

### *A new social security net in Japan?*

**In social science research, public spending on social issues is often used as a synonym for social policy. This view, however, neglects other elements of welfare and social policy where public, corporate and private institutions of social security overlap and public involvement manifests itself not in direct intervention or spending but in market regulation. So-called welfare markets do not require direct public spending but sensible regulations that enable individuals to acquire sufficient and affordable protection against social risks. What impact this increasingly relevant form of social policy is having on Japanese politics and society is the subject of a new DIJ research project.**

Market regulation as a form of social policy is not a new phenomenon. Cuts in social spending and the partial privatization of welfare in recent years have increased its relevance on social policy on the whole. This is true for private old-age insurance, which in many countries has been expanded to make up for cuts in public and corporate pensions. Yet it also applies to many other areas such as the housing market, which has seen a gradual decline in public and corporate housing schemes.

Welfare markets, rather than public spending programmes, are attractive to policymakers not least because they can help efforts to limit or even cut public spending, and thus comply with pressures for fiscal consolidation. Their growing appeal in Japan is also visible in the political discourse. Whereas welfare state is a term still common in Western and Northern Europe, the term “safety net” is now commonly used in Japan. Part of its attraction lies in the fact that it can include public as well as corporate and private sources of social security and does not imply as strong a direct responsibility of the state.

Despite this difference, however, the political pressures are similar. Like their European counterparts, Japanese policy-makers are under considerable public pressure to ensure that all societal and income groups have access to social security. They also have to accommodate different and sometimes conflicting interests. Surveys indicate that the vast majority of Japanese favour a stronger role of the state in tackling social inequalities. At the same time, however, a majority distrust that public spending is efficient and worthwhile and resist tax hikes.

Moreover, market regulation as social policy departs from traditional social policy in that it unfolds in a political realm characterized by highly heterogeneous actor constellations and interests. For example, social issues often overlap with questions of industrial and economic policy, thus introducing actors to decision-making processes that are not present in traditional social policy fields.

The DIJ project analyses how major actors and stakeholders pursue their interests in this complex policy field and what impact the emerging “safety net” has on the political preferences of different socio-economic groups. The project thus aims to contribute to a better understanding of contemporary Japanese social policy and to research on the current politics of welfare reforms in advanced democracies.

◀ **Dr. Steffen Heinrich** is a political scientist and, since September 2014, a senior research fellow at the DIJ. His research interests include the political processes and consequences of labour market and welfare reforms in Europe and Japan since the early 1990s.  
[heinrich@dijtokyo.org](mailto:heinrich@dijtokyo.org)



## Institutionalizing regional financial stability mechanisms

### Participants in alphabetical order:

Akira **Ariyoshi** (Hitotsubashi Univ., Asian Public Policy Program), Angelo **Cicogna** (Banca d'Italia, Tokyo Office), Alberto **Cogliati** (Banca d'Italia, Tokyo Office), Rene **Duignan** (EU Delegation in Tokyo), Mitsuo **Hosen** (Nihon Univ., Faculty of International Relations), Keisuke **Hosoi** (Ministry of Finance, Regional Financial Cooperation Division), Shigeo **Kashiwagi** (Keio Univ., Faculty of Business and Commerce), Masahiro **Kawai** (Univ. of Tokyo, Graduate School of Public Policy), Nobuyuki **Kinoshita** (Aflac Japan), Klaus **Merk** (Deutsche Bundesbank, Tokyo Office), Florian **Meyerhoefer** (Embassy of the Federal Republic of Germany in Tokyo), Corrado **Molteni** (Embassy of Italy in Tokyo), Yoshio **Okubo** (Japan Securities Dealer Association), Yuya **Oshima** (Bank of Japan, International Department), Werner **Pascha** (Univ. of Duisburg-Essen, Institute of East Asian Studies), Frank **Roevekamp** (Ludwigshafen Univ. of Applied Sciences, East Asia Institute), Ikuko **Samikawa** (Japan Center for Economic Research), Masaaki **Shirakawa** (Aoyama Gakuin Univ.), Cindy Yoshiko **Shirata** (Bunkyo Univ., Faculty of Business Administration), Shumpei **Takemori** (Keio Univ., Faculty of Economics), Atsushi **Takeuchi** (Japan Center for Economic Research), Tim **Tiefenbach** (DIJ), Franz **Waldenberger** (DIJ), Takahito **Yamada** (Bank of Japan, International Department), Naoyuki **Yoshino** (Asian Development Bank Institute).

