A Call for Reform: The Impact of Universal Healthcare and Economic Development on Inequalities in Japan

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Abstract

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Social inequalities today are becoming more concerning as global economies are changing at a rapid pace with the increases in technological development. In the studying the Japanese economy, it is apparent that there are many inequalities; particularly within the healthcare system in Japan. Through the analysis of Japanese economic statistics, as well as the research of the Japanese healthcare system, social inequalities and health inequalities are distinctly manifested throughout Japan’s society. From reviewing the data and observations regarding these inequalities, it is imperative to view previous attempts at reforming equality in Japanese society, as well as look forward toward new policies of equality. The research provided within this paper will support the call for social policy reform in Japan while also demonstrating the underlying inefficiencies in the economic and healthcare sectors.
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**Introduction**

In a world where each country is affected by the actions of other countries both in close proximity and thousands of miles away, it is important to observe the ways in which a country handles its own healthcare system. Furthermore, today’s technology has expanded the horizons of not only healthcare, but also many aspects that affect healthcare. These range from the political economies of countries, the cultures, the environment and basically any other factor that can either positively or negatively impact healthcare. Due to the overall advancements in technology and healthcare, it is clear that as a whole, the world is becoming a more globalized place. Globalization is the process by which people are becoming more interconnected and interdependent through particular political and economic relations. As westernization has become an increased factor in the development of the essential structures of countries, it is interesting to observe the ways in which each of these structures remains unique to each individual country. In the modern global community, healthcare has become an increasing priority for countries due to increasing morbidity and mortality in the past century. Furthermore, each country has different ways in implementing their individual healthcare policies within their societies, leaving them open for analysis of efficiency by economists, politicians and sociologists worldwide.

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One healthcare system that is fascinating in the global community is the system found in Japan. Japan, being one of the top 5 in highest Gross Domestic Product, has a complex healthcare system which is necessary to observe in order to recognize the many positive and negative aspects that come along with the idea of universal healthcare. By looking at the development of the economic and political history of Japan, it is important to observe the ways in which this relates to the creation of a universal healthcare system in Japanese society today. Within the economic history of Japan, observing the specific foreign and national policies are significant to discern when noting the effectiveness and development of Japan’s universal healthcare system. Additionally, while observing the idea of universal healthcare, it is also necessary to notice the impact of Japanese culture and geographic environment on health, in analyzing the qualities unique to Japan’s health system. From a global standpoint, the internal issues of work and trade in Japan also have an essential impact on the functions of the Japanese health system. Finally, by noting Japan’s forms of prevention on major diseases within Japanese society, it is apparent that there are many features of Japan’s health system that make it different from other countries throughout the world and mark this type of healthcare as truly “Japanese”. By observing these aspects of Japanese healthcare, the underlying inequalities within the Japanese health system will become more apparent. Furthermore, identifying of these inequalities is the primary step in attempting to promote health equality in Japan, where, although they remain as one of the healthiest countries on a global scale, the awareness of health inequalities remains low and encouraging equality is a necessary tactic to improve Japanese society.
The uniqueness of Japanese society does not stop at the incredibly effective healthcare system that is found in this country. By analyzing the economic development of Japan, it is apparent that many of the ways in which Japan advanced economically negatively impacted the equality within Japan as a whole. One of the most influential events on a country’s culture and government comes from the growth of a country’s economy. The changes of a society’s economy significantly impact all aspects of life, ranging from quality of life in terms of healthcare to the type of government established within a given country. Furthermore, the economic development within a country greatly impacts growth towards greater equality as well as the formation of inequalities within society. By looking at the structure of Japan’s healthcare system as well as the economic development of Japan, inequalities within Japanese culture arise and are imperative to observe in order to reform the Japanese ideas of equality.

