Reforms in Times of Turmoil: The COVID-19 Pandemic as a Critical Juncture for Labour Reform and Institutional Change in Japan

Wijdicks, Olivier

Reforms in Times of Turmoil: The COVID-19 Pandemic as a Critical Juncture for Labour Reform and Institutional Change in Japan

by

Olivier Wijdicks

MA Asian Studies

Leiden University

Student number: 2176378

Supervisor: Dr. C. Wits

Date: 01/07/2023

Word count: 14.863

Table of contents

1 Introduction

The COVID-19 pandemic, caused by the highly contagious coronavirus SARS-CoV-2, has had a significant and far-reaching impact on the world. Since its emergence in 2019, the virus has disrupted societies, economies, healthcare systems, and more. The pandemic has changed daily life as we knew it, as it led to significant social changes and subsequently quickly altered social norms. Social distancing and remote work were just some of the regulations introduced worldwide to fight the spread of the virus and, as a result, many people had to adjust to working in an online environment in a very short period of time.

So too in Japan, the COVID pandemic brought about considerable uncertainty. The 2020 Tokyo Olympics had to be postponed, social and cultural activities were scaled back or cancelled completely, and tourism – a big part of Japan's (local) economy[1] – came almost completely to a halt. All in all, daily life was not just completely disrupted, but also had to be altered rapidly to adapt to these new circumstances. Since the start of the pandemic, there have been almost 34 million cumulative confirmed cases of COVID in Japan, according to the World Health Organization.[2] As of June 2023, Japan may have entered its ninth wave of COVID-19.[3] Even today, the pandemic continues to play an important role in Japan's society, with the government still advising to get vaccinated if at high risk of developing symptoms and taking precautions to minimize cases.[4]

COVID-19 did not just have a massive impact on social life, but also on labour and incomes worldwide. According to the Organisation for Economic Co-operation and Development, a forum for thirty countries to work together on economic, social, and

[1] Japan External Trade Organization, "Japan's tourism market expected to grow again post-corona".
[2] World Health Organization (2023).
[3] Japan Times, "Japan may have entered ninth COVID-19 wave: virus expert" (2023).
[4] Ibid.

environmental aspects on globalisation, the pandemic "triggered one of the worst job crises since the Great Depression."[5] In countries such as the Netherlands, unemployment increased by a massive 56% in the first months of the pandemic.[6] As a result, the government provided several support measures, some of which are still ongoing[7]. Within the cultural sector, for example, theatres, museums, and monuments had to be closed for a long time due to social distancing. As a result, people working in this sector could run out of money and possibly lose their jobs. The government therefore provided hundreds of millions of euros to help restart this sector for the upcoming years.[8] The cultural sector had already been struggling in the Netherlands prior to the pandemic, and this event may just have provided the changes necessary to invoke extra support for this sector.

This is just one example of a government supporting workers and the labour market during the pandemic, which may have lasting changes even after the pandemic has ended. As stated, the pandemic has had a massive impact on Japan, and not just on social life. The Japanese government has also implemented several (temporary) laws to help the labour market during the pandemic. I am interested in whether the introduction of such laws is part of institutional change in Japan as a result of the COVID-19 pandemic. If so, could the pandemic be counted as a critical juncture for institutional change, laying the foundation for a post-pandemic world in Japan? Or were the changes made in Japan during the pandemic purely emergency solutions?[9]

This thesis will pose the following research question: has the COVID-19 pandemic been a critical juncture for institutional change in Japan with regards to the labour market and

---

[5] Organisation for Economic Co-operation and Development, "The impact of COVID-19 on employment and jobs."
[6] Centraal Bureau voor de Statistiek, "COVID-19 impact on labour and income".
[7] Rijksoverheid, "Overzicht steun- en herstelpakket".
[8] Ibid., "Hoofdlijnenbrief cultuur 2022 - Herstel, vernieuwing en groei" (2022).
[9] Takahashi, "COVID-19's Impact on the Labor Market and Policy Responses in Japan" in *Japan Labor Issues Vol. 6*, no 40 (2022), 10.

a better work-life balance for workers? For this thesis, I will look at the *hataraki-kata kaikaku* work-style reforms, as introduced in 2018. Over the past decades, Japan has faced several labour problems, including but not limited to an increasing labour shortage, rampant overwork, and a stiff hierarchical system limiting a healthy work life balance. The first of these, the labour shortage, can be ascribed to various issues, such as Japan's aging population and falling birth-rate, the government's reluctance to accept foreign workers, or dissatisfaction with the institution known as Japan's rigid work culture. Just before the pandemic, the government introduced new work-style reforms for the Japanese labour market: *hataraki-kata kaikaku*. These reforms focused on issues which frequently impact Japanese workers and sought to improve working conditions. With the pandemic's sudden and massive impact on society, one wonders what impact it may have had in a labour market like that of Japan and the newly implemented reforms. Has the pandemic ushered in a new era for Japan's work culture?

In order to answer this question's question, there are a few main subjects I will have to explore. First, I will start with the academic background of institutions and institutionalism. I will investigate the 'Three New Institutionalisms' as described by Hall & Taylor. Hall & Taylor describe three different approaches of institutionalism to analyse social and political issues. Why do Hall & Taylor analyse three different forms of institutionalism? For starters, it allows us to approach issues from different analytical focal points. Each form has its own analytical strengths and weaknesses. Whereas some scholars merely embrace just one of these approaches, Hall & Taylor highlight the importance of interchange between the three institutionalisms.[10] I will explore these findings on institutional change and use them comparatively for Japan during the pandemic.

[10] Hall & Taylor, "Political science and the three new institutionalisms" in *Political Studies 44.5* (1996), 955.

Institutional change is often ascribed to external shocks, where something outside the institution suddenly impacts society on such a broad level. However, scholars like Mahoney and Thelen point out academic literature fails to consider more gradual transformations.[11] As for the COVID-19 pandemic, however, it can be clearly defined as a sudden, external shock. From one day to the next, people were expected to stay inside to prevent the spread of the disease. People had to quickly adapt to this new secluded lifestyle. While this does not exclude the possibility of it having other gradual, endogenous effects on Japanese society, I will focus on the pandemic as an external shock.

With the COVID-19 pandemic creating a 'new normal' for many, long-term implications remain unclear. However, it is no secret that this pandemic has instigated much change in a short period of time. Because of this, I will discuss the notion of COVID as a possible critical juncture for institutional change. For this I will be using the theory on critical juncture by Capoccia and Kelemen, in which they calculate how "critical" a critical juncture actually is.

Next, I will discuss the main focus points of the *hatariki-kata kaikaku* work-style reforms. These reforms were passed in 2018 and the first of these reforms came into effect in 2019. Some of the most important reforms within the *hataraki-kata kaikaku* relate to the practice of rampant overwork hours in Japan, as well as the rigid work culture. *Karōshi* – or 'death from overwork' is an increasingly common headline in Japanese and international newspapers,[12] and the government had proposed various programmes and policies to improve work-life balance for Japanese workers and to reduce *karōshi*. I will examine the various goals of these reforms.

[11] Mahoney & Thelen, "A theory of gradual institutional change" in *Explaining institutional change: Ambiguity, agency, and power* 1 (2010), 2.
[12] Japan Times, "20% of Japan's public health center staff overworked with COVID-19 duties" (2022).

Most importantly, I will analyse the impact of these reforms during the pandemic and see how they have held up. Has the pandemic had any impact on any of these reforms and either accelerated reforms – or merely counteracted them?

Once I have discussed the impact of the pandemic on the reforms, I will use the discussed knowledge on institutional change and critical junctures to analyse if the pandemic indeed has proved to be a critical period for change in Japan regarding labour market reforms and creating a better work-life balance for workers through these reforms.

For this thesis, I will adopt document analysis as my main methodological approach. I will juxtapose changes and reforms of Japan's labour law with the COVID-19 pandemic to see if it has indeed brought new – and perhaps lasting – changes. For this, I will collect documents from Japanese government websites and agencies, such as the Ministry of Health, Labour, and Welfare, but also from English and Japanese (news) articles which have covered either the developments of the pandemic in Japan or those of the labour reforms.

This thesis hopes to contribute to discussions on impact of the COVID-19 pandemic on the *hataraki-kata kaikaku* work-style reforms in Japan. It aims to provide new insight into the pandemic in Japan by applying institutionalist theories.

2 Literature Review

2.1 New Institutionalisms

To start, we have to review our understanding of the term 'institutionalism', or the academical field which examines the roles of institutions in a society. In order to discuss the discourse around institutionalism, then, we have to first to define the meaning of an 'institution'. The term 'institution' has a wide array of definitions. It could, for example, be used to describe physical organisations, such as a large company or a government organisation. Here, however, we will adopt the word's second definition: namely the frameworks surrounding these organisations. Mahoney and Thelen have described institutions as "building blocks of social order".[13] In other words, an institution is a set of man-made rules, which constitute a certain pattern of human behaviour. They can either be formal (laws, regulations) or informal (customs, social norms), or consist of both these elements (marriage, family). This last form of institutions which was typically informal, but often have been adopted into a system of rules endorsed by a third party, such as a justice system.

Institutions also involve sanctions, which as mentioned above have been formally defined and enforced by a third party or have remained informal and have been enforced by 'society'. As an institution is typically a rule, the breaking of such a role implies consequences, be it either social or legal. Furthermore, institutions are not static and are capable of change. Another important part of institutions, as described by Lowndes, is that they maintain a sense of legitimacy and stability over time.[14] After all, can something be really called an institution if it is too flexible and changes all the time?

---

[13] Mahoney & Thelen (2010).
[14] Lowndes, "Varieties of New Institutionalism: A Critical Appraisal" in *Public Administration, Vol. 74,* Issue 2 (1996), 182

The study of institutions and their role in society is known as ‘institutionalism’. As with many academic branches, there have been many different ideas on how to approach the subject matter. For example, in 1996 Hall & Taylor described what they saw as several new forms of institutionalism appearing within political science. They argue these were “developed in reaction to the behavioural perspectives that were influential during the 1960s and 1970s and all seek to elucidate the role that institutions play in the determination of social and political outcomes”.[15] Whereas old institutionalism mainly focused on the analysis of formal institutions, these new approaches tried to incorporate the different historical, social, and cultural factures that shaped institutions and the influence on actors. They therefore defined these three new approaches as historical, rational choice, and sociological institutionalism. Why then do we adhere to different institutionalism, instead of just one? As I will try to point out, these approaches have different ontological and epistemological foundations, and through their varying analytical focal points are able to offer different analytical strengths and weaknesses.

