German and Japanese Social Policy in Comparative Perspective: An Overview

Harald Conrad *and Ralph* Lützeler

1. Introduction

In recent years, Japan and Germany have been facing very similar challenges: aging populations, changing employment structures, and globalization. Both countries are in a number of respects more socially and politically regulated, and in this sense less liberal, than the Anglo-American economies. Social constraints and opportunities, enforced by social institutions, define the "legitimate place and the possible range of market transactions and markets in the economy-*cum*-society in which they take place" (Streeck and Yamamura 2001: 2). Both countries share several similarities in their financial and economic governance, production systems, and management-labor relations. A comparison of how these two countries, with their similarities in institutional settings, are reacting to similar social and economic challenges may thus provide valuable insights, not only for specialized social scientists and economists but also for policy-makers in general.

This volume concentrates on two fields of social policy where both countries have recently implemented far-reaching reforms: long-term care insurance and public pensions. These social insurances are at the center of current public debate in both countries because population aging translates immediately into a higher demand for elderly care and old age security. Since these schemes have so far received hardly any comparative attention, a closer micro-analysis of institutional arrangements and current changes seems overdue. As the editors of this volume, we hope that these essays may prove helpful to policy-makers in Germany and Japan, and that they may contribute to the literature on comparative social policy and possibly to the development of more general theories of social policy regimes.

Before introducing the papers, which make up the body of this volume (see section 3), the following section discusses several aspects of the German and Japanese welfare systems from a comparative perspective. In the first paragraph we review some important comparative literature on social policy and discuss structural features of the welfare systems in both countries. We then highlight some demographic and economic background factors of recent social policy reforms (second paragraph). In the third paragraph we analyze from a historical perspective the early influence of German social policy on Japanese policy-making. In the fourth paragraph we discuss the scope of both welfare systems in the light of social expenditure indicators, and in the final, fifth paragraph we make some remarks about the changing objectives and instruments of pension and long-term care insurance in both countries.

2. German and Japanese Welfare Systems in Comparative Perspective

2.1 Structural features of the welfare systems in Germany and Japan

A milestone in comparative social policy research was the publication of Esping-Andersen's *The Three Worlds of Welfare Capitalism* (1990), in which the industrialized societies were classified according to structural features of their welfare systems. Unlike earlier attempts at classification that focused on the level of social expenditure (see Esping-Andersen 1990: 18–21; Schmid 2002: 76–81), Esping-Andersen stressed the fact that different welfare states – basically unrelated to their degree of generosity – were built on different systemic principles which allowed him to group them into three distinct ideal-typical welfare "regimes": a "liberal", a "conservative-corporatist", and a "social democratic" regime. Societies of the first type (mostly countries of the Anglo-Saxon world) are characterized by highly residual welfare systems based on a dualism of means-tested public social assistance for the poor and marketized welfare services for all other citizens. Thus, the degree of "de-commodification", i.e., protection against market forces and income losses, is low. The other extreme is represented by the social democratic welfare states of Scandinavia. Here the role of the state is emphasized as a guarantor of social rights granted to every resident regardless of his or her employment status. As a result, both welfare transfers and social services are predominantly tax-financed and generous, hence redistributive effects are pronounced and de-commodification is high. Lastly, the conservative-corporatist type of Continental Europe is based on the insurance principle meaning that the "right" to receive welfare transfers is mainly acquired by contributions paid during his or her years of employment. The insurance system is usually further segmented along occupational and status lines, hence the depiction as "corporatist". Those who have not participated in the work force or who had shorter-than-average working careers (women in particular) are in a highly disadvantaged position, relying on family resources or means-tested social assistance schemes. Another feature is the relative scarcity of child care or elderly care services due to the strength of familialism in these societies (ESPING-ANDERSEN 1990, 1999).

Esping-Andersen's approach of stressing structural aspects rather than mere expenditure level considerations[1] has met with enormous positive response not only in social policy analysis but also in the broader context of comparative research on industrial societies. Thus, most critical comments did not question the typological rationale as such, but rather concentrated on the correct classification of particular welfare states. This was not the case with regard to Germany's characterization as a conservative-corporatist welfare state, to be sure. On the contrary, with features like a highly segmented pension system entirely built on the insurance principle without any basic pension elements (see SCHMID 2002: 294), Germany might rather be considered as one of the purest cases of this type.

Japan's tentative placement into the "liberal" category, by contrast, has been challenged by several authors. JONES (1993), for instance, has rejected any attempt to include Japan in Western welfare state types as eurocentric.[2] Instead, she claims the existence of a distinct East Asian "Confucian welfare state" regime. Moreover, in Japan itself, commentators concur with this argument by denoting the system as a "Japanese-style welfare society" with at least three distinctive features: a high reliance on family responsibility and care, an extensive system of corporate welfare for core sector employees, and a high level of private household savings for old age and other contingencies (UZUHASHI 1994). GOODMAN and PENG (1996: 200–207) admit that Confucian concepts of filial piety or family interdependence were indeed repeatedly and effectively used by East Asian governments as legitimation for refusing or cutting welfare benefits. On the whole, however, these authors argue that what these East Asian welfare states have more in common is a lack of any consistent principle and the adaptation of a "learning-by-doing-approach" for the

[1] This is not to insinuate that such attempts are useless or not illuminating, as will be discussed in paragraph 2.4.

[2] It has to be added that the contention of a presumed "otherness" of the Japanese welfare system predates Esping-Andersen's study. NAKAGAWA (1979) or VOGEL's notorious treatise on *Japan as Number One* (1980) are early examples of this point of view. The volume edited by ROSE and SHIRATORI (1986), by contrast, places Japan together with the U.S. in an "American-Pacific" regime characterized by a highly residual welfare state and a high diffusion of company-provided social benefit schemes. Responses to the arguments of his critics are found in ESPING-ANDERSEN (1997; 1999: 86–92).

sake of nation-building. Accordingly, the Japanese welfare state in its present shape is to be interpreted as a patchwork of very different elements adopted and adapted as a reaction to internal political pressure or economic difficulties (GOODMAN and PENG 1996: 209–213).

