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# Two Views of the Welfare Regime in Japan during and after the 1990s

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#### Abstract

This article examines previous studies of the Japanese welfare regime during and after the 1990s. While many scholars seem to have focused on a specific series of occurrences in explaining the pre-1990 welfare regime, the characterization of the welfare regime since 1990 has relied upon a different set of research subjects. This article explores research conducted by two scholars on the post-1990 welfare regime, and offers insights on improving analysis of the contemporary welfare regime in Japan.

## I. Introduction

Although scholars have used different models and methodologies in explaining the welfare regime (or the welfare state) in Japan during and before the 1980s, many of them have focused on a similar set of occurrences (e.g., Kasza 2006; Nagayama 2004; Shinkawa 1993).

The high economic growth of the 1960s caused new social problems in Japan, such as overpopulation in urban areas and depopulation in rural areas. Welfare support for children in overpopulated areas and for the elderly in depopulated areas became a serious challenge. Prefectural and municipal governments that were run by reformist governors or mayors proved willing to deal with these issues. The ruling party at the time, the conservative Liberal Democratic Party (LDP), was afraid of the increasing power of the reformist parties, and decided to commence various welfare programs in order to recover popular support. Thus, this period witnessed the strengthening of the welfare regime in Japan.

The 1973 oil crisis triggered low economic growth and, consequently, reduced tax revenues. The government thus decided to reduce the budgets for welfare programs. A symbol of this retrenchment was the Second

Ad Hoc Commission on Administrative Reform (*Dainiji rinji gyōsei chōsakai*) formed in 1981, which submitted recommendations to the government on curtailing welfare program budgets. The government implemented administrative reforms in accordance with the recommendations, leading to the decline of the welfare regime.

While many scholars seem to have concentrated on these events in accounting for the Japanese welfare regime during and before the 1980s, studies of the welfare regime subsequent to this period have had different areas of focus. As a result, existing research has given us dissimilar images of the contemporary welfare regime. This article examines the previous studies of the welfare regime during and after the 1990s in order to clarify the divergent subjects of research and results of analyses.

The focal point of this study is the welfare regime, which includes the welfare state as well as various social factors that are linked to welfare. This article explores the work of two scholars who, in their research on the post-1990 welfare regime, observed the central government, local governments, residents, and organizations tackling welfare problems within communities. One scholar, Toshimitsu Shinkawa, mainly focused on the central government's welfare programs. The other scholar, Natsumi Aratame, chiefly researched changes in community welfare. The consideration of these previous studies offers clues for the comprehensive understanding of the contemporary welfare regime.

There are several other studies of the Japanese welfare regime during and after the 1990s that do not deal primarily with the central government's welfare programs or community welfare efforts. For example, Estévez-Abe (2008) has explained that changes in the election system led to a transition of the welfare regime in the 1990s. The influence of political systems on the welfare regime is intriguing. This article, however, focuses on central government welfare programs and community welfare during and after the 1990s, in an attempt to understand the transition of the welfare regime from the previous period. The roles of the central government, local governments, and communities characterized the study of the welfare regime during and before the 1980s. This article accordingly examines the studies that observed the central government's welfare programs and the progress

Masayuki Hiromoto: Two Views of the Welfare Regime in Japan during and after the 1990s of community welfare during and after the 1990s.

## II. Liberalization of the Welfare Regime

Shinkawa (2007; 2009a; 2009b; 2011a; 2011b) attempted to explain the welfare regime during and after the 1990s on the basis of transition from the previous period. He noted that the welfare model of Japan has traditionally fit into the so-called "family-ism" (kazoku shugi) type. This kind of welfare regime has low levels of both de-commodification (datsu shōhinka) and defamilization (datsu kazokuka). De-commodification refers to the growth in size and extent of systems that meet social rights; a country that has various and substantial welfare programs enjoys a high level of de-commodification. De-familization signifies the spread of the employment of women and a decline in the notion that women should do housework.

Shinkawa highlighted the liberalization of the welfare regime during and after the 1990s. A liberalist welfare regime has a low degree of de-commodification and a high degree of de-familization (the welfare regime of the USA is an example). Shinkawa explained that the Japanese welfare regime during and after the 1990s approaches this category, as a situation of low decommodification continues to exist while the degree of de-familization is increasing.

One reason for continuing low de-commodification is the retrenchment of the national programs for pensions and health insurance. The central government attempted to limit spending on these programs by raising premiums and expenses for the insured, and changing the minimum age at which a person can receive a pension.

At the same time, Shinkawa acknowledged the enrichment of welfare programs for the elderly during and after the 1990s. The central government announced the Ten-Year Strategy to Promote Health Care and Welfare for the Aged (Kōreisha hoken fukushi suishin 10-kanen senryaku) in 1989. This so-called "Gold Plan (Gōrudo puran)" aimed to arrange sufficient manpower and facilities for welfare programs for the elderly from 1990 to 1999. (It was remade in 1994 in order to raise the target figures of caregivers and facilities for the elderly.) In addition, the Long-Term Care Insurance (Kaigo hoken) system launched in 2000.