Before we define each of these forms, Hall & Taylor introduce another important question within their argument, which they claim is central to institutional analysis, namely how institutions affect the behaviour of individuals. Indeed, it is an important question, and Hall & Taylor argue that the new institutionalisms can offer two main responses: either a ‘calculus approach’, or a ‘cultural approach’. The calculus approach seeks to understand human behaviour through ‘strategic calculation’. In other words, this approach emphasizes that actors make rational and logical choices to maximize their own benefits. On the other side of the coin, the cultural approach focuses on the role of norms, values, and cultural meanings within institutions. Institutions are not just a set of logical rules, but also carry a

[15] Hall & Taylor (1996), 936.

certain cultural or symbolic significance. That is to say, cultural factors play a significant role in guiding human behaviour.

To start off, then, we will discuss the form of new institutionalism which adheres to the calculus approach: rational choice institutionalism. As the name implies, rational choice institutionalism argues human behaviour is guided through a fixed set of behavioural assumptions. It assumes that actors make rational choices based on weighing the benefits and drawbacks associated with said choices. Critics of the approach may highlight the somewhat simplistic characterization of human motivation, though it has proven useful to describe actions made in periods of long-time uncertainty.[16] The calculus approach is a central element of rational choice institutionalism, as they both focus on utility maximalization.

At the other end of the spectrum, there is the approach of sociological institutionalism. In this form of institutionalism, institutions are seen a shared scripts of behaviour, which are beyond agency. Here, it defines institutions to not just include formal, but also more informal sets of rules. As Hall & Taylor describe: "Such as a definition breaks down the conceptual divide between *institutions* and *culture*".[17] In a way, culture itself could therefore be defined as an institution. Critics say that this trend in sociology could miss its mark, however, as it risks leaving out the actor out of the actions, instead mainly focussing on the sociological trends. Sociological institutionalism sits on the side of the cultural approach, by emphasizing the active reciprocity between individual actions and institutions.

Lastly, there is historical institutionalism, which aims to draw attention at historical factors within the evolution of institutions. It focuses on the trajectory and evolution of (large) institutions over long periods of time, as well as the persisting features of certain structures within these institutions. It illustrates how core concepts emphasize stability over

[16] Ibid., 950.
[17] Ibid., 947.

change and structure over agency. A key feature of historical institutionalism is 'path dependence'. Path dependence suggests that historical events may have paved a path which is difficult to deviate from in the future. In other words, new choices are based on historical preference, as past decisions have a lasting impact. A famous example of path dependence is the argument by Paul David on the use of the QWERTY layout on keyboards: because young typists learned to type on such a keyboard, it became the most used layout.[18] An example which is more concrete in Japan's history would be that of the inclusion of Article 9 in the Japanese constitution, which prohibits the use of war as a means to settle international disputes. Due to the addition of this article and the results of the US-Japan Security Treaty in 1951, the Japanese government starting with Prime Minister Shigeru Yoshida could mainly focus on economic reconstruction after the war. Under this 'Yoshida Doctrine', Japan developed as a 'developmental' or 'strategic' state[19] and became one of the biggest economic powers during (and even after) the Cold War period. The concept of path dependence shows the power and constraints of historical events.

Historical institutionalism sits between the calculus and cultural approach. It is an eclectic form of institutionalism, drawing upon and integrating a wide range of theoretical and methodological approaches. However, while it may offer a broader perspective on certain issues, it focusses less on how institutions affect behaviour.[20]

All of these different approaches to institutionalism have their own advantages and disadvantages. For this thesis, historical institutionalism will prove to be very useful to analyse the impact of the pandemic on Japan. If the historical institutionalist school is thought is applied, Japan ought to be on a certain path. After all, through the concept of path

[18] La Croix & Kawaura, *Institutional Change in Japan* (2006), 19.
[19] Johnson, "The Developmental State, Odyssey of a Concept", in Meredith Woo-Cumings ed. *The Developmental State* (Ithaca: Cornell University Press, 1999), 33-34.
[20] Hall & Taylor, 950.

dependence, institutions develop through earlier choices in the past, which as a result makes it hard to change course or adapt different policies. In a sense, there are certain barriers to change, as institutions may be resistant without, for example, an external shock. Then, what would happen to this path in the case of a massive global shock, such as a pandemic? Would an external shock be able to let institutions diverge from the current path and institute change? In the next chapter, the theory behind external shocks will be discussed. Nevertheless, historical institutionalism and the idea behind path dependence and external shocks will be a key part of this analysis.

2.2 External Shocks

There is currently a divide in institutionalist discourse. For a long time, scholars have argued that institutional change is the logical result of immediate exogenous (or external) shocks. These shocks are outside of the institution, such as globalization, social movements, or technological advancements. Such shocks can show the vulnerable state of certain institutions.

However, this can lead to a stability bias, as change is therefore continuity in a new form.[21] Rational choice institutionalism ends with institutions as an equilibrium; sociological institutionalism states institutions are shared scripts of behaviour, beyond agency; historical institutionalism argues institutional arrangements are locked in through path dependency. Through this logic, change is only possible through external shocks, which means institutions by themselves cannot change. In real life, however, this is not always the case. How then do we overcome this struggle to explain change?

[21] Fleckenstein, "Learning to Depart from a Policy Path: Institutional Change and the Reform of German Labour Market Policy" in *Government and Opposition, Vol. 48*, Issue 1 (2013).

The theorical response by scholars has been that institutional change is actually the result gradual (endogenous) change over time. Scholars such as Greif & Laitin provide a theorical framework that explains how institutions can change from within.[22] Even though the endogenous sources of institutional change have gained a lot of focus over the last years, a worldwide event such as a pandemic – especially in this day and age, where international travel is the status quo – seems to embody one of the biggest external shocks for institutions there is. From one day to the next, the streets were empty, followed by a surge in people wearing masks. If you would refuse to wear a mask in a public area, such as a train or shop, it would most likely result in glances of disapproval or contempt by others. While these were the result of formal institutions mandating the use of masks, it would not hold water if people did not adhere to it. However, those who did not adhere to this institution would often be signed off as half-witted. In a way, the pandemic resulted in a formal institution held up by social norms.

Nevertheless, the institution of wearing masks in public places has all but worn off in most places – except for places where it was already part of the established institutions, such as Japan. For a few years, it had become the new status quo to wear masks – even though it brought some (political) turmoil as some refused to wear one – but now the situation has mostly revered back to before the pandemic. However, people might be inclined to wear one sooner if it were to become necessary again, due to the experiences because of the pandemic. This ties in with the critical juncture theory, a building block of historical institutionalism.

[22] Greif & Laitin, "A Theory of Endogenous Institutional Change" in *American Political Science Review* 98, no. 4 (2004).

2.3 Critical juncture theory

To discuss the theory on critical junctures, it is imperative to first clarify the meaning of a 'critical juncture'. Capoccia and Kelemen refer to critical junctures as "relatively short period of time during which there is a substantially heightened probability that agents' choices will affect the outcome of interest."[23] In other words, a critical juncture is a short, rare moment or period of uncertainty in which significant changes occur easily and have long-lasting effects on institutional systems. A couple key phrases in this definition define a critical juncture. First, it has to be short, at least relative to the effects it sets in motion. Second, institutional change must be easier during this period compared to before or after the juncture.

The critical juncture theory is an important part of historical institutionalist discourse. For many scholars, institutional change is the result of a gradual or endogenous process; institutional arrangements are locked in, for example through path-dependence. Scholars like Mahoney and Thelen have focused on these endogenous sources of institutional change.[24] After all, if these arrangements are totally locked in, institutional change can only change through something outside of the institution (i.e., an external shock) and institutions would almost never change. Therefore, institutional change must also be possible from within the institution, through a gradual process.

Yet, just a few years ago we witnessed a massive external shock which did not just shake institutions in Japan, but all around the world, namely the COVID-19 pandemic. This pandemic is a great example of an external or exogenous shock. It is important to differentiate between an exogenous shock and a critical juncture, however. After all, not all shocks are critical junctures, and not all critical junctures are necessarily caused by shocks.

---

[23] Capoccia & Kelemen, "The Study of Critical Junctures: Theory, Narrative, and Counterfactuals in Historical Institutionalism" in *World Politics* 59, no. 3 (2007), 348.
[24] Mahoney & Thelen (2010).

Nevertheless, while one does not necessarily constitute the other, they do not exclude each other either: an external shock can also be a critical juncture and vice versa.

Capoccia and Kelemen propose a formula on calculating how “critical” a critical juncture actually is. This formula is comprised of a probability jump and a temporal leverage. The probability jump relates to what extent certain outcomes of interest become more likely in relation to a critical juncture. The greater this probability, the more critical the juncture. The temporal leverage relates to the duration of a critical juncture relative to the duration between the juncture and the outcome of interest. The shorter the leverage, the higher the probability jump.

When looking at the possibility of the COVID-19 pandemic as a critical juncture, then, these factors should be considered, according to Capoccia and Kelemen. For example, regarding the implementation of labour reforms, how has the pandemic impacted the implementation relative to the planned timeline before the pandemic? Have there been new additions to improve labour conditions during the pandemic, and if so, will they remain after the pandemic? First, it is important to discuss institutionalist discourse on Japan and introduce some previous institutionalist changes.

