed countries. They want to work longer and live an active life because they are “indoctrinated” to be diligent by the social norms. They enjoy working rather than having a cup of coffee in a café for a whole day. In a sense, senior workers next to women are also key players in “Syoushi Koreika Shakai” (a society with fewer children and more the elderly). It is possible that Japan will take its own way of working life being different from other parts of the world.

The background of the emergence of “Syoushi Koreika Shakai” is complicated indeed. This is because Japanese thoughts and values in terms of how to live life underlie these causes. The purpose of life is no longer to pursue success at work, some people are just enjoying life by themselves or spending their lives without having any purpose after material success has given them everything. Some people lose their enthusiasm, ambition, and motivation in their life. What is most important is to give them a new direction and meaning in life. For instance, what are you looking for in your life? Where are you going? Japanese society should propose new values in the digital age for those who grew up with computer games, anime, manga comics, the internet, and mobile phones without worrying about basic needs of life. They need spiritual, not material satisfaction. It is very possible that religion and belief could help them in a society that has intentionally neglected religion since the Second World War because of the memory of abusing Shinto for Statism before the War. No subject of religion can be found in the curriculum of the public schools in both elementary and

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12 At present the consumption tax is temporarily 8 percent in August 2019.
secondary education. This practice is completely different from the one in Indonesia. Religion is considered important for character education for children in Indonesia, while it is not in Japan at all.

Another aspect is the need to globalize the minds and thoughts of the Japanese. It seems that they remain an isolated, insular nation in this globalized society in terms of mindset. In other words, they still have an idea as if they live by themselves without interacting with other people in this globe in which every country connects each other. The problem is not only the language but also such thought and mentality itself. For instance, Japanese businesses need more communication with others outside their own companies and business partners abroad. They have to change the “climate” of the company.

Japanese society faces a challenge and it is struggling to realize a sustainable society. Its future is not pessimistic but some ideas and values on human life need to be rethought. Human beings make our society, but society makes human beings as well, as people are social creatures.

REFERENCES


14 Please see Moriyama (2014) for a comparative study of character education at the elementary level between Indonesia and Japan.


Appendix

Chart 1: Shift of the Total Population in Japan

Chart 2: Proportion of Age Category and percentage of aging
Chart 3: Shape of demography in 1980

Chart 4: Shape of demography in 2015
Chart 5: Shape of demography in 2060