The research presented throughout this paper will be closely related to the evaluation of the Japanese healthcare system, as it is presented as the most successful health system in the world based on life expectancy. From an outside point of view, Japan appears to be in an excellent state of economic stability and healthcare improvement. However, by looking deeper into both of these areas within Japan, it is apparent that they call for a close analysis of improvements that can be made to the geographical aspects of this country. Much of the data presented from scholarly opinions in this paper emphasizes the focus on prioritizing both the current healthcare and economic systems as areas of significant reform. Through the analysis of the cultural and economic aspects within Japan as well, through scholarly and economist opinions alike, reform within Japan is essential in order for Japan to continue as a healthy and
prosperous country. Looking at the data presented within this paper will give an overview of the past and existing problems and policies towards reform in both the economic and healthcare sectors. Although equality within any country throughout the globe may have different definitions and values, some of the universal measures for reforming equality are necessary to look at in restructuring both the economic and healthcare structures in a country like Japan.
Chapter 1: Background

Political and Economic History in Japan

Japan’s political history is a very important aspect that directly relates the healthcare system that has formed throughout the country. Japan’s government is based on a constitutional monarchy, which works with one person sitting at the head of the state but having many constitutional limits on them in order to ensure that there is no corruption or tyranny. The person that is kept in check by this type of government is the emperor. In Japan, the emperor is used as a symbol of both unity and power\(^2\). The majority of the political power in Japan is located in the National Diet as well as the Prime Minister, who is the head of government. The Diet consists of both a House of Representatives, as well as a House of Councilors who each have a period of six years in their chair, until they are up for reelection. The Diet is also the group that is required to vote for and select the Prime Minister. The highest form of court in Japan is known as their Supreme Court. There are three other tiers below the Supreme Court that are used as well. Just recently in 2009, the Social Liberal Democratic Party of Japan had taken over the Liberal Conservative Democratic Party of Japan after a reign of fifty four years\(^3\). Historically, Japan’s government was based on many different forms of Chinese Law and the origins of government in Japan date back from the early sixteenth century up to the


middle of the nineteenth century. However, since the beginning of the nineteen
hundreds, the judicial system in Japan has been primarily based on the civil laws of
Europe, specifically on France and Germany⁴.

Economically, Japan has always been one of the world’s wealthiest countries,
providing large numbers of jobs and having an overall good reputation internationally.
“With an economy in 1951 barely 5% that of the U.S. and a gross domestic product
(GDP) half the size of West Germany, Japan has scaled astronomical heights and until
recently was the second largest economy in the world”⁵. Japan has a Gross National
Product of $3.7 trillion and a Gross Domestic Product of $3.3 trillion⁶. Japan has also
historically always been noted for its rate of economic growth, both after its early
reconstruction and after the Second World War. The early parts of Japan’s economy
were known by large areas of commerce known as the “vital commercial sector”,
booming agricultural growth and a series of complex road structures that made travel and
trade easier⁷. After World War II, Japan had a boost in its national economy due to the
many investments that Japan had made in mainly technological advancements that
produced high outputs of capital. Furthermore, the labor force in Japan was critical to its
economic growth, because people were both highly literate and also willing to work for
low wages, therefore increasing capital and growth. Ultimately, the biggest economic
factor that made Japan such a successful country was the way they handled their money

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⁷ Ibid
after World War II, placing particular tariffs and implementing different polices to encourage people to save money.

Both the political and economic foundations in Japan laid the groundwork for the healthcare as it stands today. Innovative acts of healthcare in Japan have dated back to the early nineteenth century, where “the first ever operation performed under general anesthesia was performed in 1804 by a Japanese physician, Hanaoka Seishu, using a datura, a class of plants in the nightshade family that contains a powerful psychoactive agents that produce vivid hallucinations followed by a long period of narcosis that can last for hours or even days”\(^8\). This act of indigenous healthcare shows that Japan was very technologically advanced for this era while also having a high level of advancements in medical procedures. “Health and sanitation in Japan were greatly improved in the late 19th century by a Scotsman named William Burton, who redesigned Japan’s crumbling water supply system, improving drainage systems and sanitation, significantly reducing the threat of cholera that was killing thousands of Japanese at that time”\(^9\). These earlier health adaptations ultimately lead Japan’s Healthcare to where it is today.