2.4 Institutionalism in Japan

Japan has often been subjected to institutional change. The country underwent massive economic growth for more than forty years yet endured an equally as massive stagnation during the 1990s. In order to adapt to these changes, Japan had to get a good look at its economic institutions to see if they were able to adapt to the new economic environment. The book ‘Institutional Change in Japan’, edited by Blomström and La Croix, addresses such changes and describes the history of institutional change in Japan. For

example, the end of the Second World War brought about the Occupation of Japan by the United States, and the subsequent Security Treaty in 1951 would define Japan's foreign politics for years to come. Institutional changes would also reach the labour market and lay the groundwork for Japan's 'lifetime employment' system as a result of labour unrest during the 1950s.[25]

Despite experiencing institutional change over the years, however, scholars have found that Japan's progress and response to crisis has been relatively slow. Following the end of the Second World War, Japan underwent a period of rapid change in its economic landscape.[26] This came to a halt in the early 1990s, when Japan's economic asset price bubble burst, which led to a prolonged period of stagnation which came to be known as Japan's 'lost decades'. While this kind of economic depression and subsequent response is not necessarily unique to Japan,[27] much-needed economic reforms have remained slow and the country has ultimately never seen the same heights in GDP growth as it once experienced.[28]

One contributing factor to the country's slow change could be the political stability provided by the long-standing dominance of the Liberal Democratic Party (LDP). Founded in 1955 through a merger of two other parties, the LDP has enjoyed an almost continuous reign in Japanese politics in what came to be known as the 1955 system, also known as the 'one-and-a-half party system'. This system was characterized by factionalism within the LDP, a conservative political agenda, iron triangles between government, bureaucracy, and businesses, and of course a certain sense of stability. Due to the LDP's conservative nature and their almost uninterrupted rule, innovations may have been held off.

[25] La Croix & Kawaura (2006), 31.
[26] Ibid., 28.
[27] Ibid., 32.
[28] The World Bank, "GDP growth (annual %) – Japan".

One example of stability over innovation is that of Japan's work culture. Japan's work culture is known for its long working hours and poor work-life balance, hierarchical structure, long-time limited participation by women, and gender inequality. Over the years, the government has sought to address (some of) these issues. For example, the LDP came back to power in 2012– after the Democratic Party of Japan (DPJ) had been ousted from government after a not so successful period of power – with Prime Minister Shinzo Abe back for his second administration (he was PM for a brief time in 2006-2007). For his second term in office, Abe introduced the concept of 'Abenomics', a style of economic reforms which consisted of monetary easing, stimulus packages and structural reform to combat Japan's economic recession and spark new growth in Japan's economy.

Part of Abenomics was the so called '*Womenomics'*, reforms that would allow more women to join the Japanese workforce. The idea behind *Womenomics* was to both shrink the gap between male and female labour force participation and representation, and to combat Japan's shrinking workforce. It was brought as a "society where women could shine". Japan was renowned for its tenacious 'M-curve', used to describe a sudden drop of female labour participation as women leave the labour force in order to take care of children, and then later re-enter it. Some scholars, however, have argued that Abe has done very little to actually address policy issues regarding women in the Japanese labour market, only focussing on the demographic issues of getting women in the workforce.[29] The fact that it is very hard for women to make a career in politics probably does not help either – which is partly due to the LDP's patriarchal understanding of Japanese society.

Womenomics was just a small part of the Abe administration's attempt at rejuvenate the labour market. As Vogel describes, "As Japan shifted from labour surplus to labour

[29] Neary, *The State and Politics in Japan* (Cambridge: Polity Press, 2019).

shortage, the government became […] more concerned about how to increase the workforce and to recruit and retain workers".[30] For example, Japan embraced more worker-friendly policies as part of a shift towards 'work style reforms' (*hataraki kata kaikaku*) as announced in 2015 and passed in 2018. These reforms supposedly marked a notable change in the approach to labour practices by the Japanese government, such as providing opportunities for flexible work.

On the other hand, critics on this issue such as Shibata have argued that gig work (a form of flexible work in Japan, but not the same as irregular work) may have promoted 'fictious freedom'.[31]

As shown above, the Liberal Democratic Party under Abe has tried to tackle issues risen within the Japanese labour market, through reforms such as *Womenomics* and the *hataraki-kata kaikaku*. However, critics have shown these reforms may not have been as useful as the government claims they are. Furthermore, the third arrow of Abenomics has also deemed to be a failure, and critics argue Abe could have achieved more within the fortuitous circumstances of his presidency (almost no opposition or domestic crisis, a relatively positive economic outlook by 2013).[32]

This information will be useful to discuss the *hataraki-kata kaikaku* work-style reforms. In the next chapter, I will discuss Japan's demographic dilemma and labour shortage, and other reasons for the reforms to be introduced by the Japaanese government in 2018.

---

[30] Vogel, "Abe's Slight Left Turn: How a Labor Shortage Transformed Politics and Policy" In *The Political Economy of the Abe Government and Abenomics Reforms*, edited by Takeo Hoshi and Phillip Y. Lipscy (Cambridge: Cambridge University Press, 2021), 271

[31] Shibata, "Gig work and the discourse of autonomy: Fictitious freedom in Japan's digital economy" in *New Political Economy* 25.4 (2020), 535.

[32] Neary (2019), 248.

3 Hataraki-kata kaikaku, Japan's new work-style reforms

3.1 Japan's demographic dilemma & labour shortage

Japan is facing a large demographic dilemma and subsequently, a labour shortage. First off, Japan is facing the demographic shock of an aging population. According to the Statistics Bureau of Japan, Japan counted more than 36 million people over the age of 65 in 2021, making up almost 29% of the Japanese population.[33] Many people in Japan work past the retirement age of 60, often no longer as regular employee but rather as a contract worker.[34] The fact remains, however, that a large amount of care is needed for an increasing number of elderly people in Japan by a decreasing number of caregivers.[35]

While Japan's population is aging, it is also rapidly shrinking. Recently, Japan's birth-rate has dropped to a new record low. As of 2022, the birth-rate in Japan is 1.26, a significantly smaller amount than the perceived rate needed to maintain a population.[36] Whereas around 29% of Japan was over the age of 65 in 2021, the number of children from zero to fourteen years old was a mere 15 million, or just around 12% of the total population.[37] These numbers show the massive difference between Japan's age groups, resulting in an inverted population pyramid with the amount of elderly people in Japan more than doubling the number of children under the age of fourteen. It is expected that Japan's population will drop to around two-thirds of the current amount in less than fifty years.[38]

The rapid decreasing population of Japan has subsequently led to massive labour shortages. In order to face these shortages, the Japanese government had to shift their focus to

[33] Statistics Bureau of Japan, *Statistical Handbook of Japan 2022* (2022).
[34] Nippon.com, "Two in Three Still Working Past Retirement Age of 60 in Japan" (2013).
[35] Higuchi, "New Blood Needed in Caregiving Field, Where the Elderly Serve the Elderly" in *The Japan News* (2023).
[36] Associated Press News, "Japan birth rate hits record low amid concerns over shrinking and aging population" (2023).
[37] Statistics Bureau of Japan, *Statistical Handbook of Japan 2022* (2022).
[38] Nippon.com, "Japan's Population Projected to Fall to 87 Million in 2070" (2023).

maintaining as much workers as possible, if not increase the workforce all together. Shinzo Abe was well-known for his infamous approach of advocating empowerment of women and stimulating them to join the Japanese work environment through his policy of '*Womenomics*'. Scholars remain sceptical regarding the success of this policy, however, due to its failure to actually address and advance gender equality for women.[39] Nevertheless, it at least shows an interest of the government to address certain labour shortage issues.

The Abe administration went on to announce a reform of Japan's labour laws in 2015. These reforms were set to challenge the less desirable aspects of Japan's work culture, such as its long work hours and a relentless focus on productivity and would implement more worker-friendly policies.

3.2 The way we work will change

"*Hataraki-kata ga kawarimasu!!* (The way we work will change!!)" This is the title of a pamphlet published by the Japanese Ministry of Health, Labour, and Welfare (*kōsei-rōdō-shō*) in January of 2019.[40] This pamphlet described several upcoming changes regarding work in Japan through the work-style reforms. Another pamphlet, released in April of 2019 (the month in which the first of the reforms came into effect), read: "Towards the realization of a society in which all one hundred million people are dynamically engaged."[41] It portrayed the reforms as a means to creating a society where workers could choose various work styles which best suit their own circumstances and it promised to take measures to ensure fair working conditions.

---

[39] Macnaughtan, "Womenomics for Japan: is the Abe policy for gendered employment viable in an era of precarity? 日本にとってのウーマ ノミクス　安部政権、雇用政策のジェンダー化はプレカリアートの時 代に実現可能か" in *The Asia-Pasific Journal, Vol. 3*, Issue 3 (1) (2015), 15.
[40] Ministry of Health, Labour and Welfare of Japan 厚生労働省 (2019).
[41] Ibid.

Talks regarding labour market and labour law reforms had already started during the first Abe administration (September 2006 to September 2007).[42] However, due to Abe's pension record scandal such a reform bill could not be enacted during this time and Abe was forced to leave his position as Prime Minister. Nevertheless, Abe got his second wind after the overwhelming defeat of the Democratic Party of Japan (the ruling party in Japan between 2009 and 2012), allowing him to become Prime Minister once again and to restart the discussions on labour changes.

In 2015, the third Abe cabinet started the discussion on reducing overtime work and reviewing the flexitime system.[43] Japan's flexitime or discretionary labour system (*sairyō rōdō-sei*) has been under scrutiny several times over the years. Through this system, the employer and the employee agree to a set number of hours of work, rather than calculating hours worked.[44] In theory, it would be possible for the employee to go home early after finishing the required amount of work and still receive the same salary. In practice, however, work hours are often unclear, leading to massive amounts of overwork and in some cases death or suicide from working.[45] There was even a Japanese term coined to describe the occurrence of death from overwork: *karōshi*.

Karōshi is not just a result of flexible work, however; regular employment in Japan often leads to overwork too – and subsequently, may result in *karōshi*. The rigid work culture in Japan often forces employees to stay long after regular working hours. Putting in hours, even if they are not necessarily fruitful, shows a certain dedication to your work. Additionally, taking too much time of work will potentially bring about repercussions at

---

[42] HRpro. "Rōdō bigguban 労働ビッグバン" [Labour big bang].

[43] Ministry of Health, Labour and Welfare of Japan 厚生労働省, "Kikaku gyōmu-gata sairyō rōdō-sei 「企画業務型裁量労働制」" [Discretionary labor system for planning work].

[44] First & TandemSprint LPC, "Japan Business Law: Discretionary Labor System" (2018).