ESPING-ANDERSEN himself has subsequently revised his views. In an article published in 1997, he classified Japan as a hybrid combination of liberal and conservative-corporatist welfare regime elements. That is, employment- and status-related social insurance schemes, scarcity of public social services due to the dominance of familialism in society, and unequal levels of benefit were seen as characteristic for the corporatist model, whereas low public expenditure levels and comparatively high private provisions in health care suggested to him a closer relationship to the liberal model. Qualifying his own argument, however, Esping-Andersen pointed out that the hybridity of the Japanese welfare system might only indicate that it has not yet fully matured. Numerous reforms and redesigns of the system that have followed in rapid succession since the 1980s due to economic difficulties, population aging, and waning familialism, were cited as proof of this contention. Only two years later, Esping-Andersen again modified his views: Japan now became an integral part of the conservative-corporatist camp. While pointing at the rapid maturation of the corporatist insurance system – public pensions in particular[3] –, the main reason for this miraculous metamorphosis of a once "liberal" welfare state is not change in Japan itself, but a shift in the relative importance of the criteria used for the typology. That is, less weight is given on income maintenance (de-commodification) in favor of more importance paid to the role of the family as care-provider as well as a target of welfare state policies ("de-familialization") (ESPING-ANDERSEN 1999: 92–94).

A different approach at classifying welfare systems has recently been undertaken by SEELEIB-KAISER (2001), whose study compares the influence of globalization pressures on the political discourse and the development of welfare systems in the U.S., Japan, and Germany. According to his argument, only those welfare policy arrangements which cover social risks with a high degree of reliability (*Erwartungssicherheit*), i.e., being largely independent of budget considerations or individual capabilities, matter as criteria when comparing different welfare systems. These are:

[3] It is interesting to note that even in this recent publication Esping-Andersen does not yet make any reference to the new long-term care insurance law which was already agreed on. Undoubtedly, a consideration of this law would have further supported his revised view of assigning Japan to the conservative-corporatist regime group.

company-based social benefits (fringe benefits), labor policy, and government-led social policy. Based on this reasoning, the U.S. (predominance of fringe benefits as the most "reliable" welfare instrument), Japan (labor policy), and Germany (government-led social policy) represent three distinct welfare systems. Thus, as the major feature of the Japanese welfare system, measures such as comprehensive protection against unlawful dismissal or an active labor market policy to promote and maintain social integration into the labor market are emphasized (SEELEIB-KAISER 2001: 38–46). The same author has to admit, though, that during the years of economic recession in the 1990s it has become increasingly difficult to maintain these principles, pointing at a growing proportion of young people who are excluded from partaking in full employment (SEELEIB-KAISER 2001: 237–240).

2.2 Demographic and economic background of recent reforms

Since the early 1990s at the latest, the restructuring of social security systems has been on the political agenda of almost all industrialized countries. There are many arguments that have been put forward for this, and they are often inextricably linked to each other: the necessities of globalization, population aging, budget problems, or more ideological considerations calling for more responsibility assumed by the individual or the family instead of the state. The globalization hypothesis in particular, that is, pointing at the need to curtail welfare expenses and relax labor regulations in order to compete successfully with other world locations, has recently been stressed more than every other argument (see SEELEIB-KAISER 2001: 21–24). If we suppose that globalization is indeed the single most important force behind restructuring efforts, we would expect all welfare systems eventually to converge in a pattern that would bear the closest resemblance to the "liberal" regime type of today. However, as far as present trends are concerned, this is not the case. To be sure, the introduction of a state-subsidized private insurance component in Germany's pension system in 2001, for instance, can indeed be interpreted as a small shift towards a more "liberal" model. The recent introduction of long-term care insurance both in Germany and Japan, however, implies just the opposite: a reinforcement rather than a weakening of the existing social insurance principle. Thus, SEELEIB-KAISER (2001: 28) is surely right when arguing that at the international level convergence might be apparent with regard to the general target of adapting the welfare system to the requirements of global competition, but that divergence rules when it comes to the concrete means that are employed to reach this target. Obviously, the reasons for divergence have to be found in the social, political, and economic or financial contexts of the countries concerned.[4]

We, the editors, argue that population aging, in particular, is no less important in this context. Population aging has a dual quality that sometimes throws policy-makers into a dilemma. On the one hand, it poses an economic problem, placing heavy financial strains on existing health, long-term care, and pension systems. On the other hand, it constitutes both a social and an ethical problem, raising the question of how we treat elderly people when they become frail. To regard aging as an economic problem would have the consequence of reducing social security spending, while its quality as a socio-ethical problem calls for further expenditures. Since levels of voting are high among the aged in most countries, policy-makers would risk to be voted out of office if they one-sidedly based their reform concepts solely on the economic argument. Hence, the contradictory strategy of cutting benefits in one area (i.e., in the case of public pensions and health care systems) and extending generosity in another area (i.e., in the case of the long-term care systems), is exactly what we can observe both in Germany and Japan over the past ten years.

However, if population aging is the main driving force behind the problems social policy has to cope with, then it seems that the social security systems of Germany and Japan, or, broadly speaking, of countries which adhere to "conservative-corporatist" principles, are under particular pressure. Demographic aging as such is common to all industrialized nations though it is somewhat less pronounced in classic immigrant nations like the U.S.A. or Australia (see Table 1). What does differ is, first, the consequences aging has on the welfare system and the economy. It goes without saying that social insurance systems which are financed according to the pay-as-you-go principle are more directly affected by aging than, say, systems that are based on taxation. In the former case insurance contribution shares from incomes have to be raised in order to keep pension benefits at the existing level, which thereby also increase non-wage

[4] Two important recent books shed light on the relationship between particular forms of social protection and specific economic systems. EBBINGHAUS and MANOW (2001) have published a volume on social policy and the political economy in Europe, Japan, and the U.S. which explores the linkages between social protection and areas like industrial relations, production and employment system, and financial and corporate finance. STREECK and YAMAMURA's book (2001) analyzes the origins of the "nonliberal" German and Japanese capitalist societies, focusing on welfare state building, corporate governance, financial systems, and training regimes. Thus, these books have embarked on the formidable task of forming a synthesis of comparative studies of politics, industrial relations, national systems of production, and welfare regimes.

labor costs. This, in turn, jeopardizes the competitiveness of the economy. In the latter case, by contrast, competitiveness is less directly threatened because taxes can be collected from very different sources.

Table 1: **Aging, fertility, and female labor force participation: selected countries**

	Elderly (65+) in %, latest avail. year	Total Fertility Rate (avg. 1997/99)	Female labor force participation (15+) in %, latest avail. year
Australia	11.9	1.82*	54
United Kingdom	15.6	1.70	55
USA	12.7	2.05	60
Denmark	14.8	1.73	59
Norway	15.3	1.84	55**
Sweden	17.3	1.51	61**
France	15.9	1.74	47
Germany	15.8	1.36	48
Italy	18.0	1.17	35
Japan	17.2	1.37	50

Notes: * 1995; ** estimated from 16–64 years of age participation rate data.
Sources: Council of Europe (2000: 50, 74); Kokuritsu Shakai Hoshō Jinkō Mondai Kenkyūjo (2000: 35, 53); United Nations Statistics Division, *The World's Women 2000: Trends and Statistics* (http://www.un.org.depts/unsd.ww2000/table5d.htm; downloaded March 25, 2002).