**The Asian financial crisis of 1997/98 and the crisis in the eurozone starting in 2010 triggered political initiatives for stabilization mechanisms on a regional level, so-called regional financial arrangements (RFA), to complement global arrangements like the International Monetary Fund (IMF). The roundtable brought together 24 Japanese and European experts on international finance to discuss the role of RFAs, with specific emphasis on the Chiang Mai Initiative Multilateralization (CMIM) and the European Stability Mechanism (ESM).**

The presentation by Prof. Roevekamp and Prof. Pascha started with a discussion of the pros and cons of RFAs. While regional arrangements create a sense of “ownership” among the countries involved, they may also suffer from opportunistic behaviour (moral hazard) by potential debtor countries. The ESM and the CMIM differ in terms of organization, instruments and processes: (1) The fund size of the ESM (€700bn) is much bigger than that of the CMIM (\$240bn);

also emphasized the need for political commitment towards closer political harmonization and for clear rules to be created as key factors for the functioning of regional arrangements. In addition, he suggested that the IMF could play a significant role in RFAs as it brings in an outside perspective and can better withstand political ex-post manoeuvring.

The presentation and comments stimulated a lively discussion. Japanese participants voiced concern about the handling of the euro sovereign debt crisis, expressing understanding for the requests made by Greece for more support and for a relaxation of austerity measures. It followed a vivid discussion on the balancing of clear rules to constrain opportunistic behaviour and the need to react flexibly to specific circumstances. Whereas European participants emphasized the rationale of clear rules, the Japanese side argued for more flexibility, pointing out that the strong countries might bend the rules anyway if something is not in their interest, and



(2) the ESM provides aid under strict conditions set by external institutions (the EU Commission, the ECB and the IMF), whereas conditions for CMIM support remain unclear for the part not linked to the IMF; and (3) the ESM has been put to practice and is providing aid to eurozone countries whereas the CMIM has not yet been used, even in times of crisis.

Commenting on the presentation, Prof. Yoshino stressed various challenges of implementing an RFA and of applying it in times of crisis: the gathering of reliable data, the required stringency of statistical analyses, and the political commitment to support schemes as well as structural adjustment. Dr. Meyerhoefer

also underlining the specific arrangements of the CMIM: The CMIM relies on currency swap agreements instead of paid-in capital; peer pressure among potential debtor nations fulfils an important monitoring function; and Japan and China share common interests as likely creditors in the case of a crisis. All roundtable participants agreed that the IMF remains important in the context of RFAs, but that reform of the IMF needs to be further pursued.

The discussion showed that experts not necessarily agree, and that many more occasions like the roundtable are needed for an exchange of ideas and experiences to promote a better understanding of the critical aspects of RFAs.

The DIJ economy roundtable was held on February 19, 2015.

► **Dr. Franz Waldenberger**, economist and current director of the DIJ, organized the roundtable as a means to bring together experts on financial stability from Europe and Japan.  
[waldenberger@dijtokyo.org](mailto:waldenberger@dijtokyo.org)

## Fukushima and contemporary Japanese artists: Biographies in turmoil

**The triple catastrophe of March 2011 had a severe impact not only on the lives of people directly affected by it, but it also initiated a self-reflection in important “witnesses of history”, such as contemporary artists.**

Against the backdrop of personal life experiences, this qualitative study analyses the activities, goals and biographical turmoil of Japanese artists, embedding them in a broader societal context with specific reference to the consequences of the triple disaster. It reveals the disaster's impact on both perceptions of the self and personal duties to society, as well as changes to the very base of self-definitions and the forms of their artistic expression.

In the present context, biographical narratives describe not only unique individual solutions for societal issues, they also provide a glimpse at possible approaches to sustainable change in Japanese society as a whole.

One impressive example for this combination of artistic and political engagement are recent works by Japanese artist Akira Tsuboi, which provide a pictorial account of the consequences of the incompetence and irresponsibility of those in charge. Like many of his colleagues, Tsuboi became an active member in the anti-nuclear protest movement following the incidents at the Fukushima nuclear power plant.

◀ **Wiebke Grimmig, M.A.**, is a PhD student (Ethnology) at the University of Göttingen. Her scholarship at the DIJ (April 2014 to March 2015) enabled her to collect data for her dissertation on changes in the self-perceptions of Japanese artists after the triple disaster of March 2011.  
[grimmig@dijtokyo.org](mailto:grimmig@dijtokyo.org)



► Akira Tsuboi, 2015, *Mu shu butsu* [No-owner-substances].

Artist website:  
<http://dennou.velvet.jp/>

## Is Japan on its way to a new work-life balance?

**In the West, the Japanese tend to be portrayed as untiring worker bees and stalwart company warriors – sometimes until death from overwork. But is this stereotype still true?**

Many surveys point out that contemporary Japan is experiencing an ongoing change of values regarding work and leisure, a change most apparent in the decrease in average annual working hours. It seems that even for the Japanese, there is more to life than just work after all – and that the country as a whole might be on its way to a so-called

“leisure society”. While “work-life balance” has become a common catchphrase among the urban middle class, little is known about the situation in more rural regions, where vast quantitative and qualitative diversity with regard to the pacing and direction of change are to be expected. Based on data collected from a medium-sized company in Fukui Prefecture, this empirical case study investigates how the shift of values manifests itself in and outside of the workplace, and how it affects the lives of the people concerned.