[45] McCurry, "Japanese woman 'dies from overwork' after logging 159 hours of overtime in a month" in *The Guardian* (2017).

work, even if you are entitled to a holiday. According to government statistics, Japanese workers were granted an average of eighteen paid vacation days in 2018, of which just more than half of them (52.4%) took a mere 9.4 days off.[46] Unfortunately, the combination of overwork and little to no days off sometimes – yet too often – proves to be fatal. These work-related deaths due to excessive amounts of overwork were one of the reasons to institute labour law reforms for the Japanese government.

3.3 New work-style reforms and goals

The "Law Concerning Development of Related Laws to Promote Work-style Reform" (*hataraki-kata kaikaku o suishin suru tame no kankei hōritsu no seibi ni kansuru hōritsu*), or *hataraki-kata kaikaku*, was promulgated to the Japanese Diet on July 6th, 2018. In the cabinet order, it promises a "comprehensive promotion of labour measures, employment stability and working life of workers."[47] The first of the new *hataraki-kata kaikaku* labour law reforms came into effect on April 1st, 2019, and were comprised of several goals to improve and reform the Japanese working environment.

In March of 2020, on the cusp of the COVID-19 pandemic, the Japanese government released a 73-page document explaining the *hataraki-kata kaikaku*, detailing the reasons for the reforms and an overview of the revisions.[48] It states that Japan has to respond to modern challenges, such as the declining working-age population, declining birth-rate, and aging

[46] Ministry of Health, Labour and Welfare of Japan 厚生労働省, "Kekka no gaiyō 結果の概要" [Summary of results].
[47] Ibid.
[48] Ibid., "Hataraki-kata kaikaku o suishin suru tame no kankei hōritsu no seibi ni kansuru hōritsu' ni tsuite「働き方改革を推進するための関係法律の整備に関する法律」について" [Regarding the "Law Concerning Development of Related Laws to Promote Work Style Reform"] (2020).

population. Furthermore, it aims to increase productivity through expanding employment opportunities and considering the diversification of the needs of employees.

First off, it concentrates on the expansion of the flexitime system (Article 32.2). The system should allow for workers to combine their work and lives by setting their own working hours. The expansion seeks to extend the period during which these hours can be adjusted, making it possible to work more flexibly. One way to enforce this is by extending the settlement period (*seisan kikan*) for flexible workers from one to three months. According to Kotobank, the definition of *seisan kikan* is "a period that is a unit that determines the number of hours workers should work under the flexitime system. For example, one month from the 26th of each month to the 25th of the following month is set as a settlement period, and the total working hours during that period is 160 hours."[49] Therefore, by extending this period, the reform enables more flexible working styles.

Following after the revisions of this system are the new upper limits on overtime work (Article 36). The article explains that long working hours impede on creating a healthy work-life balance and hinder career development for women and family participation for men. These problems are also connected to Japan's low birth-rate. Children born out-of-wedlock make up around 2 to 3% of all children born.[50] However, marriage rates in Japan have gone down drastically for years. In 2022, the health ministry found the number of marriages to be the lowest in almost eighty years.[51] Reasons for this steady decline in marriages range from a shift in attitude towards marriage to the high costs of maintaining children. This decline is also often ascribed to the difficulties of maintaining a work-life balance.[52] According to this

[49] Kotobank コトバンク. "Seisanki kan せいさん-きかん【清算期間】" [settlement period].
[50] Organisation for Economic Co-operation and Development, "SF2.4: Share of births outside of marriage" in *OECD Family Database* (2022).
[51] McCurry, "Record number of young people in Japan rejecting marriage, survey shows" in The Guardian (2022).
[52] Raymo, Uchikoshi & Yoda, "Marriage intentions, desires, and pathways to later and less marriage in Japan" in *Demographic research, Vol. 3* (2021), 68.

government document, the reforms seek to ease these difficulties, but this could also hint at the government's interest to reinvigorate Japan's birth-rate.

` To realize this second reform, The document states that "overtime work and work on holidays should be kept to the minimum necessary, and labour management should be fully aware of this."[53] The document even acknowledges that long hours and overwork are associated with *karōshi*. The maximum amount of overwork was to be reduced to 45 hours per month, or 360 hours per year. Only in special circumstances would overwork be allowed, and if this is the case, efforts should be made to limit it as much as possible. For those who do overwork, health of the worker should be considered, for example through health check-ups, or restrictions on late-night work.

The third part of the *hatari-kata kaikaku* information document discusses the certain acquisition of five days of annual paid leave (Article 39). As mentioned, only half of the Japanese workers would actually make use of their paid leave. The labour reform acknowledged this hesitation from workers and from April 2019, companies would have to require workers (including managers and supervisors) to take at least five days of annual paid leave, as to "refresh the mind and body of the workers."[54] The next target would be to raise this duration from five to ten days. If an employee fails to take these five days off, they could even be fined for up to 300-thousand-yen, equivalent to around two thousand euros.

Next, the document describes the establishment of the "high-skilled professional system (Article 41.2). This system (*kōdo purofesshonaru seido*, often shortened to *kō puro*) exempts certain workers with advanced specialized knowledge from being subjected to working hours regulations. This system targets businesses such as development of financial

[53] Ministry of Health, Labour and Welfare of Japan 厚生労働省 (2020), 12.
[54] Ibid., 15.

products, asset management, market trend analysis, or other business where the correlation between time spent and the results obtained are not necessarily high. This does mean, however, that people under this system are exempt from Japan's Labour Standards Act, as certain restrictions on working hours will be abolished. While workers are allowed to come and go whenever they decide, the system seems to work counterproductive regarding the prevention of rampant overwork and *karōshi*.

Furthermore, the reform would raise premium wage rates for overtime work exceeding 60 hours per month. This was now set at 50% or more for small and medium-sized business owners. The document then goes into detail about the revision of other related laws and regulations.

In summary, the Work Style Reform Legislation as passed in 2018 would revise the flexitime system, address rampant overwork, obligate annual paid leave, establish a "high-skilled professional system", and raise premium wages for overwork over 60 hours. The first parts of these reforms came into effect in April of 2019. By now, four years have passed since the enforcement of the new reforms – in normal circumstances, researchers might have been curious about the effects these reforms had had on the Japanese labour system. However, just a year after these laws came into effect, the world was thrown into disarray – and so was Japan. Suddenly, we had to adapt to very new and very uncertain circumstances in a very short time. The COVID-19 pandemic threw a spanner in the works of the Japanese work environment and may have impacted the path of these reforms. On the other hand, these uncertain times may have even accelerated social change and labour reforms in Japan. In the next chapter, I will discuss the application of the Work Style Reforms during the COVID-19 pandemic.

4 Work-style reforms and the pandemic

How has the COVID-19 pandemic influenced the labour market and possibly altered the timeline of the *hataraki-kata kaikaku* work-style reforms? In this chapter, I will focus on some of the main issues the *hataraki-kata kaikaku* work-style reforms focus on and analyse their endurance during the pandemic: creating an environment that facilitates flexible working styles; correction of long working hours; ensuring fair treatment regardless of employment status; and raising wages and improving labour productivity.

4.1 Flexible working during the pandemic – telework

To start, let us first discuss this creation of an environment that facilitates flexibility, by looking at the 'Communication Usage Trend Survey' (*tsūshin riyō dōkō chōsa*) as released by the Ministry of Internal Affairs and Communications (*sōmu-shō*). According to this survey, the percentage of companies that had introduced telework in 2019 was 20.2%.[55] Telework constitutes as "a form of flexible work style which utilizes Information and Communication Technology, which is not bound by a time or place."[56] Telework has been around for a while in Japan yet has been reappeared at the forefront due to government advertisement. One pamphlet released by the Ministry of Health, Labour and Welfare, for example, details various businesses who have experienced success with telework.[57] It describes various positive aspects of telework and shares the success of various companies from all sorts of sectors, such as the manufacturing, social welfare, and informative businesses, and more.

---

[55] Ministry of Internal Affairs and Communications 総務省, "Ryō wa gan'nen tsūshin riyō dōkō chōsa no kekka 令和元年通信利用動向調査の結果" [Results of the 2019 Communication Usage Trend Survey] (2020).

[56] Ministry of Health, Labour and Welfare of Japan 厚生労働省.

[57] Ibid.

As for the type of telework introduced, the percentage of “mobile work” was the highest at 63.2%. Mobile work is a form of telework that allows employees to work anywhere at any time, such as in cafes, hotels, or even cars.[58] Especially the finance and insurance and the information and communications industries stand out, with a 40.7% and 46.5% introduction ratio respectively. The number of companies introducing telework had been on a steady increase since 2016.

Reasons given for introducing telework within a business vary, with shortening travel time and avoiding congestion (46.8%), improving the work-life balance of workers (46.9%), and improved productivity and work efficiency (68.3%) making up the three most frequently given answers of workers for using telework. Noticeably, this second reasoning (improving work-life balance) shows the biggest increase of answers given from 2018 to 2019 with 25.2%. ‘Shortening travel time’ actually became a bit less of a popular answer, dropping with 1.7%, with every other reasoning given experiencing at least some form of an increase.

Already before the pandemic, the slow but steady increase of telework shows a growing focus on new flexible work – perhaps partly due to the introduction of the *hataraki-kata kaikaku*. How, then, has COVID influenced the focus on increased flexibility? Looking at the results of an emergency survey conducted by Tokyo Metropolitan government in April of 2020, the introduction rate of telework amongst companies in Tokyo (with 30 workers or more) had already increased significantly in a month after the start of the COVID-19 pandemic.[59] In March of 2020, with a response rate of almost 60%, just around a quarter of companies indicated that they had introduced telework, with 5% stating plans to introduce

[58] Hitachi Solutions, . “Mobairuwāku to wa? Zaitaku kinmu to no chigai ya dōnyū no pointo o kaisetsu モバイルワークとは？在宅勤務との違いや導入のポイントを解説.” [What is mobile work? Explaining the difference from working from home and the points of introduction]

[59] Tokyo Metropolitan Government 東京都庁, Terewāku ‘dōnyū-ritsu' kinkyū chōsa kekka テレワーク「導入率」緊急調査結果” [Telework "introduction rate" urgent survey results] (2022).

this at a later date, and 71% having no future intentions to do so. Just a month later, the number of companies with telework had increased to a staggering 62.7%, showing a growth of nearly 40%. Just 31.2% of companies still had no plans to introduce it, with 6.1% showing plans. In other words, in just a month the number of companies which had introduced, or were planning to introduce, telework had more than doubled due to the COVID-19 pandemic. The pandemic may have therefore inadvertently accelerated an important part of the *hataraki-kata kaikaku* reforms, by creating an environment that has to facilitate more flexible working styles such as telework.