Second, according to Esping-Andersen (1996), a lesser known feature of conservative regime countries is that they also *actively* promote population aging in the long run by effecting very low fertility rates. Because of familialistic considerations, child care services are chronically underdeveloped in most of these countries. Thus, women with career ambitions are often left with no other choice but to abandon their wish to have children. Table 1 confirms that – with the notable exception of France[5] – the lowest fertility levels are indeed recorded in countries which are usually grouped under the "conservative-corporatist" category. The other side of the argument is that, third, those women who opt to have children encounter difficulties in reconciling family duties with gainful employment. Hence, the rather modest female labor force participation rates in these countries (see Table 1) which have the side-effect of keeping

[5] A possible reason may lie in the fact that in France (as well as in Belgium) public child care coverage largely exceeds the levels measured in other Continental European countries (see Esping-Andersen 1999: 71).

both social contribution and income tax returns low, the opposite of what is needed in order to ease financial pressure on the social security systems. In sum, "conservative" social security systems are not only least adapted to but even aggravate population aging and the problems connected with it. This raises the question of whether Japan and Germany's welfare systems can be maintained in the long run without completely overturning their "conservative-corporatist" nature.

The existence of other trends that are shaking the very foundations of the conventional welfare system both in Germany and Japan is linked with the push for change.

First, it seems that familialism is losing ground in society. In Germany, to be sure, familialistic attitudes were never that prevalent, except for parts of the predominantly Catholic rural south.[6] From the results of the *6th World Youth Survey* conducted in 1998 by the Youth Policy Office of the Japanese Governmental Management and Coordination Agency (Sōmuchō Seishōnen Taisaku Honbu 1999: 18), we learn that the overall readiness to take care of parents in their old age is lower in Germany than anywhere else. A comparison with earlier reports of the same survey reveals, however, that in Japan during the latter half of the 1980s there was also a distinct drop in the willingness to supply care to elderly parents (for more details, see Lützeler in this volume). Accordingly, the rate of cohabitation with elderly parents, already extremely low in Germany, is decreasing in Japan at a rapid pace. The introduction of a long-term care insurance system that stresses both public and private commercial care providers must also be seen in this context.

Second, the situation of fiscal finances in both countries has been aggravating rapidly over the past years. Although governments in both countries have tried to curb contribution hikes in their pension systems by assigning larger tax-financed federal grants (see both Conrad and Schmähl in this volume) – and thereby blurred, to some extent, the real costs of these systems to their voters –, such "strategies" have their obvious limitations if we consider that Japan is already the highest indebted of all OECD countries and that Germany is currently struggling to meet the public deficit criteria of the Maastricht Treaty.

Obviously, reforms that do not take into account both demographic and social changes as well as the situation of the fiscal finances are bound to fail.

---

6 For instance, Bertram and Dannenbeck (1991: 102–106) report that even today in Catholic rural regions of southern Germany, approval of female withdrawal from the labor market in favor of child rearing is significantly higher than in the predominantly Protestant rural north.

2.3 The early German influence on Japanese social policy

Germany and Japan were both industrial latecomers at the end of the 19th century and in both countries the state elite was the major force behind economic modernization and the development of social programs.

In Germany, the defeat of Prussia in 1807 was the beginning of fundamental institutional reform. The early discourse on economic and social policy formation was strongly influenced by liberal ideas in the tradition of Adam Smith, but during the later half of the 19th century these ideas gave way to a discourse of "socially embedded capitalism" (LEHMBRUCH 2001: 46). One of the most influential players shaping this new discourse was the "Verein für Socialpolitik" (Social Policy Association), founded by conservative economists like Gustav Schmoller and Adolph Wagner. Lorenz von Stein's concept of "monarchy of social reform", which postulated as a strategy to avoid revolution the integration of the working class into the capitalist society, was strongly influential with the members of the "Verein für Socialpolitik" and later with the social reform bureaucrats surrounding Bismarck who initiated the German tradition of state-led social policy (LEHMBRUCH 2001: 52–59).

During the early phase of the formulation of Japanese economic and social policy, Germany functioned as an important role model. For example, the Prussian constitution of 1850 served as a model for the Meiji constitution of 1889. In addition, Lorenz von Stein's ideas about social reform were popular with Japanese officials (BEASLEY 1990: 76–80). The most visible expression of German influence was the establishment of the Japanese "Verein für Socialpolitik" (*Shakai Seisaku Gakkai*) in 1896 by the Japanese scholar Kanai Noboru who had studied in Germany in the 1880s. This group had, for example, initial influence over the debates on bills regarding the "Factory Law" (*Kōjō-hō*), which was enacted in 1911 (see below).[7]

Germany and Japan also shared some similarities with regard to the aims of their first social programs. It is widely acknowledged that the introduction of the first social insurances in Germany in the 1880s, such as public health insurance (1883), accident insurance (1884), and age- and invalidity insurance (1889), was, for the most part, a tactic to control the socialist labor movement and to secure the aristocratic, military, and bureaucratic character of the Hohenzollern monarchy (SCHMIDT 1998: 31;

[7] In fact, the term *shakai seisaku*, which is still used today in Japan to refer to studies on labor relations with special reference to working conditions, employment, wages etc., was a translation of the German word "Sozialpolitik" (TAKAHASHI 1997: 36–37, 52).

LEHMBRUCH 2001: 58). In Japan, early social policy-related measures, such as the introduction of the health insurance for industrial workers (*kenkō hoken*) (1922), the system of welfare or district commissioners (*hōmen iin*) (1930), the founding of the Ministry of Health and Welfare (1938), or the introduction of pension insurances for seamen (*sen'in hoken*) (1939) and industrial workers (1941), were foremostly means to enhance national military capabilities by securing scarce skilled labor and to legitimize the existing political order. And, indeed, the explicit purpose of the pension insurance was to accumulate money for the war effort (YAMAZAKI 1991: 67–71; TATARA 1980: 381–383; WEIS 2001: 315–316).

