

Path dependence of the employment-based inequalities in Japan

Cases of labor market re-regulation in the 2000s

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1 Aim

It has been nearly two decades since the issues of inequality became a major social problem in Japan. The expansion of non-regular employment is thought of as one of the reasons of the rising inequality. Although there were/are some attempts to fix the gaps such as the emergence of new types of labor movement and the reforms of labor market regulation, the structure of inequality seems to be largely intact. It is intact due to the continuing legacy of “company citizenship” – Japanese version of industrial citizenship – that works as the principle of the negotiated order of (in)equality of the society (Imai 2011). This paper aims to clarify an aspect of its diffusion that reinforces the tendency of path dependence with regard to the structure of inequality (Mahoney 2000).

2 Methods

From the new institutionalist perspective, the diffusion (and the change) of an institution should be measured at the intersections of three institutional pillars and three levels of jurisdiction, societal, organizational and workplace-individual. This paper focuses on the societal level. Drawing evidences

from the discussion at two research committees and advisory councils for the two attempts of labor market re-regulation – revisions of *Paato*-law and Temporary Dispatched Work Law in the 2000s, it is analyzed that how related actors – firm, labor and state – set the agenda, recognize the issues, negotiate and shape the outcomes of re-regulation.

Table 1. Company citizenship – institutional pillars and levels of jurisdiction

	Societal level
Formal norms	Forms and roles of decision-making body & collective bargain
Informal norms	Agenda setting at decision making body
Frame of recognition	How related actors see the situations

3 Results

The reforms resulted in the confirmation of the importance of not excluding male-breadwinners from livelihood security system (TDW Law) and the legitimation of inequality between regular workers and *paato* workers (*Paato* Law). Analyses of the processes and the agenda set in the reforms show that re-regulation was entrenched by strong standard employment centrism (Vosko 2010) and that actors' recognitions are deeply embedded in the company citizenship.

4 Conclusion

Unless there are any efforts to relativize company citizenship by new idea, such as an idea of flexicurity for instance, the current structure of inequalities will not easily be dissolved. Despite the notable efforts to change the situation, it is possible to say that the reforms without the recognition on company citizenship tend to self-reinforce the path dependence of the inequality structure.

References

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