The survey by the Tokyo Metropolitan Government was, of course, conducted during a critical period of the pandemic in Japan, relatively short after it had been declared a national emergency,[60] and held in a densely populated area in Japan. Have these implementations stood up to the test of time, how do other regions in Japan compare, and have there been any implications on the use of telework over the years? Is Japan still using telework as a flexible alternative to offices?

Since June of 2021, the Cabinet Office (*naikaku-fu*) has been releasing a "Survey on Changes in Lifestyle Awareness and Behaviour Under the Influence of the New Coronavirus Infection" (*shingata koronauirusukansenshō no eikyō-ka ni okeru seikatsu ishiki kōdō no henka ni kansuru chōsa)* around every half year (sometimes the time between surveys was a bit longer).[61] The latest survey, released on April 19th, 2023, includes a detailed graph

[60] Yomiuri Shimbun 讀賣新聞/読売新聞, "Shushō, shingata korona `rekishi-teki kinkyū jitai'... Gijiroku sakusei o gimudzuke e 首相、新型コロナ「歴史的緊急事態」...議事録作成を義務付けへ" [Prime Minister obliges preparation of records of proceedings of COVID-19... historic emergency"] (2020).
[61] Cabinet Office 内閣府, "Dai rokkai shingata koronauirusukansenshō no eikyō-ka ni okeru seikatsu ishiki kōdō no henka ni kansuru chōsa 第６回　新型コロナウイルス感染症の影響下における生活意識・行動の変化に関する調査"[The 6th Survey on Changes in Lifestyle Awareness and Behavior Under the Influence of the New Coronavirus Infection] (2023).

regarding the implementations of telework in various industries and regions in Japan since December of 2019.

First, the graph shows a massive increase in the use of telework from December of 2019 to May of 2020 across the board. Even though there was a small decrease to December of 2020, this number has seemingly stabilized over the past years, leading to a percentage of 30% telework nationwide in April of 2023. Within these numbers, around 51.6% of businesses in the Wards area of Tokyo Metropolis (*tōkyō-to kubu*) use telework in 2023, compared to only 23.1% of local areas in Japan. The information and communications industry experienced a massive increase to around 73.9% (compared to 46.5% in 2019), the electricity, gas and water industry comprising of 44.3% out of telework, and the finance industry remaining nearly the same as a few years earlier with 42.7%. While not all industries have given way to facilitating as large a part of work to telework as the information and communications industry, they all at least show a significant increase during the pandemic.

Especially during the first months of the pandemic, many people would use telework 100% of their job, with almost a quarter of workers in the Tokyo area not going to the office. In the later stages of the pandemic, this number decreased again, but for many it is still a combination of going to the office and making use of telework. However, there have also been issues raised regarding telework, mainly concerning lack of communication, security concerns, but also the blurring of boundaries between work and life, with overwork as a result.

Looking at these statistics, it looks as if the pandemic has indeed stimulated the use of flexible or ‘telework’. The survey by the Tokyo Metropolitan Government shows a massive increase in telework for this area in the first month after COVID-19 was declared a national emergency. Following that, the government survey confirms these numbers by presenting an

increase in telework over the years, in various businesses, both in the Wards of Tokyo as well as more local areas. Indeed, the pandemic may have accidentally promoted one of the focal points of the work-style reforms. However, the response to the increase in telework has not all been positive. While it was not necessarily made mandatory by the government, as a state of emergency in Japan does not necessarily mandate a lock-down as done in other countries,[62] many businesses did mandate telework for their workers. Telework had been around for a while, but the sudden need for telework due to the 'emergency' aspect did take many by surprise and may have inadvertently deterred some from such work in the future.[63]

Recently, many businesses have chosen to end telework in favour of returning the office. Reasons given vary from an 'increased risk of information leakage', 'difficulties to manage the work of subordinates', or the 'frequent misunderstandings', all due to telework.[64] On the other hand, however, many people have indicated that they would like to continue to telework, experiencing favourable working conditions when compared to work in the office.[65] Some even decided to move to the countryside to experience a healthier work-life balance away from the big cities, such as Tokyo – which was only possible because of the now frequent use of telework in companies.[66] If people are no longer necessarily obligated to go to an office every day, new possibilities open up for workers to experiment with flexible lifestyles.

If anything, the pandemic gave rise to more opportunities for telework in Japan and more people could encounter this form of flexible work an experienced both its pros and cons.

---

[62] Magnier-Watanabe et al., "COVID-19 and mandatory teleworking from home in Japan: taking stock to improve satisfaction and job performance" in *International Journal of Organizational Analysis* (2022), 2.
[62] Takahashi (2022), 1
[63] Ibid., 2.
[64] LegalSearch, "Terewāku shūryō wa ihō!? Kyōsei shussha wa kyohi dekiru? テレワーク終了は違法！？強制出社は拒否できる？"[Ending telework is illegal!? Can compulsory attendance be refused?] (2021).
[65] Magnier-Watanabe et al., 2.
[66] Udea, "Urban exodus in cards as people find freedom in teleworking" in *The Asahi Shimbun* (2020).

Telework – and flexible work, to that extent – seems to have a place for the foreseeable future in Japan. However, will this actually help reduce the amount of overwork hours in Japan. Next, I will discuss various implementations by the government to address the rampant overwork in Japan, and to what amount of success.

4.2 Overwork in Japan

The *hataraki-kata kaikaku* workstyle reforms reiterate three main points to combat rampant overwork in Japan.[67] The first of these is to introduce a cap on overtime. The second is reviewing premium wages for overtime work exceeding 60 hours per month. The third is a reliable acquisition of a certain number of days of annual paid leave. As to oversee that such efforts would properly be promoted, the Ministry of Health, Labour and Welfare already established a Headquarters for Reduction of Long Working Hours (*chōjikan rōdō sakugen suishin honbu*) in 2015. On the Ministry's website, it is highlighted that one of the key objectives of these Headquarters is to take measures to reduce, if not eliminate, deaths from overwork.[68] After all, overwork plays a big part in *karōshi*.

Unfortunately, the pandemic has had a major impact on the working environment. In a 2021 white paper by the Ministry of Health, Labour and Welfare,[69] it was noted that pandemic had led to some workplaces suffering from labour shortages. To make up for these shortages, however, other workers had to fill in – which again, led to overwork. In 2022, over 20% of health care personnel suffered from overwork due to the pandemic. According to the

[67] Ministry of Health, Labour and Welfare of Japan 厚生労働省 (2020).
[68] Ibid.
[69] Ibid., 2021.

Japan Times, many workers indicated that they had overworked for around 80 hours, a "threshold that could raise the risk of *karōshi*."[70]

In August of 2021, the MLHW released the results of an investigation conducted by the Labour Standards Inspection Office (*rōdōkijunkandokusho*) in 2020,[71] who targeted more than 24 thousand workplaces. For this investigation, they sought out to check companies where it was believed that the number of overtime working hours exceeded eighty hours per month. Around eighteen thousand companies were found to have violated the Japanese Labour Standards Act. From these eighteen thousand, almost nine thousand businesses (or 37%) who were targeted were confirmed to enable illegal overtime. Of these 24 thousand workplaces, around 33.5% allowed for over 80 hours overtime per month, 21.1% for over 100 hours per month, 4.7% for over 150 hours per month and just around 1% for more than 200 hours per month, or around 93 companies. Measures to prevent health problems due to overwork had not been implemented by more than 4600 workplaces (19.2%)

Comparatively, a smaller number of offices had violated the Labour Standards Act than a year before. "Only" 73.2% of offices in 2020 had violated the law when compared to 2019's 78.1%. Furthermore, the number of companies enabling illegal overtime had dropped from 47.3% of to 37.0%. Companies who were letting employers work overtime without payment had dropped from 7.8% to 6.5%. Lastly, companies who had not taken measures to prevent health problems due to overwork slightly decreased from 19.5% to 19.2%. While these numbers show a significant drop in illegal overtime and other negative parts of overtime work from 2019 to 2020, it should be noted that the number of companies inspected by the

[70] Japan Times (2022).
[71] Ministry of Health, Labour and Welfare of Japan 厚生労働省. "Chōjikan rōdō ga utagawa reru jigyōjō ni taisuru ryō wa ninendo no kantoku shidō kekka o kōhyō shimasu 長時間労働が疑われる事業場に対する令和２年度の監督指導結果を公表します" [We will announce the results of supervision and guidance in 2020 for workplaces where long working hours are suspected] (2021).

Labour Standards Inspection Office had dropped by around 27% from 2019 to 2020 and are not necessarily representative for all of Japan's businesses.

A large part of these workplaces was not fined for too much overwork. Only a small percentage was declared to indulge in illegal overtime pay, significantly less than the total amount of the ones reported. This could possibly be due to the introduction of the "high-skilled professional system (*kōdo purofesshonaru seido*) in the work-style reforms. The system is criticized as a 'zero overtime pay system', as it can legalize reduced overtime pay. While the reasoning behind this system was to promote more flexible work styles, it is seemingly at odds with another major focus point of the reforms, namely that of the prevention of overwork. Especially regarding all the policies the Japanese government has implemented over the years to prevent this, both this system as well as the large number of companies who have not gotten fined for large amounts of overwork seemingly invalidate one of the most important parts of the reform.

4.3 Ensuring fair treatment regardless of employment status

Has the pandemic affected treatment of workers with regards to employment status? An employment status can range from regular worker to non-regular worker, or even executive. Prior to the pandemic, there had already been an age of structural dualization in Japan. Dualization as a mode of change happens as a reaction to try to protect core workers. For instance, during economic downturn, businesses will often choose to protect their core workers over their temporary, non-regular employees. The Japanese system used to consist of a system where the man would have 'lifetime employment' at a company, ensuring social security for himself and his family. With the age of dualization lifetime employment did not

necessarily disappear as some sources argue, though there has been a rise in non-regular workers and an increasing gap regarding economic inequality.