Thus, early social legislation in both countries was not enacted by a benevolent state but implemented strategically in a top-down fashion as a means to control society and economic resources. Although Japanese reformers shared the German fear of labor unrest, they did not simply copy Bismarck's policies. In fact, LEHMBRUCH shows that the Meiji reformers "drew specific policy conclusions from a German social policy discourse that they regarded as congenial with their neo-Confucian traditions […]" (2001: 62). LEHMBRUCH (2001: 63–68) describes the "Japanization" of German social policy discourse as a reinterpretation linking Lorenz von Stein's ideas to the Japanese *ie*-system.[8] Whereas in Germany, the underlying key concept of social policy was the notion of civil society (*bürgerliche Gesellschaft)*, in Japan it was the *ie* as the basic social unit. Early Japanese social policy measures were targeted at the enterprise level rather than at society as a whole.

Welfare entitlements in Japan were first directed at those parts of the industrial workforce that were most crucial for economic growth, thus social policy was part of a developmental strategy. Consequently, it was in the state-owned firms where mutual aid associations with compulsory membership were first established in the early 1900s. These schemes

[8] The *ie* was the traditional primary unit of social organization in Japan. It usually denoted a stem family household but – in a wider context – meant a whole family organization consisting of a main household (*honke*) and several branch households (*bunke*). The latter derived their origins from younger male children of the *honke* and were socially subordinated to the main household which was thought to be handed over from the eldest male child (or the adopted husband of the eldest daughter) to the next in an unbroken line of succession. Although officially abolished during the American occupation period, some elements of the *ie* concept have continued to survive, e.g., ancestor worship is still performed by the eldest son, or – more significant with regard to the elderly care topic – the notion that the eldest son (and his wife) are the natural care-takers of elderly parents (ARICHI 1993: 1–29).

covered on-the-job injuries and illness and provided lump-sum retirement benefits (Manow 2001: 95–103).

The first noteworthy social legislation in Japan was the "Poor Relief Regulation" *(Jukkyū kisoku*) of 1874, which was directly influenced by the British "Poor Law".[9] Another important early legislation was the above mentioned "Factory Law" of 1911 (effective since 1916), which aimed to improve standards of working hours, minimum age, or night shifts of women.[10]

A prominent example of the early adaptation of German ideas is the "Elberfelder System",[11] which, together with the British system of "Friendly Visitors of the Charity Society", functioned as a model for the system of welfare or district commissioners (*hōmen iin).* This system became obligatory in all prefectures in 1930. After the war, the Supreme Commander for the Allied Powers ordered the revitalization of this system and today it lives on in the volunteer welfare commissioners (*minsei iin*) who organize, for example, local consultation meetings for mothers of new-born babies (see Thränhardt 1995: 79; Weis 2001: 311–312).

Another example of the early influence of specific German models is the Japanese pension insurance for workers (1941). Although there was no direct bilateral cooperation on this issue, it is clear that Japanese bureaucrats were strongly influenced by the German experience (Weis 2001: 314).

After Japan and Germany's defeat in the Second World War, the German influence on Japanese social policy, which had been strong from the Meiji era until the authoritarian phase of the 1930s and 1940s, subsided. There are, in fact, hardly any references to German models in early postwar Japanese discourse on social policy (Weis 2001: 363). On the other hand, the British "Beveridge Plan" of 1942 gained already some popularity with the Japanese bureaucracy during the Second World War, and in October 1947 the Social Insurance Investigative Commission *(Shakai Hoken Chōsakai*) released what came to be called Japan's Beveridge Plan. However, the American authorities criticized this plan as too expensive

---

9 The number of beneficiaries of this scheme remained, however, low with less than 20,000 persons per year during the 1880s and 1890s (Nakamura and Miura 1981: 181).

10 The law made sick pay and injury compensation obligatory in individual companies with more than 15 employees. Companies were obliged to pay 50 % of wages for three months to ill or injured workers. In 1923, the law was revised to meet conventions of the International Labor Organization from 1919.

11 The "Elberfelder System" was the first volunteer-based, systematic system for poor relief in Prussia.

and broad. Instead, an American commission released a report in 1948 in which it recommended no structural changes, but rather a unification and rationalization of policies. Partly because of these recommendations, but also to guarantee personnel, structural, and institutional continuity, Japanese social policy after the Second World War largely held on to its earlier course (WEIS 2001: 351, 363).[12] In the 1950s, the "corporatistic" nature of the welfare system was strengthened by some newly founded pension systems along occupational lines, such as the systems for employees of public corporations and private school personnel. Although there was little structural change in the immediate postwar period, the General Headquarter's order SCAPIN 775 was important because it established three principles (equal treatment, state responsibility, and no financial limit for assistance to guarantee minimum livelihood), which, for the first time, safeguarded legal entitlements. This was a major difference to prewar practices where eligibility had been highly discretionary (TAKAHASHI 1997: 57–62).

Foreign social policy discourses remained an important reference point in the postwar period. For example, by increasing the benefit level of the Employees Pension Insurance in 1973 Japan aimed to meet the replacement rate level which had been laid down in conventions No. 102 and No. 128 of the International Labor Organization (ILO) (KŌSEI TŌKEI KYŌKAI 1997: 31). Developments in Germany were once again monitored carefully, too. However, there is no systematic account on how exactly the German discourse on social policy might have influenced Japanese legislation in the postwar period. Even in the very recent case of long-term care insurance, and with its obvious similarities in both countries, it is not clear to what extent the German model influenced Japanese legislation. CAMPBELL and IKEGAMI (2000: 38) point out that serious planning of the long-term care insurance started at about the same time in both countries and that the main features of the Japanese plan were already well decided by the time the German program was enacted. On the other hand, it is clear that Japanese bureaucrats and advisory boards studied carefully the drafts of the German legislation and undertook several study tours to gather information.

In retrospect, despite many institutional differences and differing objectives in the early period of welfare state building in Germany and

[12] Somewhat historically ironic, in Germany, the Allied Powers themselves had drawn up a broad reform plan for the highly fragmented social insurance schemes which was also based on the "Beveridge Plan". Here it was the German side which rejected this plan and preferred to continue the existing contribution-based social insurance schemes (see HOCKERTS 1980).

Japan, it is clear that both welfare states integrated labor and capital and directed entitlements predominantly toward the core industrial workforce. Both countries constituted a fragmented and selective welfare state in the beginning which became more and more unified and universal after the Second World War. Moreover, both systems kept following a "performance/achievement" model where benefits were, and still are, closely linked to employment status and former contributions (Manow 2001: 119).

2.4 The German and Japanese welfare systems in light of social expenditure indicators

Germany and Japan's welfare systems today follow largely the social insurance principle and are organized along occupational lines. There are four classic public social insurance schemes, namely health, pension, unemployment, and accident insurance. Additionally, long-term care insurance schemes were enacted in both countries in the latter part of the 1990s.