The central government has also addressed problems related to child-rearing since the beginning of the 1990s. The Childcare Leave Act ( $Ikujiky\bar{u}gy\bar{o}h\bar{o}$ ), enacted in 1991, allows female and male employees to obtain leave until their children reach one year of age. The central government's Angel Plan ( $Enzeru\ puran$ ) (1994) aimed to increase day nurseries and promote various childcare services. The New Angel Plan ( $Shin\ enzeru\ puran$ ) (1999) covered not only childcare programs but also employment, maternal and children's health, and education. The employment of women was fostered in parallel with the development of childcare services. The Basic Act on Society of Gender Equality ( $Danjo\ ky\bar{o}d\bar{o}\ sankaku\ shakai\ kihon\ h\bar{o}$ ) was enforced in 1999.

Improving the employment of women has contributed to the welfare regime's liberalization and its higher level of de-familization. These efforts of the central government might be regarded as an expansion of welfare, but Shinkawa remarked that Japan's expenditures on welfare programs were not considerable in comparison with other developed countries. Although spending on welfare programs for the elderly can be described as moderately high, spending on welfare programs for children was limited. Therefore, Shinkawa argued that the welfare regime did not experience a sufficient rise of de-commodification, but instead underwent liberalization.

## III. Development of Community Welfare

Although Aratame (2007) also referred to the liberalization of the welfare regime during and after the 1990s, he mainly focused on the development of community welfare (*chiiki fukushi*) for the elderly during the same period. Community welfare refers to support services that local governments and residents cooperatively provide in a community. Aratame explained the reforms to the welfare regime that aimed to foster community welfare. He regarded the period after 1990 as the era of performing community welfare, following the periods of constructing the basic structure and of starting community welfare.

The purpose of welfare for the elderly was expanded in this era from relieving poverty to realizing desirable lives for the elderly. Services expanded from selective to general: welfare programs began to assist not

941 (375) — 254 —

only aged persons who were poor or had no relatives, but all elderly persons.

The amendments of the Eight Laws of Welfare (*Fukushi happō*) in 1990 provided local governments with powers that included the right to plan manpower and facility arrangements for welfare programs. In addition, the Diet enacted the Long-Term Care Insurance Act (*Kaigo hoken hō*) in 1997, leading to the initiation of the system of Long-Term Care Insurance in 2000. The system utilizes the manpower and facilities arranged by local government plans: local governments manage Long-Term Care Insurance according to their Insured Long-Term Care Service Plans (*Kaigo hoken jigyō keikaku*), which reflect local conditions.

Aratame also pointed out that the Social Welfare Act (*Shakai fukushi hō*) of 2000 aims to foster community welfare. One article of the Act encourages residents, companies, and volunteers who are concerned with welfare to cooperatively endeavor to promote community welfare. Aratame asserted that these amended laws and enacted acts represented the period of performing community welfare.

Aratame explained that Japan has been shifting to a regime of community welfare since 1990 on the basis of the above occurrences. The Long-Term Care Insurance system seems to have brought about a market-oriented welfare regime, under which profit-making companies actively offer welfare services. Aratame argued, however, that individuals and organizations also make important contributions to community welfare. Companies provide welfare services if they can make a profit; volunteers and nonprofit organizations support the elderly through their activities even if the activities yield no profits. Local governments not only run the Long-Term Care Insurance system but also provide the elderly with various kinds of programs, such as health services, hobbies, and recreation. Thus, Aratame focused on the development of community welfare rather than the liberalization of the welfare regime.

#### IV. Discussion

On the one hand, the central government curtailed welfare programs (such as the systems for pensions and health insurance) during and after the 1990s. On the other hand, local governments were granted powers to plan

and implement welfare programs in the same period. The Social Welfare Act of 2000 anticipates that volunteers and nonprofit organizations enrich community welfare. Two conflicting views of the welfare regime can be expressed: that the welfare regime has been declining, and that it has been developing. The question is how the two views can be integrated into one.

One clue for answering the question may exist in analysis of the realities of community welfare. It cannot be said that Shinkawa and Aratame conveyed the actual state of community welfare in their studies.

Shinkawa assessed the levels of de-commodification and de-familization on the basis of changes in the programs of the central government, which affect all the people in Japan. The enactment and amendment of laws are appropriate subjects of examination for research that aims to reveal the welfare regime of a country. In short, Shinkawa analyzed the welfare regime from the viewpoint of national programs.

Aratame paid attention to the laws and systems concerning with community welfare. Community welfare should be examined because it is one of several factors that comprise a welfare regime, and Aratame's study is valuable in this regard. He explained the laws and systems that enabled local governments, residents, and nonprofit organizations to easily enhance community welfare. Although such analysis is important to elucidate community welfare, it remains necessary to show how a local government, residents, and nonprofit organizations practically take part in welfare provision under the laws and systems concerned with community welfare.

Clarification of the realities of community welfare is beneficial for analysis of the welfare regime not only during and before the 1980s, but also during and after the 1990s. Local governments led by progressive governors and mayors fostered welfare programs in the 1970s, thus increasing the influence of progressive parties. The ruling LDP had to enhance central government welfare programs in order to counter the progressive parties. These events imply that the realities of community welfare influenced the welfare regime, and thus not only laws and national systems but also such realities are appropriate subjects of study with respect to a welfare regime.

Shinkawa demonstrated the liberalization of the welfare regime during and after the 1990s. Scholars may be curious as to whether the actual con-

ditions of community welfare are also liberalizing or not. Aratame focused on the laws and systems. It is also an attractive question whether local governments, residents, and nonprofit organizations effectively utilize the laws and systems concerning community welfare. A study of the realities of community welfare may improve analysis of the welfare regime during and after the 1990s.

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### 修道法学 35巻 2号

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