Even today, a large percentage of non-regular workers consist of women.[72] In 2022, almost 80% of people under a non-regular contract in the Japanese government are women, too. In other words, issues regarding employment status and treatment thereof also incorporate a gender aspect. As mentioned, the Japanese labour market is categorized by its M-curve, which represents the participation of women and a subsequent decrease in employment rates during childrearing. Reasons for choosing non-regular work are, for example, the option of a more flexible schedule. However, lack of regular employment for women is also cited as a major reason for the big gap in gender. While this form of work does provide more flexibility, it can also lead to isolation, increased stress regarding employment continuation, and could possibly affect a worker's mental health. Furthermore, regular workers enjoy a higher salary than non-regulars.[73]

Ichikawa, Niki and Sakamoto have looked at the impact of vulnerability on and systematic constraints on on-regular workers in Japan. They argue that the new 'Fiscal Year Appointment System', as introduced in 2017 and started in April of 2020, will put more pressure on non-regular workers in the government. This system was introduced to centralize regulations on the employment of non-regular employees, which used to vary by local public entity. Now, regular public employees and non-regular employees are officially split, with all non-regular employees being subject to the same rules and regulations. Furthermore, they are eligible to receive certain bonuses.[74]

---

[72] Takahashi (2022), 9.
[73] Mariko, Nishikitani & Tsuragano, "Female non-regular workers in Japan: their current status and health" in *Industrial health*, 54(6) (2016).
[74] Hokkaido Foreign Resident Support Center, "Kaikei nendo nin'yō shokuin seido ni tsuite 会計年度任用職員制度について" [About the fiscal year appointment staff system].

During the pandemic, municipal offices were one of the main providers for social services, and therefore were forced to bear an increased workload. Furthermore, offices would be open even during a state of emergency, with workers not being able to work flexibly and having to come to work in-person. Surveys on non-regular workers have brought to light the unfavourable working conditions during these times and an unequal working relationship between regular and non-regular workers in these municipality offices.[75]

While some have found that non-regular workers may not suddenly have to bear coordinating roles within the workspace, the relationship between regular and non-regular workers has not improved much, if at all. In fact, the pandemic may have brought attention to the structural inequalities between these groups of workers.

Some of the major reforms the government wanted to introduce relate back to either flexible working or overwork. However, it also mentions a reform on wages, especially on increasing wages after a certain amount of overwork. How have wages held up during the COVID-19 though? And has there been a difference between regular and non-regular work?

Fukunaga et al. have analyzed the wage development since the COVID-19 pandemic, as part of the Bank of Japan Working Paper Series.[76] Compared to other countries, Japan's labor supply has been relatively stable, even during the pandemic. However, labour mobility declined, but the ratio of workers changing jobs did some minor increases again in 2022.

They conclude that indeed the pandemic is still affecting Japan's economy, yet there are many uncertainties on whether future wages will grow – especially in regard to age or

[75] Ichikawa, Niki & Sakamoto, "Working precariously within the social welfare system in Japan during the COVID-19 pandemic: Resilience without resistance among non-regular frontline workers" in *Asia Pacific Journal of Social Work and Development, 32:3* (2022), 188.
[76] Fukugana et al., "Wage Developments in Japan: Four Key Issues for the Post-COVID-19 Wage Growth" in *Bank of Japan Working Paper Series* (2023).

employer status. Kikuchi, Kiato and Mikoshiba argue that groups such as female or low-skilled workers will have been hurt the most by the pandemic shock.[77]

[77] Kikuchi, Kitao & Mikoshiba, "Who suffers from the COVID-19 shocks? Labor market heterogeneity and welfare consequences in Japan" in *Journal of the Japanese and International Economies, Vol. 19* (2021).

5 Institutional Changes, Critical Juncture

The COVID-19 pandemic has undoubtedly brought significant challenges to economies worldwide, not just Japan's labour market. In response to this crisis, the Japanese government implemented several policies to mitigate the impact on workers and businesses. However, the pandemic did not just prompt labour reforms in Japan – it may have also accelerated them. To return to the question posed by this thesis: has the COVID-19 pandemic been a critical juncture for institutional change in Japan with regards to the labour market and a better work-life balance for workers? First, let us discuss the question the notion of institutional change brought by the pandemic.

We can conclude that the COVID-19 pandemic is an exogenous shock, as it has brought about radical changes and reconfigurations within Japanese labour from outside the institutions. As was seen with the reintroduction of flexible work through telework because of the work-style reforms, the percentage of companies that introduced this type of flexible work was slowly on the rise before the pandemic. Yet, at the start of the pandemic, the use of telework within Japanese companies spiked. Suddenly, more than half of companies in the Tokyo Metropolitan Area started to make use of telework, whilst many had indicated to have no future plans for incorporating telework just a month earlier.

Most importantly is the effect of the pandemic on the use of telework. Even in 2023, a large part of Japanese companies still incorporates telework – and the statistics do not show any signs of decline so far. While it is important to note that telework was on the rise before the pandemic, it remained a very slow increase. It may have taken years for businesses in Japan to fully incorporate telework into their work culture. Meanwhile, the COVID-19 necessitated a working environment with more flexibility, which meant many workers suddenly had to telework for 100%. The fact that telework remains a big part of Japan's

contemporary work environment, even after most of the pandemic measures have shut down so far and most companies are not mandating telework anymore, shows the collective idea regarding telework in Japan has changed – and therefore, the institution.

The pandemic proved to have a serious impact on the possibility for flexible work in Japan. As mentioned, some workers have even considered to move away from cities like Tokyo to focus on their work-life balance.

Another notable reform was the introduction of the Employment Adjustment Subsidy (*koyō chōsei joseikin*) programme. This EAS initiative was aimed at preventing layoffs during the pandemic, by providing financial assistance to business facing economical downtimes by supplementing a portion of leave allowances, therefore preventing dismissal of employees.[78] In other words, by subsidizing a portion of these wages, the programme encouraged businesses to retain their workforce.

The pandemic emphasized the importance of providing support to these vulnerable workers. In 2007 to 2008, the financial crisis proved to be a global shock – and while it did not necessarily effect Japan as much as some other countries, many Japanese workers in non-regular contracts suddenly were laid off. As a result, homelessness suddenly was on the rise. In order to prevent such a precarious situation, the government increased efforts to extend social protections to non-regular employees, such as providing access to unemployment benefits and healthcare coverage. This indicated a shift towards a more inclusive labour market, which ensured not just the well-being regular, but also non-regular employees.

However, the reforms and focus on reducing overwork have not shown as effective results during the pandemic as the possibility of flexible work. Some sectors have experienced a rise in overwork during the pandemic, for example due to the labour shortage.

[78] Takahashi (2022), 11.

While the government has tried to reduce economic uncertainty for companies and workers in order to retain the workforce, there have still been companies who had to grapple with this uncertainty and the need to create new work arrangements under the pandemic. Furthermore, there have been workers who indicated the boundaries between work and personal life have been blurred due to telework.

So too have the traditional support systems been disrupted and therefore inadvertently worsened the work-life balance of workers in Japan. The closing of schools and limited access to childcare services have created increased responsibilities for parents, whilst needing to juggle their work obligations. As a result, the pandemic has placed addition strain on parents who bear the brunt of these responsibilities. Again, the government has tried to accommodate these parents, through the "Subsidy for Working Parents on Temporary Closure of Elementary Schools" (*shōgakkō kyūgyō nado taiō joseikin*). Furthermore, at first freelancers were not included in this subsidy policy. Only after public demand was the subsidy extended to freelancers. Noticeable, the government did not focus on freelancers at first, even though it has focused on maintaining the workforce in Japan from the start of the pandemic in other areas.

Regarding overwork, the fact remains that many businesses still incorporate a large amount of required overwork within their businesses. The investigation by the Labour Standards Inspection Office (*rōdōkijunkandokusho*) shows the large percentage of illegal overwork and neglect on health problem prevention. Furthermore, many businesses were not signed off as maintaining illegal overwork hours. Businesses may therefore feel a lack of incentive to adhere to overwork rules as introduced by the Labour Laws.

Looking at all these developments during the pandemic, have there been any institutional changes due to the pandemic? The fact that telework has maintained an

important role within Japanese businesses would suggest so. On the other hand, there are also enough examples of institutions have not changed during the pandemic – or at least, not for the better. Rampant overwork in Japan has at least slightly decreased, but still prevails up until this day. The stigmatization of mental health in Japan is slowly fading away when compared to a few years ago and the government has tried to implement various policies to better the work-life balance.[79] Yet, the war on overwork has not seen such a success as perhaps the introduction of flexible work.

When looking at the main components of the *hataraki-kata kaikaku* reforms, only telework or flexible work has seemingly met any actual success during the pandemic. Yet even in this case there has been some opposition on 'the revolution of telework'.[80] Some workers have actually experienced more negative than positive sides when teleworking, as the office provided much appreciated real life communications with other co-workers. The negative effects of a lack of social interaction during the pandemic has been well documented and online communication often cannot compete to the real deal.[81] Some workers in Japan have stated they had faced difficulties adjusting to the new flexible work environment. Furthermore, one of the most important critiques on flexible work is the fading barrier between work and life. In the "Survey on Changes in Lifestyle Awareness and Behaviour Under the Influence of the New Coronavirus Infection" (*shingata koronauirusukansenshō no eikyō-ka ni okeru seikatsu ishiki kōdō no henka ni kansuru chōsa)* almost a fifth of workers mentioned difficulties to concentrate at home and more than 15% experienced blurring of

[79] Ando, Yamaguchi, Aoki & Tornicroft, "Review of mental-health-related stigma in Japan" in *Psychiatry Clin Neurosci*, *Vol 6*, Issue 7 (2013)
[80] Hoffman, "Reverse trend in teleworking starting to appear in Japan" in *Japan Times*
[81] Perez-Bumer, Balasa, Doshi, Brogdon, Doan, Oldenburg, "COVID-19 Related Shifts in Social Interaction, Connection, and Cohesion Impact Psychosocial Health: Longitudinal Qualitative Findings from COVID-19 Treatment Trial Engaged Participants" in *Environmental Research and Public Health* (2022).

boundaries between work and life. Work is never finished. For a reform which was supposed to better work-life reform

It is, however, important to keep in mind that for many workers in Japan, the amount of telework suddenly increased from 0 to 100. Currently, workers who telework are around 4.5% of the working population, or just 15% of all workers to incorporate telework in their job. More often than not, workers use telework only partly for their job.

