
Introduction

Disparity, Poverty and Labor

2006 saw *kakusa shakai*, which literally means “society of disparity” but is more specifically used to refer to the widening gap between rich and poor, become a buzzword in Japan as observers drew attention to the widening disparity of income and growth in poverty. The Japanese long considered themselves to be a nation of middle-class people, epitomized by the words *ichioku sochuryu*, which gained currency following the finding of a 1970 opinion poll that over 90% of the respondents considered their lifestyles to be middle class. Sociological surveys as well as opinion polls of this kind painted a picture of a highly equitable society, and it was from around this time that poverty ceased to be considered an issue in Japan; already it was a problem considered consigned to the past, and was largely ignored by surveys.

Although questions had previously been raised several times concerning this social consciousness, it was from around 2000 that, founded on empirical studies in economics, sociology, and other fields, attention turned to the existence of a growing divide. The appearance of translations of works on the working poor in the United Kingdom and United States and television specials based on them also garnered social interest, and observers began to note the increase in poverty taking place against the backdrop of changing working patterns in Japan. In this special issue, we examine the widening disparity in income and increase in poverty, and explore how they relate to labor issues.

The first paper, by Ryoshin Minami, is a historical study of disparity in income. From the beginning of the 20th century to World War II, income distribution in Japan grew substantially more unequal. The primary factor behind this was poverty in rural areas in contrast with the development of the cities, and this growth in disparity gave rise to social unrest. After the war, equality increased from the 1950s to the 1970s. In addition to the effects of democratization policies such as agricultural land reform, there occurred large-scale movement of labor from rural areas into the cities under conditions of high economic growth, and the resulting elimination of the oversupply of rural

labor is considered to have propelled growing equality. From the 1980s, disparity again began to grow. Although this is connected to the present widening disparity, its causes were entirely different from those before the war. Minami argues that it is due in large part to the worsening of working conditions among the young caused by the intensification of competition engendered by deregulation.

The second paper, by Toshiaki Tachibanaki and Kunio Urakawa, is a statistical analysis of the state of poverty in Japan since the 1990s. After reviewing various methods of measuring poverty, the authors calculate indices of relative poverty based on data from *Shotoku saibunpai chosa* (Income Redistribution Surveys). Based on this, they show that the degree of relative poverty at the household level has been on the increase in Japan since the 1990s, and that this has been due to a large increase in poverty among single-person households of working age as well as among single older-person households. The poverty rate among fatherless households is also found to be exceedingly high. A breakdown by employment status of head of household reveals that the poverty rates among households headed by “persons without employment” and by “workers on contracts of less than one year” are high, and the authors observe that the issues of unemployment and non-regular workers have emerged as new poverty issues in Japan.

The next paper, by Yuki Sekine, summarizes the causes of contemporary poverty and the state of measures to combat poverty from the perspective of law. In this paper, contemporary poverty is ascribed mainly to the increasing instability and loss of employment, the malfunctioning of the public assistance system, the homeless, single mother households, and deep levels of debt. Regarding public assistance, there is considerable regional variation in the assistance rate, and the opposing views of central and local government concerning the reasons for this are summarized. The employment insurance system, public assistance system, measures to assist the self-reliance of the homeless, and the minimum wage system are identified as serving to combat poverty, and the recent state of these institutions is summarized.

The fourth paper is a study by the leading expert on social security policy, Kohei Komamura. Although the concept of the working poor has yet to be clearly defined in Japan, estimates show that the proportion of working households

that are on or below the minimum income level provided for by the public assistance system but that are not receiving public assistance has increased from 2.80% in 1985 to 5.46% in 1999. It is also evident that the proportion of working poor households in younger age groups has increased rapidly. The proportion of working households aged under 65 on or below the minimum income level provided for by the public assistance system that are on public assistance is less than 4%, indicating that the moral hazard presented by the public assistance system is not of a level that should be considered problematic. Also described are recent developments concerning reform of the public assistance system.

The final paper is an empirical analysis of the inter-generational transmission of poverty by Yoshimichi Sato and Takashi Yoshida. Overcoming the difficulty of estimating the income class of fathers from surveys of individuals, the authors do so by extrapolating from father's employer, employment status, and education to produce income mobility tables showing movement between the individual's and the father's income class. What is observed as a result is the transmission of wealth rather than poverty. An examination of the mechanism behind this transmission reveals that father's income has a strong influence on the individual's education. This is particularly marked among the affluent. In addition, the individual's education has a strong influence on his/her current job, and prestigious occupations requiring a high level of education raise the individual's income. In this way, it is surmised that wealth is transmitted from one generation to another.

In this special issue, we thus examine from a number of angles how the widening disparity and growth in poverty in Japan in recent years relates to labor, and we hope that this contributes to a deepened understanding of some of the issues confronting contemporary Japan.

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