

Abstracts

What Is Structural Unemployment?

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Structural unemployment is unemployment attributed to some persistent changes of economic structure caused by fluctuations of labour demand. Distinction between mismatches and demand deficiencies is not the original purpose of getting a grasp of structural unemployment. In fact, unemployment due to “the lack of wished-for job”, which contains both sides of mismatches and demand deficiencies, has increased prominently since 1999. It is essential for the consideration of unemployment problem to ascertain the structural changes that have lasting effects on the formation of “wishes” for jobs.

The Accumulation of Human Capital and the Sectoral Shifts Hypothesis for Different Age Groups

Kei Sakata (Ritsumeikan University)

This paper examines Lilien's sectoral shifts hypothesis for Japan for different age cohorts. Previous studies of the sectoral shifts hypothesis for Japan have for the most part concentrated on the relationship between aggregate unemployment and sectoral shifts, and are typically not supportive of the hypothesis. However, recent increases in the unemployment rates of the young and the aged suggest a need to reexamine the hypothesis for different age groups. It is found that sectoral shifts have a short-term positive effect on the unemployment of aged male workers, and that the effects increase in times of recession.

A Study on Japanese Unemployment from Flow Data: 1980~2000

Souichi Ohta (Nagoya University) **Hiroshi Teruyama** (Kyoto University)

Gross flows into and out of unemployment have been increasing since the early 1990s. The net flow between employment and unemployment has had an upward effect on the unemployment stock and the net flow between unemployment and “not in the labour force” has had a downward effect. The possibility of being unemployed is also increasing along with the inflows to unemployment. Although the outflows from unemployment is growing, it becomes difficult for individual jobless workers to find new jobs. Flow probabilities are also estimated for each age group, employment status, industry, and firm size. The estimated flow probabilities from employment to unemployment are increasing recently, irrespective of worker affiliation, but the differences are widening for male workers. It is also found that the employment conditions for unemployment-employment movers are negatively related with labour market tightness.

Unemployment Measures for Structural Unemployment in Japan

Fumio Ohtake (Osaka University)

Japan's unemployment rate, which hit four percent in 1998, has stayed high at around five percent through June 2003. During this period, the government has launched five employment packages. In Japan, where, excluding for a brief period immediately after World War II, unemployment has been low, little attention was paid to active employment policies until the mid-1990s. Even so, measures targeting unemployment have become major policy issues several times in postwar Japan: firstly, during the period of high unemployment right after the war; secondly, when there was unemployment amongst coal miners who lost their jobs due to the industry's decline; thirdly, when unemployment followed the first oil crisis; fourthly, since 1998 with the onset of rapidly increasing unemployment, and fifthly, from 2002 to 2003 with increases in unemployment caused by the disposal of non-performing loans.

European Employment Strategy: Combatting Structural Unemployment and Beyond

Keiichiro Hamaguchi (University of Tokyo)

Since the mid-1990s the EU and the Member States have developed the European Employment Strategy (EES) as an open method of coordination and have witnessed the declines in structural unemployment rate and long-term unemployment rate and increases in employment rate. The EES consists of 4 pillars of employability, entrepreneurship, adaptability and equal opportunity. The Lisbon European Council agreed the objective of increasing an employment rate and shifted the focus from measures for unemployed to activation of inactive. The new EES has started in 2003 with the objectives of full employment, quality at work and social inclusion.

Unemployment, Crime, Age: Macro-level Evidence from the Time-series Analysis

Masahiro Tsushima (Ryukoku University)

After the bursting of the economic bubble, the increasing unemployment rate has been suggested as a possible cause of increasing crime rates in Japan. Though many empirical studies have attempted to examine the unemployment - crime relationship in Western society, the inconsistent results have made the relationship complex and controversial. Besides, there are few studies that examine the macro-level effects of unemployment on crime in Japan. Does the unemployment rate have a substantial affect on the crime rate? If so, how? Are any time-lag effects of the unemployment rate confirmed? And is age a contributing factor in the relationship? This paper examines the nature of the unemployment - crime relationship by employing time-series analysis (the distributed lag models) and considers the implications of the results for crime and labour policy.

The Psychological Impact of So-called Restructuring on Unemployed and Employed Men

Mituru Hisata (Tokyo Women's Medical University) **Miho Takahashi** (Shinshu University Hospital)

The impact of unemployment by so-called "restructuring" on mental health of dismissed men and its related factors were discussed based on our research studies. It was found that mental health status of those men was quite severe. Economical condition, being independent from previous company, and social support from family and friends seemed to be related factors. In addition, workers who expected be fired someday were significantly more deteriorated than those who did not. From those results we insist that employers should pay not only more attention but also more money for the development of mental health prevention programs for workers.