To get an idea about the scope of social benefits in both countries, let us first consider a frequently cited welfare indicator: the gross public social security expenditure as a percentage of GDP. As Table 2 illustrates, in the 1970s Germany's expenditures were four times higher than Japan's and were also well above the average of the 12 European Union member countries (EUR 12). However, in the late 1970s and 1980s Germany reduced its level of spending in various fields, whereas Japan followed an expansive social policy course which subsequently narrowed the difference in spending levels.

Table 2: **Gross public social security expenditure as percentage of GDP**

	Germany	**Japan**	**EUR 12**
1970	21.5	4.7	17.3
1975	29.7	7.7	24.3
1980	28.8	10.1	24.3
1985	28.4	11.0	26.0
1990	25.4	10.8	25.5
1995	29.6	13.2	28.4
1998	29.3	14.5	27.7

Notes: Until 1980 as percentage of GNP; until 1990 West Germany, since then Germany.

Sources: BMAS (2001: 9.18); calculations based on Kokuritsu Shakai Hoshō Jinkō Mondai Kenkyūjo 2002 and Keizai Kikakuchō (2000: appendix 14).

In Germany, the unification with East Germany in 1990 brought the consolidation effort to a halt for some time because the German Unification Treaty extended the public social programs to include former East Germany. Consequently, public social security expenditures started to rise again. Nevertheless, the government at the time enacted substantial cuts in a variety of programs which limited further increases in public social security expenditure. SCHMIDT (1998: 137) estimates that without public benefit cuts during the 1980s and 1990s, the public social security expenditure in 1997 would have been 2.8 percentage points higher than it actually was at that time. Japan pursued its expansive social policies until around the mid-1980s; thereafter benefit cuts, especially in pension and health care provision, were enacted which slowed down the increase of social expenditures relative to GDP.

Today, the German state spends about twice as much relative to GDP for public social policy programs than the state does in Japan. But does this mean that Germans are much better or even twice as well insured against the key social risks of age, sickness, unemployment, or poverty? Although there are substantial differences in terms of legal entitlement, benefit levels, or duration of benefits – varying between programs – we would nevertheless argue that Japan's social welfare arrangements today do a fairly good job to insure against key social risks.[13] If this is so, how then should the above numbers on gross public social expenditure be interpreted?

Although gross public social expenditure as a percentage of GDP is a frequently cited welfare indicator, it does not, in fact, reflect several important factors. One of these factors are informal social arrangements, which can provide a similar kind of risk insurance. For example, if large parts of the elderly population live together with and are cared for by their families – as is still the case not only in most parts of the developing world but in Japan as well – public pension and long-term care insurance systems will not be as essential for the provision of adequate benefits than they are in countries where these informal arrangements have largely disappeared. For obvious reasons, such informal benefits in kind and in

[13] It appears that the greatest differences exist in unemployment insurance and social assistance. For example, unemployment benefits in Japan are paid for a maximum period of six months, whereas in Germany benefits of the *Anschlußarbeitslosenhilfe* (unemployment relief) are paid without any time restriction. In terms of poverty insurance the social assistance system in Japan – as the public social insurance of last resort – appears to be much stricter than the German system not only with regards to legal entitlement but also in terms of the actual practices in allocating benefits at the municipal level.

cash are not included in official statistics. In fact, the economic situation of Japanese elderly is closely connected to their living arrangements. Once elderly reach the age of 60 there is a significant increase in the rate of cohabitation with children. At the age of 65 almost 50% of the elderly in Japan still live in households with three and more members, whereas in Germany only 10% of the elderly do so (OECD 2001: 33). Living in larger households in Japan is, however, not indicative of low income levels and the consequent need to rely upon the income from working children, but it is indicative of a complex inter-generational support system. There are significant intra-household transfers and informal social arrangements that still play a comparatively significant role, e.g., as far as long-term care is concerned.

Other factors, which are also not reflected in the national figures on gross public social expenditure, are private social benefits and the effects of taxation (see ADEMA 2001). Since most governments claw back spending on social benefits through taxation or have special tax breaks to pursue social policy goals, the real level of government social effort might differ considerably. Moreover, private formal arrangements, which serve a social purpose and contain an element of inter-personal redistribution, provide important social benefits in many countries. These are employment-based benefits paid by employers, which have been made mandatory by the state (such as, for example, incapacity-related benefits in the context of occupational injuries) or which are induced by a favorable tax-framework (such as, for example, occupational pensions). ADEMA (2001) has developed an indicator of *net social expenditure* to account for the varying impact of the tax system and private (formal) social benefits. Table 3 illustrates that accounting for private (formal) social benefits and the impact of the tax system has an equalizing effect on the levels of social effort across the countries included in the study. It is also remarkable that in general "liberal" welfare states are more generous and social democratic states less generous than previously assumed. With regard to Germany and Japan, the figures show that on the whole Germany spends less and Japan slightly more than what the gross figures indicate. However, even these figures do not reflect several important factors which should be taken into account to get a full picture of the situation in Japan.

Table 3: **Net social expenditure indicators, 1997 (percent of GDP factor cost)**

	Gross public social expenditure	Net current public social expenditure	Net current private social expenditure	Net total social expenditure
Australia	18.7	17.9	4.1	21.9
United Kingdom	23.8	21.6	3.2	24.6
USA	15.8	16.4	8.1	23.4
Denmark	35.9	26.7	0.8	27.5
Norway	30.2	24.4	..	25.1
Sweden	35.7	28.5	2.2	30.6
Germany	29.2	27.2	1.6	28.8
Italy	29.4	24.1	1.2	25.3
Japan	15.1	14.8	0.9	15.7

Source: ADEMA (2001: 27–28).

First, there are the already mentioned informal arrangements which are not accounted for in these statistics on net social expenditure, but which are a vital factor of intrafamilial risk insurance in Japan.

Second, unemployment and the associated costs, as accounted for in national social budgets, have, at least until recently, been lower in Japan than in most western European countries. During the period from 1996 to 1999 the average standardized unemployment rate conforming to ILO definition was 7.1% in Germany, but only 3.9% in Japan (NICKELL *et al.* 2002: 51). Insofar as Japanese unemployment rates have been rising in recent years, we expect higher net social expenditure figures in the future, especially since it is possible that unemployment benefits will have to be raised once unemployment becomes a more common social phenomenon in Japan.[14]

Third, Japan has been pursuing labor market policies whose costs have not been accounted for in the public social budget as part of active labor market policies, but which are a sort of side-effect of enormous public works projects. These public investments in recessionary periods have been dispersed widely to various regions for job creation purposes (YOSHINO 2000: 17). An eye-catching consequence of these policies is, for example, the comparatively high employment in the construction sector, where we find around 11% of all employees, twice as much as for exam-

[14] This is not to say, however, that rising unemployment spending is necessarily indicative of welfare state effort. Some observers even suggest that rising unemployment expenditures in fact demonstrate the failure of the welfare state to protect employees from the consequences of economic downturn.

ple in the U.S. (*Financial Times* 20.04.1998: 21). If these people were paid unemployment benefits or were subsidized directly through active labor market instruments – as is the case in Germany –, public social expenditures would obviously be much higher.