Furthermore, changing institutions in Japan may not be an easy case, and it could be argued that the fact that flexible work even met such a success in Japan was only possible because of the COVID-19 pandemic. Even though the Japanese government was heavily promoting forms of flexible work even before the pandemic hit, it never really got off the ground and only saw small increases yearly. Institutions in Japan, if anywhere, do not necessarily change easily. Perhaps the fact that telework has met the rates it has during this period constitutes as a reason to institute the pandemic as a critical juncture for Japan.

In conclusion, was the COVID-19 pandemic a critical juncture in Japan for institutional change? In the sense of labour reforms, I would argue so – or at least, partly. To refer back to Capoccia and Kelemen's definition of a critical juncture, it is a short period of uncertainty in which significant changes occur easily and have long-lasting effects on institutional systems. The pandemic constitutes as a critical juncture due to the fact that it: 1) was a period of uncertainty; 2) managed to create an environment in which institutional change was possible and; 3) these changes will likely stick for the foreseeable future.

On the other hand, flexible work has not necessarily had the positive effects on bettering work-life balance as expected. Some workers voice complaints on the system, whereas others are able to find new opportunities to work on their work-balance. The possibility may have been there to better this balance for more workers if the government had

focused more on reducing rampant overwork. This too had significantly reduced the pandemic's right to be called a critical juncture for institutional change regarding overwork, seeing as there has been little to no institutional change on this front at all.

All by all, looking at all of the factors the work-style reforms had planned to introduce and comparing their effectiveness during the pandemic, I would argue that the COVID-19 pandemic does not constitute as a critical juncture for institutional change regarding labour reforms in Japan. There has been too little institutional change noticeable for workers to enjoy a better work-life balance. If historical institutionalism is to be believed, the pandemic has possibly set Japan on a new path for institutionalism and institutional change. Perhaps the post-pandemic era will see the occurrence of more institutional changes. Whether this will indeed be the case remains to be seen.

6 Conclusion

This thesis has posed the question whether the COVID-19 pandemic been a critical juncture for institutional change in Japan with regards to the labour market and a better work-life balance for workers. In order to answer this question, it was first imperative to analyse literature on institutionalism and institutional changes. From the three new institutionalisms as introduced by Hall and Taylor, historical institutionalism provided useful insight into institutional change and especially critical junctures. Furthermore, whilst contemporary institutionalist discourse has preferred to ascribe institutional change to endogenous changes, the COVID-19 pandemic can only be described as a massive external shock, kicking off institutional change around the world. Next, previous analysis on institutionalism in Japan was briefly discussed.

Secondly, the thesis provided insight into Japan's current demographic dilemma and discussed the government's answer to this dilemma: the *hataraki-kata kaikaku* work-style reforms, as promulgated to the Japanese Diet in July 2018. These reforms focused on promoting new labour measures, employment stability and establishing a better work-life balance for workers. It intended on doing so through expanding the flexitime system, revising upper limits on overtime work, mandating annual paid leave, and establishing a "high-skilled professional system". The reforms were heavily promoted by the Japanese government, yet overall showed mixed results up until the pandemic.

During the pandemic, the usage of flexible work in the form of telework spiked. On the one hand, it allowed workers to continue their work, yet some workers did experience an increase in stress and suffered from a lack of real-life communication. Furthermore, overwork in Japan has shown some decrease, but many businesses who get reported for overtime work

will not get written down as illegally doing so. Lastly, fair treatment for non-regular workers has still not come to fruition, as shown in a survey in the municipal office sector.

The COVID-19 pandemic has had a massive impact on the labour market and economy in Japan. Ultimately, however, there has been too little evidence that Japan has experienced institutional changes regarding the labour market reforms during this period to support the claim that the COVID-19 pandemic constitutes as a critical juncture.

Bibliography

Ando, Shuntaro, Sosei Yamaguchi, Yuta Aoki, and Graham Thornicroft. “Review of mental-health-related stigma in Japan.” *Psychiatry Clin Neurosci, Vol 67,* Issue 7 (November 2013): 471-482.

Associated Press News. “Japan birth rate hits record low amid concerns over shrinking and aging population.” June 2, 2023. https://apnews.com/article/japan-birth-rate-record-low-population-aging-ade0c8a5bb52442f4365db1597530ee4. (Accessed June 23, 2023).

Blomström, Magnus, and Sumner La Croix. *Institutional change in Japan*. Taylor & Francis, 2006.

Cabinet Office 内閣府. “Dai rokkai shingata koronauirusukansenshō no eikyō-ka ni okeru seikatsu ishiki kōdō no henka ni kansuru chōsa 第６回　新型コロナウイルス感染症の影響下における生活意識・行動の変化に関する調査”[The 6th Survey on Changes in Lifestyle Awareness and Behavior Under the Influence of the New Coronavirus Infection]. April 19, 2023. https://www5.cao.go.jp/keizai2/wellbeing/covid/index.html. (Accessed June 20, 2023)

Centraal Bureau voor de Statistiek. “COVID-19 impact on labour and income.” https://www.cbs.nl/en-gb/dossier/coronavirus-crisis-cbs-figures/covid-19-impact-on-labour-and-income. (Accessed June 28, 2023)

Capoccia, Giovanni, and R. Daniel Kelemen. "The Study of Critical Junctures: Theory, Narrative, and Counterfactuals in Historical Institutionalism." *World Politics* 59, no. 3 (2007): 341-369.

Fukai, Taiyo, Hidehiko Ichimura, and Keisuke Kawata. "Describing the impacts of COVID-19 on the labor market in Japan until June 2020." *The Japanese Economic Review* 72.3 (2021): 439-470.

First & TandemSprint LPC. “Japan Business Law: Discretionary Labor System.” December 17, 2018. https://japan-lawyer.com/2018/12/17/discretionary-labor-system-in-japan/. (Accessed June 24, 2023)

Fleckenstein, Timo. “Learning to Depart from a Policy Path: Institutional Change and the Reform of German Labour Market Policy.” *Government and Opposition, Vol. 48,* Issue 1 (January 2013): 55-79.

Fukugana, Ichiro, Kakuho Furukawa, Shunsuke Haba, Yoshihiko Hogen, Yosuke Kido, Tomohiro Okubo, Kotaro Suita, and Kosuke Takatomi. “Wage Developments in Japan: Four Key Issues for the Post-COVID-19 Wage Growth.” *Bank of Japan Working Paper Series*. March 2023.

Greif, Avner, and David D. Laitin. “A Theory of Endogenous Institutional Change.” *American Political Science Review* 98, no. 4 (2004): 633–52.

Hall, Peter A., and Rosemary CR Taylor. "Political science and the three new institutionalisms." *Political studies* 44.5 (1996): 936-957.

Higuchi, Ikuko. “New Blood Needed in Caregiving Field, Where the Elderly Serve the Elderly.” *The Japan News*. April 1, 2023. https://japannews.yomiuri.co.jp/editorial/political-pulse/20230401-100746/. (Accessed June 27, 2023)

Hitachi Solutions. “Mobairuwāku to wa? Zaitaku kinmu to no chigai ya dōnyū no pointo o kaisetsu モバイルワークとは？在宅勤務との違いや導入のポイントを解説.” [What is mobile work? Explaining the difference from working from home and the points of introduction] https://www.hitachi-solutions.co.jp/wsi/sp/column/c017.html. (Accessed June 25, 2023)

Hoffman, Michael. “Reverse trend in teleworking starting to appear in Japan.” *Japan Times* (January 2, 2023). https://japantoday.com/category/features/kuchikomi/Reverse-trend-in-teleworking-starting-to-appear-in-Japan. (Accessed June 29, 2023)

Hokkaido Foreign Resident Support Center. “Kaikei nendo nin'yō shokuin seido ni tsuite 会計年度任用職員制度について” [About the fiscal year appointment staff system]. https://www.hiecc.or.jp/soudan/upload/file/newinfo/file1_en_1585122209.pdf. (Accessed June 30, 2023)

HRpro. “Rōdō bigguban 労働ビッグバン” [Labour big bang]. https://www.hrpro.co.jp/glossary_detail.php?id=55. (Accessed June 23, 2023)

Ichikawa, Viveka, Izumi Niki and Izumi Sakamoto. “Working precariously within the social welfare system in Japan during the COVID-19 pandemic: Resilience without resistance among non-regular frontline workers.” *Asia Pacific Journal of Social Work and Development, 32:3* (2022): 184-199

Inoue, Mariko, Mariko Nishikitani, and Shinobu Tsurugano. (2016). “Female non-regular workers in Japan: their current status and health.” *Industrial health*, 54(6) (2016): 521–527.

Japan External Trade Organization. “Japan's tourism market expected to grow again post-corona.”

Japan Times. “20% of Japan's public health center staff overworked with COVID-19 duties.” Februari 18, 2022. https://www.japantimes.co.jp/news/2022/02/18/national/covid-overwork-health-services/. (Accessed June 15, 2023)

———. “Japan may have entered ninth COVID-19 wave: virus expert.” June 26, 2023. https://www.japantimes.co.jp/news/2023/06/26/national/japan-9th-covid-19-wave-virus-expert/. (Accessed June 20, 2023)

Johnson, Chalmers. “The Developmental State, Odyssey of a Concept”, in Meredith Woo-Cumings ed. The Developmental State (Ithaca: Cornell University Press, 1999), 33-34

Kikuchi, Shinnosuke, Sagiri Kitao, and Minamo Mikoshiba. "Who suffers from the COVID-19 shocks? Labor market heterogeneity and welfare consequences in Japan." Journal of the Japanese and International Economies 59 (2021): 101-117.