◀ **Simon Essler, M.A.**, is a PhD student (Modern Japanese Studies) at the Heinrich Heine University Düsseldorf and a DIJ scholarship fellow (June 2014 until May 2015). His research focuses on social aspects of time in Japan.  
[essler@dijtokyo.org](mailto:essler@dijtokyo.org)



## Recent publications

### Contemporary Japan 27(1)

Body Concepts:  
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Japanese Society.



Issue Editors:  
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ISSN (Print) 1869-2729

ISSN (Online) 1869-2737

### Christian Heideck:

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DDR 1952-1973.*

(DIJ Monographs; 57).  
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ISBN 978-3-86205-045-1



### VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations 26(1)

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ISSN (Print) 0957-8765

ISSN (Online) 1573-7888



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English, and is also available for  
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from our website.

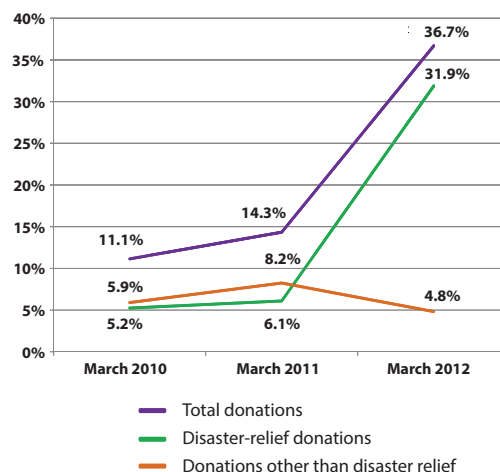
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## A surge in helpfulness

As data from the *National Survey on Life Style Preferences* shows, the percentage of respondents (n=9280) making donations rose from 11.1% in 2010 to 36.7% in 2012. The major reason behind this enormous rise is the increase in the number of donations for disaster relief, which more than doubled after the catastrophe of March 11. It is interesting to note that the number of respondents who donated to other causes (i.e., non-disaster relief) did not decline by the same amount in 2012, indicating that disaster-related donations do not simply replace other kinds of donations. *T.T.*



## Read for you

MIMA Tatsuya (2012): *Risukuka sareru shintai – gendai igaku to tōchi no tekunologī* [Body as a risk – new methods of governance in contemporary medicine]. Tokyo: Seidosha, 250 pages, 2,400 yen (ISBN 978-4-7917-1929-5).

Health plays a central role in the debate on risks in modern society. As a neurosurgeon and medical sociologist, the author proposes that changes in technology and in the perception and understanding of the human body since the latter half of the 20th century may be a primary reason for this development. The book looks at various risks in the health care systems of industrialized countries (particularly Japan) in a social and historical context, including a last chapter that deals with risks after nuclear disasters. However, considering the highly critical perspective in other chapters of the book, readers could have expected a somewhat more critical account of the role of the Japanese government here. While certainly unintended, this omission may point at limitations of the scientific discourse in Japan and give an impetus for further discussion. *M.A.*

## Catchword

### 戦後70年談話 (sengo 70-nen danwa) Statement on the 70th Anniversary of the End of World War II

To commemorate the 70th anniversary of the end of World War II, Prime Minister Shinzō Abe will issue an official statement in August. By doing so, he is following the example set by previous Prime Ministers, most famously Tomiichi Murayama, who in 1995 apologized for Japan's colonialism and war of aggression. PM Koizumi essentially re-issued the Murayama Statement in 2005. PM Abe, however, has been a well-known critic of that statement. While pledging to uphold the spirit of the 1995 document, Abe has also hinted at changing the wording and repeatedly stressed the importance of a future-oriented message. Abe's critics have warned that toning down or omitting key elements from the 1995 statement, such as the apology for the war of aggression and colonialism, would further damage Japan's already tense relations with its Asian neighbours. Currently, recommendations for the new statement are being drawn up by an expert commission, which will report back in July. However, the final document's wording will be decided by Abe himself. *C.W.*

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Author key: M.A. – Miki Aoyama-Olschinska; T.T. – Tim Tiefenbach; C.W. – Chris Winkler.

Publisher: Deutsches Institut für Japanstudien Tokyo (DIJ).

Person responsible according to the German Press Law: Franz Waldenberger.

Editors: Tobias Söldner (editor in chief), Steffen Heinrich.

Address: DIJ Tokyo, Jochi Kioizaka Bldg., 7-1 Kioicho, Chiyoda-ku, Tokyo 102-0094, Japan.

Tel: +81 (0)3 3222-5077 – Fax: +81 (0)3 3222-5420.