Fourth, the numbers on net social expenditure in Japan do not include substantial lump-sum retirement benefits paid by Japanese companies to employees reaching the company retirement age (*teinen*). The logic behind this is that those benefits are often regarded as a form of deferred wages and do not constitute private social benefits. On the other hand, if we consider that these benefits increase progressively with the length of employment and are substantially lower if the employee retires earlier from his/her job, there is obviously more to these benefits. They could also be regarded as another form of private social benefits, and, thus, should be included in net social expenditure data.

The above named factors might explain in part the rather low net social expenditure in Japan. However, we do not argue that Japan and Germany would have similar expenditure levels if these and possibly other factors were taken into account. Nevertheless, it seems important to point out that Japan is not such a welfare-laggard as it is often portrayed, and that state expenditure levels alone are not sufficient as indicators of total welfare provision.

2.5 Some remarks on pension and long-term care insurance policies in both countries

When comparing social policies it is important to distinguish between the *aims* (*objectives*) of policies and the *methods* (*instruments*) by which those aims are achieved (Barr 1998: 4). Whereas the issue of *aims* or *objectives* is largely ideological and at the heart of political discourse, *methods* concern more technical and positive issues. The following short outline of major differences and similarities of pension and long-term care insurance in Germany and Japan considers both the (changing) aims of these schemes in general as well as the instruments in particular. It seems natural to start with these schemes not only because public pensions have a much longer history in both countries, but also because developments in this field had – at least in Germany – some influence on the eventual design of the long-term care insurance systems which were first introduced during the 1990s.

At the center of the 1957 public pension reform in Germany, which introduced the "dynamic pension" (linking pension calculation and pension adjustment to the development of gross wages), was the notion of securing the achieved standard of living after retirement (*Lebensstandard-*

sicherung) through public pension provision. This *objective* was not put to question during subsequent reforms up to the mid-1990s; benefits of current pensioners remained largely untouched. However, beginning with the 1999 pension reform, which was legislated in 1997, this *objective* did change. Although the new coalition government of Social Democrats and the Green Party suspended some of the elements of the 1999 Pension Reform Act, their own subsequent pension reform in 2000 has lowered considerably the net pension level for the "standard pension" so that it can be expected that a large part of the population will receive in the future public pension benefits which are scarcely higher than social assistance benefits. What we have witnessed in Germany in the field of pension policy is a gradual shift towards neo-liberal ideas and a clear shift in *objectives*. The public pension system is no longer regarded as the key scheme to secure an achieved standard of living, but rather private provisions are supposed to play a much bigger role in future. New policy *measures* such as tax incentives and transfers were introduced in 2001 to facilitate the build-up of private pension provisions.

The same sort of ideological shift can be witnessed in Japan where pension policy up to the mid-1980s seems to have been largely influenced by western European models. During the 1960s and early 1970s the conventions already mentioned, No. 102 and 128 of the ILO, functioned as a yardstick for Japanese policy-makers (Kōsei Tōkei Kyōkai 1997: 31). Although the core public pension schemes, namely the Employees Pension Insurance (reinstated in 1954) and the National Pension Insurance (established in 1961), were originally designed as capital-funded systems, several amendments to the pension law during the 1960s and 1970s resulted in a quick increase in future benefit levels of these schemes, whereas contribution hikes were much lower than what would have been regarded as prudent from an actuarial point of view. By 1973 the future model replacement rate of the Employees Pension Insurance surpassed 60 % of the average gross income of the working population. However, in the mid-1980s Japanese policy-makers were alarmed by a slow deterioration of the pension finances and gloomy scenarios about necessary future contribution hikes to levels of almost 40 % (Kōseishō 1983: 85–87). Several pension reforms were passed, which intended an eventual shift from an expansive policy to one that seeks to curtail future expenses. These reforms must be seen against the background of the adoption of neo-liberal ideas by the Japanese government. Since the mid-1990s, the officially expressed opinion on this point has been that the state should provide only a moderate level of benefits, and that whatever additional benefits are necessary should be covered by private provisions in the future (e.g., Kōseishō Daijin Kanbō Seisakuka 1994: 7). Thus, the occupational pension reform of 2001 is of special significance for the future of the public-private pension mix in Japan because the hope is that private provisions will play a bigger role so that public benefits cuts can be compensated (NENKIN SHINGIKAI 1998).

Thus, in terms of the *objectives* of pension policies, we see a clear shift towards neo-liberal ideas in both countries. Accordingly, public pension schemes in Germany and Japan are likely to loose their predominant role as a source of retirement income in future. At the *instrumental level* of pension policy both countries have enacted various measures to encourage additional private pension provision. Whereas Germany has passed legislation to improve both personal and occupational provisions, Japan's policy-makers are focusing – at least at the moment – mainly on occupational pensions (for more details, see both SCHMÄHL and CONRAD in this volume).

Germany and Japan's long-term care insurance systems are historically much younger than the respective public pension schemes. Therefore, a change in *objectives* as we have seen in pension policies is not to be expected. However, the above described neo-liberal policy shift has, at least in Germany, left its mark on the design of the long-term care insurance. The new statutory long-term care insurance scheme was not organized as a *Vollkaskoversicherung* (fully comprehensive insurance) as had been the case with the statutory public health insurance system which still covers (with some exceptions) 100% of individual health expenditures. Instead, the new system aims to cover only 50% of need. Moreover, the long-term care insurance law specifies that only earmarked social insurance contributions are to cover benefit expenditure and no subsidization via taxes is allowed. Thus, this new social insurance scheme has a rather limited *objective* in comparison to the insurance schemes of the past.

Japan's new long-term care insurance, on the other hand, is much more generous and there are virtually no spending caps. Given the considerable spending cuts in the pension area in recent years, the introduction of such a new generous statutory public scheme comes as a surprise. CAMPBELL's and TALCOTT's articles in this volume analyze some possible reasons for this development.