Kingston, Jeff, ed. Critical Issues in Contemporary Japan. London: Routledge, 2013.

Kotobank コトバンク. “Seisanki kan せいさん-きかん【清算期間】” [settlement period]. https://kotobank.jp/word 清算期間-2095330. (Accessed June 20, 2023).

LegalSearch. “Terewāku shūryō wa ihō!? Kyōsei shussha wa kyohi dekiru? テレワーク終了は違法！？強制出社は拒否できる？”[Ending telework is illegal!? Can compulsory attendance be refused?]. December 15, 2021. https://legalsearch.jp/portal/column/end-of-telework/. (Accessed June 27, 2023)

Lowndes, Vivien. “Varieties of New Institutionalism: A Critical Appraisal.” *Public Administration, Vol. 74,* Issue 2 (June 1996): 181-197.

Lund, Susan, et al. "The future of work after COVID-19." McKinsey Global Institute 18 (2021).

Macnaughtan, Helen. “Womenomics for Japan: is the Abe policy for gendered employment viable in an era of precarity? 日本にとってのウーマ ノミクス　安部政権、雇用政策のジェンダー化はプレカリアートの時 代に実現可能か.” *The Asia-Pasific Journal, Vol. 3,* Issue 3 (1) (March 30, 2015): 1-19.

Mahoney, James, and Kathleen Thelen. "A theory of gradual institutional change." *Explaining institutional change: Ambiguity, agency, and power* 1 (2010): 1-37.

Magnier-Watanabe, Remy, et al. “COVID-19 and mandatory teleworking from home in Japan: taking stock to improve satisfaction and job performance.” *International Journal of Organizational Analysis*. April 11, 2022.

McCurry, Justin. “Japanese woman ‘dies from overwork’ after logging 159 hours of overtime in a month.” *The Guardian*. October 5, 2017. https://www.theguardian.com/world/2017/oct/05/japanese-woman-dies-overwork-159-hours-overtime. (Accessed June 24, 2023)

———. “Record number of young people in Japan rejecting marriage, survey shows.” *The Guardian*. September 14, 2022. https://www.theguardian.com/world/2022/sep/14/record-number-of-young-people-in-japan-rejecting-marriage-survey-shows. (Accessed June 28, 2023)

Ministry of Health, Labour and Welfare of Japan 厚生労働省. “Chōjikan rōdō ga utagawa reru jigyōjō ni taisuru ryō wa ninendo no kantoku shidō kekka o kōhyō shimasu 長時間労働が疑われる事業場に対する令和２年度の監督指導結果を公表します” [We will announce the results of supervision and guidance in 2020 for workplaces where long working hours are suspected]. August 20, 2021. https://www.mhlw.go.jp/content/11202000/000667303.pdf. (Accessed June 25, 2023)

———. “Chōjikan rōdō sakugen ni muketa torikumi 長時間労働削減に向けた取組” [Efforts to reduce long working hours]. https://www.mhlw.go.jp/kinkyu/151106.html. (Accessed June 22, 2023).

———. “Hataraki-kata kaikaku o suishin suru tame no kankei hōritsu no seibi ni kansuru hōritsu' ni tsuite「働き方改革を推進するための関係法律の整備に関する法律」について” [Regarding the "Law Concerning Development of Related Laws to Promote Work Style Reform"]. https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/0000148322_00001.html. (Accessed June 21, 2023)

———. “Hataraki-kata ga kawarimasu!! 2019-Nen shigetsu ichinichi kara hataraki-kata kaikaku kanren-hō ga junji shikō saremasu「働き方」が変わります!! ２０１９年４月１日から 働き方改革関連法が順次施行されます” [“The workstyle will change!! From April 1st, 2019, laws related to work style reform will be enforced sequentially]. https://www.mhlw.go.jp/content/000474498.pdf. (Accessed June 20, 2023)

———. “Kekka no gaiyō 結果の概要” [Summary of results]. https://www.mhlw.go.jp/toukei/itiran/roudou/jikan/syurou/19/dl/gaiyou01.pdf. (Accessed June 25, 2023)

———. “Kikaku gyōmu-gata sairyō rōdō-sei 「企画業務型裁量労働制」” [Discretionary labor system for planning work]. https://www.mhlw.go.jp/general/seido/roudou/kikaku/. (Accessed June 24, 2023)

———. “Ryō wa 3-nenban karō-shi-tō bōshi taisaku hakusho 令和 3 年版過労死等防止対策白書” [2021 white paper on measures to prevent karoshi]. 2021. https://www.mhlw.go.jp/stf/wp/hakusyo/karoushi/21/index.html. (Accessed June 24, 2023)

———. “Terewāku fukyū sokushin kanren jigyō テレワーク普及促進関連事業” [Projects related to promoting the spread of telework]. https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/koyou_roudou/roudoukijun/shigoto/telework.html. (Accessed June 23, 2023)

Ministry of Internal Affairs and Communications 総務省. “Ryō wa gan’nen tsūshin riyō dōkō chōsa no kekka 令和元年通信利用動向調査の結果” [Results of the 2019 Communication Usage Trend Survey]. https://www.soumu.go.jp/johotsusintokei/statistics/data/200529_1.pdf. (Accessed June 20, 2023)

Morikawa, Masayuki. “Work-from-home productivity during the COVID-19 pandemic: Evidence from Japan.” *Economic Inquiry, Vol. 6*, Issue 2 (November 22, 2021): 508-527.

Neary, Ian. *The State and Politics in Japan.* Cambridge: Polity Press (2019).

Nippon.com. “Japan’s Population Projected to Fall to 87 Million in 2070.” May 12, 2023. https://www.nippon.com/en/japan-data/h01664/ (Accessed June 24, 2023)

———. “Two in Three Still Working Past Retirement Age of 60 in Japan.” April 25, 2013. https://www.nippon.com/en/japan-data/h01646. (Accessed June 22, 2023)

Nishioka, Shinichi. "Severe Labor Shortage Puts Upward Pressure on Wages in Japan ―Stagnant labor participation rate may lead to the unemployment rate falling below 2%―." *JRI Research Journal* 6.3 (2023): 1-8.

Okubo, Toshihiro. "Spread of COVID-19 and telework: Evidence from Japan." *Covid Economics* 32 (2020): 1-25.

Organisation for Economic Co-operation and Development. “SF2.4: Share of births outside of marriage.” *OECD Family Database*. Updated December 2022. (Accessed June 25, 2023)

———. “The impact of COVID-19 on employment and jobs.” https://www.oecd.org/employment/covid-19.htm. (Accessed June 22, 2023)

Perez-Brumer, Amaya, Rebecca Balasa, Aarti Doshi, Jessica Brogdon, Thuy Doan, and Catherine E. Oldenburg. “COVID-19 Related Shifts in Social Interaction, Connection, and Cohesion Impact Psychosocial Health: Longitudinal Qualitative Findings from COVID-19 Treatment Trial Engaged Participants.” *Environmental Research and Public Health* (August 2022).

Shibata, Saori. "Gig work and the discourse of autonomy: Fictitious freedom in Japan's digital economy." *New Political Economy* 25.4 (2020): 535-551.

Statistics Bureau of Japan. *Statistical Handbook of Japan 2022*. https://www.stat.go.jp/english/data/handbook/c0117.html. (Accessed June 24, 2023)

Raymo, James, Fumiya Uchikoshi and Shohei Yoda. "Marriage intentions, desires, and pathways to later and less marriage in Japan." *Demographic research, Vol. 3* (January 12, 2021): 67-98.

Rijksoverheid. "Hoofdlijnenbrief cultuur 2022 - Herstel, vernieuwing en groei." May 23, 2022. https://www.rijksoverheid.nl/onderwerpen/coronavirus-financiele-regelingen/documenten/kamerstukken/2022/05/23/hoofdlijnenbrief-cultuur-2022-herstel-vernieuwing-en-groei. (Accessed June 28, 2023)

———. "Overzicht steun- en herstelpakket." https://www.rijksoverheid.nl/onderwerpen/coronavirus-financiele-regelingen/overzicht-financiele-regelingen. (Accessed June 28, 2023)

Takahashi, Koji. "COVID-19's Impact on the Labor Market and Policy Responses in Japan." *Japan Labor Issues Vol. 6*, no. 40 (November 2022).

Thelen, Kathleen. Chapter. In *Varieties of Liberalization and the New Politics of Social Solidarity*. Cambridge: Cambridge University Press, 2014: 1-32.

Tokyo Metropolitan Government 東京都庁. "Terewāku 'dōnyū-ritsu' kinkyū chōsa kekka テレワーク「導入率」緊急調査結果" [Telework "introduction rate" urgent survey results]. May 12, 2022.

https://www.metro.tokyo.lg.jp/tosei/hodohappyo/press/2020/05/12/documents/10.pdf. (Accessed June 25, 2023)

The World Bank. “GDP growth (annual %) – Japan.” https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=JP. (Accessed June 20, 2023)

Udea, Manabu. “Urban exodus in cards as people find freedom in teleworking.” *The Asahi Shimbun*. July 8, 2020. (Accessed June 29, 2023)

Vogel, Steven K. "Abe’s Slight Left Turn: How a Labor Shortage Transformed Politics and Policy." In The Political Economy of the Abe Government and Abenomics Reforms, edited by Takeo Hoshi and Phillip Y. Lipscy, Cambridge: Cambridge University Press, 2021: 237-309.

Yomiuri Shimbun 讀賣新聞/読売新聞. “Shushō, shingata korona `rekishi-teki kinkyū jitai'... Gijiroku sakusei o gimudzuke e 首相、新型コロナ「歴史的緊急事態」...議事録作成を義務付けへ” [Prime Minister obliges preparation of records of proceedings of COVID-19... historic emergency"]. March 19, 2020. https://www.yomiuri.co.jp/politics/20200309-OYT1T50224/. (Accessed June 26, 2023)

Walker, Brett L. *A concise history of Japan*. Cambridge: Cambridge University Press, 2018.

World Health Organization. “WHO Coronavirus (COVID-19) Dashboard, Japan.” https://covid19.who.int/region/wpro/country/jp. (Accessed June 30, 2023)