Several articles in this volume deal with the *instruments* of long-term care in both countries (for more details, see NAEGELE and REICHERT, TALCOTT, and KNÜVER and MERFERT), so we do not need to discuss this issue here at length. However, one factor which is especially important is that although both countries held firm to their traditional social policy approaches and adopted a social insurance model for their new long-term care schemes, market forces are now thought of as an indispensable factor to encourage the expansion of services and facilities. As in the case of pension reform, where a new mixture of public and private provisions is supposed to produce superior outcomes, private sector involvement is also regarded as essential to encourage a more efficient usage of financial resources in long-term care provision.

3. THE ARTICLES

The papers in this volume are grouped into four parts covering various aspects of aging and social policy. Following this introduction (Part One), the articles in Part Two discuss some of the more general demographic and policy implications of the aging societies in Germany and Japan. ARAI Makoto gives an historical overview of the development of the social security system in Japan after the Second World War up to the present. He shows how changing awareness of the implications of the aging society has influenced Japan's social policies especially since the beginning of the 1990s. KOJIMA Hiroshi analyzes the trend in population aging in Japan and its demographic determinants and consequences. Drawing on the results of multinominal logit analysis, he discusses some social policy implications of aging with special reference to the cohabitation of elderly parents with their adult children. Karin VEITH focuses on the material situation of elderly households and discusses the resulting demands and limits for social policy in Germany.

Part Three of this volume brings together papers which analyze in closer detail long-term care and pension policies in both countries. Paul TALCOTT's account of the politics of Japan's long-term care insurance system describes and analyzes the structural features and recent data of the long-term care insurance scheme and scrutinizes in detail the political process which led to its introduction. Gerhard NAEGELE and Monika REICHERT start out with an overview of the long-term care insurance system in Germany, analyze recent income and expenditure data, and point out deficits and possible future directions of reform. Iris KNÜVER and Matthias MERFERT discuss state law regulations with regard to long-term care insurance in Germany and analyze the role of long-term care committees, long-term care conferences, and other local authorities. Thomas KLIE discusses in a comparative study the similarities and differences of the long-term care insurance systems in Germany and Japan and highlights some common problems for the future development of these schemes. John CAMPBELL, too, concentrates on similarities and differences of both long-term care insurance schemes and analyzes from a comparative public policy perspective why these programs were introduced in the first place, and why they differ in various aspects of policy design. Harald CONRAD evaluates Japan's recent public and occupational pension reforms with regard to their effects on financial sustainability, distributive effects, minimum income adequacy, and the newly evolving public-private pension mix. Winfried SCHMÄHL analyzes major pension reforms in Germany since 1957. After discussing the present structure of old-age protection in Germany, he focuses on important revisions over the past years and scrutinizes in detail the implications and shortcomings of the 2001 reform measures.

Finally, Part Four focuses on some more specific aspects of long-term care in Germany and Japan. Heinz ROTHGANG examines the financing implications of the public long-term care insurance in Germany. Using a simulation model he estimates expenditure and contributory income development according to different scenarios and demonstrates the resulting impact on future contribution rates. Ralph LÜTZELER focuses on demographic and regional aspects of aging in Japan and their implications for long-term care. He analyzes the general aging trend and examines regional differences in the proportion of the elderly and their living arrangements highlighting some implications for future policy making. Sabine FRÜHSTÜCK analyzes the state of the nursing homes in Japan during the 1980s, prior to the introduction of the long-term care insurance, and discusses the rhetoric of reform when so-called "community care programs" were introduced for the first time. The volume concludes with a contribution by KIMURA Rihito who discusses the shifts in welfare policy, which led to the introduction of the long-term care insurance, and analyzes the bioethical implications of this new scheme.

REFERENCES

ADEMA, Willem (2001): Net Social Expenditure (Second edition). *OECD Occasional Papers* 52.

ARICHI, Tōru (1993): *Kazoku wa kawatta ka* [Has the Family Changed?]. Tōkyō: Yūhikaku (= Yūhikaku Sensho; 170).

BARR, Nicholas (1998): *The Economics of the Welfare State*. Stanford: Stanford University Press (Third edition).

BEASLEY, William Gerald (1990): *The Rise of Modern Japan*. London: Weidenfeld and Nicolson.

BERTRAM, Hans and Clemens DANNENBECK (1991): Familien in städtischen und ländlichen Regionen. In: BERTRAM, Hans (ed.): *Die Familie in Westdeutschland. Stabilität und Wandel familialer Lebensformen*. Opladen: Leske und Budrich, pp. 79–110 (= DJI: Familien-Survey; 1).

BMAS (= Bundesministerium für Arbeit und Sozialordnung) (2001): *Statistisches Taschenbuch 2001: Arbeits- und Sozialstatistik*. Bonn: Bundesministerium für Arbeit und Sozialordnung.

Campbell, John Creighton and Naoki Ikegami (2000): Long-Term Care Insurance Comes to Japan. In: *Health Affairs* 19, 3, pp. 26–39.

Council of Europe (2000): *Recent Demographic Developments in Europe 2000*. Strasbourg: Council of Europe Publishing.

Ebbinghaus, Bernhard and Philip Manow (ed.) (2001): *Comparing Welfare Capitalism: Social Policy and Political Economy in Europe, Japan and the USA*. London and New York: Routledge.

Esping-Andersen, Gøsta (1990): *The Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press.

Esping-Andersen, Gøsta (1996): Welfare States without Work: the Impasse of Labour Shedding and Familialism in Continental European Social Policy. In: Esping-Andersen, Gøsta (ed.): *Welfare States in Transition – National Adaptations in Global Economies*. London *et al*.: Sage Publications, pp. 66–87.

Esping-Andersen, Gøsta (1997): Hybrid or Unique? The Japanese Welfare State Between Europe and America. In: *Journal of European Social Policy* 7, 3, pp. 179–189.

Esping-Andersen, Gøsta (1999): *Social Foundations of Postindustrial Economies*. Oxford: Oxford University Press.

Financial Times (20.04.1998): Economics Notebook: breathing space, p. 21.

Goodman, Roger and Ito Peng (1996): The East Asian Welfare States: Peripatetic Learning, Adaptive Change, and Nation-Building. In: Esping-Andersen, Gøsta (ed.): *Welfare States in Transition – National Adaptations in Global Economies*. London *et al*.: Sage Publications, pp. 192–224.

Hockerts, Hans Günter (1980): *Sozialpolitische Entscheidungen im Nachkriegsdeutschland. Alliierte und deutsche Sozialversicherungspolitik 1945 bis 1957*. Stuttgart: Klett-Cotta.

Jones, Catherine (1993): The Pacific Challenge: Confucian Welfare States. In: Jones, Catherine (ed.): *New Perspectives on the Welfare State in Europe*. London and New York: Routledge, pp. 198–217.

Keizai Kikakuchō (2000): *Heisei 12-nenban keizai hakusho* [Economic White Paper 2000]. Tōkyō: Ōkurashō Insatsukyoku.

Kokuritsu Shakai Hoshō Jinkō Mondai Kenkyūjo (2000): *2000 jinkō no dōkō. Nihon to sekai* [Population Trends 2000. Japan and the World]. Tōkyō: Kōsei Tōkei Kyōkai.

Kokuritsu Shakai Hoshō Jinkō Mondai Kenkyūjo (2002): *Heisei 11-nendo shakai hoshōhi* [The Cost of Social Security 1999]. Tōkyō: Kokuritsu Shakai Hoshō Jinkō Mondai Kenkyūjo [Online at http://www.ipss.

go.jp/Japanese/kyuhuhi-h11/5/No5.html. Downloaded February 19, 2002].

KŌSEI TŌKEI KYŌKAI (1997): *Hoken to nenkin no dōkō.·Kōsei no shihyō 1997* [Trends in Health and Pension Insurance: Indicators of Welfare 1997]. Tōkyō: Kōsei Tōkei Kyōkai.

KŌSEISHŌ (1983): *Kōsei hakusho* [White Paper of the Ministry of Health and Welfare]. Tōkyō: Kōsei Tōkei Kyōkai.

KŌSEISHŌ DAIJIN KANBŌ SEISAKUKA (1994): *21-seiki fukushi bijon* [A Social Welfare Vision for the 21st Century]. Tōkyō: Daiichi Hōki Shuppan.

LEHMBRUCH, Gerhard (2001): The Institutional Embedding of Market Economies: The German "Model" and its Impact on Japan. In: STREECK, Wolfgang and Kozo YAMAMURA: *The Origins of Nonliberal Capitalism – Germany and Japan in Comparison*. Ithaca and London: Cornell University Press, pp. 39–93.

MANOW, Philip (2001): Welfare State Building and Coordinated Capitalism in Japan and Germany. In: STREECK, Wolfgang and Kozo YAMAMURA: *The Origins of Nonliberal Capitalism – Germany and Japan in Comparison*. Ithaca and London: Cornell University Press, pp. 94–120.

NAKAGAWA, Yatsuhiro (1979): Japan, the Welfare Super-Power. In: *The Journal of Japanese Studies* 5, 1, pp. 5–51.

NAKAMURA, Yuichi and Fumio MIURA (1981): Kōteki fujo, shakai fukushi [Public Assistance, Social Welfare]. In: KOYAMA, Michio and Masayoshi YAMAMOTO (ed.): *Shakai hoshō kyōhitsu. Kokumin seikatsu no antei to fukushi o motomete* [On Social Security: In Search of Security and Welfare of Citzens' Lives]. Tōkyō: Yūhikaku, pp. 177–222.

NENKIN SHINGIKAI (1998): *Kokumin nenkin kōsei nenkin hoken seido kaisei ni kansuru iken* [Opinions on the Reform of the National Pension Insurance and Employees Pension Insurance Systems]. Tōkyō: Kōseishō [Unpublished Manuscript].

NICKELL, Stephen *et al.* (2002): Research Reports: Why Do Jobless Rates Differ? In: *CES ifo Forum* 3, 1, pp. 50–59.

OECD (2001): *Aging and Income – Financial Resources and Retirement in 9 OECD Countries*. Paris: OECD Publications.

ROSE, Richard and Rei SHIRATORI (ed.) (1986): *The Welfare States East and West*. Oxford: Oxford University Press.

SCHMID, Josef (2002): *Wohlfahrtsstaaten im Vergleich. Soziale Sicherung in Europa: Organisation, Finanzierung, Leistungen und Probleme*. Opladen: Leske und Budrich (Second edition).

SCHMIDT, Manfred G. (1998): *Sozialpolitik in Deutschland – Historische Entwicklung und internationaler Vergleich*. Opladen: Leske und Budrich (Second edition).

Seeleib-Kaiser, Martin (2001): *Globalisierung und Sozialpolitik. Ein Vergleich der Diskurse und Wohlfahrtssysteme in Deutschland, Japan und den USA*. Frankfurt and New York: Campus.

Sōmuchō Seishōnen Taisaku Honbu (1999): *Sekai no seinen to no hikaku kara mita Nihon no seinen. Dai 6-kai sekai seinen ishiki chōsa hōkokusho* [The Japanese Youth in Comparison with the Youth of Other Nations. Report of the Sixth World Youth Survey on Attitudes]. Tōkyō: Ōkurashō Insatsukyoku.

Streeck, Wolfgang and Kozo Yamamura (2001): *The Origins of Nonliberal Capitalism – Germany and Japan in Comparison*. Ithaca and London: Cornell University Press.

Takahashi, Mutsuko (1997): *The Emergence of Welfare Society in Japan*. Vermont: Ashgate.

Tatara, Toshio (1980): The Development of Modern Public Welfare in Prewar Japan: 1917–1938. In: *Proceedings of the Second International Symposium on Asian Studies 1980*. Hong Kong: Asian Research Service, pp. 369–390.

Thränhardt, Anna Maria (1995): Sozialstaat als Sparmodell: Staatsentlastung durch Delegation. In: Foljanty-Jost, Gesine and Anna-Maria Thränhardt (ed.): *Der schlanke japanische Staat*. Opladen: Leske und Budrich, pp. 69–87.

Uzuhashi, H. (1994): *Japanese-type Welfare Society: A New Alternative Model or Transitory One?* (Paper presented for the IRSS conference "Private Gain versus Public Good? The Provision of Welfare in the 1990s", 28–30 September, University of York).

Vogel, Ezra F. (1980): *Japan as Number One: Lessons for America*. Tōkyō: Tuttle.

Weis, Emmeram (2001): *Entstehung und Entwicklung der gesetzlichen Rentenversicherung in Japan bis 1945: Die Arbeiterrentenversicherung von 1942 im Vergleich mit dem deutschen Vorbild*. München: Iudicium.

Yamazaki, Hiroaki (1991): The Employees' Pension System in Japan: Past and Present. In: The Institute of Social Science at Tōkyō University (ed.): *Annals of the Institute of Social Science* 32, pp. 67–111.

Yoshino, Naoyuki (2000): Widening Household Savings Portfolios. In: *Look Japan*, June, pp. 16–17.