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Before looking at some of the specific economic policies regarding industries within Japan and more particularly the health industry, it is vital to look at the economic development and organization of the Japanese economy. Over the course of time, it is clear that the structure and the organization of the Japanese economy are the fundamental roots for Japanese economic successes. “A unique set of institutional arrangements, organizational structures and managerial practices are characteristic of Japanese organization, and many observers have seen various of these as important causal elements in Japan’s economic success”\(^\text{10}\). While looking at the success of the Japanese economy, it is necessary to see the strong past performance of the Japanese economy as emerging from coherent practices in an environment rife with complementarities\(^\text{11}\). Within the Japanese economy, complementarities where the increasing of one good’s demand is due to the decreased price of another good, is the basis of the successful revenue gains in Japan.

Structurally, Japan is made up of many small and medium sized business firms that make up the bulk of Japanese GNP. However, the largest business firms in Japan play a central role in the Japanese economy while also adding unique cultural aspects to

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the Japanese lifestyle and society\textsuperscript{12}. The ways in which the large business firms are run in Japan mainly comes from the underlying ways in which they are financed and by those who contribute by investing. Most of the common stock in large Japanese firms is held by other major domestic firms; such as insurance companies, banks and other large industrial enterprises\textsuperscript{13}. These large business firms are also known for adding crucial policies within the Japanese economy that allow the country to remain prosperous. Two of the most important policies put into place by large firms in Japan include the long-term employment guarantees for so called permanent employees and also the recruitment of employees only at the very early stages of their careers\textsuperscript{14}. Although these economic policies of hiring and retaining employees in Japan are not only unique to Japan and are carried out elsewhere in the world, these practices are manifested in Japan to a much further extent in comparison to other countries. Since the early 1950s, “it has been extremely rare for a major Japanese firm to dismiss a permanent employee except for specific cause, let alone to institute a mass layoff”\textsuperscript{15}. This has been true for both white and blue collar workers in Japan, where both groups have long enjoyed employment security, unless their employer is faced with imminent failure. Furthermore, the professional employment of citizens from a younger age has proven to bring much economic success to Japan. At some of the biggest firms in Japan, it is extremely rare for


\textsuperscript{15} Ibid
a company to hire someone at a level higher than the lowest entry level\textsuperscript{16}. “These firms recruit directly from high school and the top universities, and all the new employees of a given year’s cohort start work together on April first of that year”\textsuperscript{17}. This policy influences Japan’s workers to keep their jobs because if they decided to quit, it would be very unlikely for them to obtain another successful job at a large firm, and smaller businesses do not have equal benefits compared to the bigger Japanese companies. The structure of the large primary Japanese firms has ultimately led to the success of the economy in Japan. Furthermore, the policies implemented by these large firms have created a sense of stability and job security, allowing for Japan to have prolonged economic growth.


Japan: Health Economics

Although Japan is a very prosperous country filled with many healthy people, there has been little literature on the health economic evaluation of the world’s second largest healthcare market. The main reason for the lack of interest in economic evaluation is that the fee-for-service and strict price regulation that characterizes the system of healthcare financing in Japan is not conducive to many economists’ forms of healthcare analysis. However, in recent years, there have been calls from the government about the need to establish economic evaluation in the field of healthcare, particularly for pharmaceuticals. The insurance system as well as the providers of healthcare in Japan are essential to observe while looking at the economic policies that influence the Japanese health system. One policy that has greatly affected the healthcare system of Japan is the way in which the government assigns healthcare as opposed to citizens deciding which health plans they would like for themselves. In Japan, insurance enrollment is based on employment or residence and not choice, therefore there is no competition between insurance plans, and an extensive system of insurer subsidization and cross-subsidization by the government has weakened the incentives for the insurers

to weigh the outcomes of medical interventions against costs\textsuperscript{20}. This has shown significant data in the pharmaceutical industry, where the prices of pharmaceuticals in Japan have been rather low in comparison to the United States and other developed countries. Due to this fact, pharmaceutical manufacturers have incentives to introduce more drugs into Japanese society, in the event that they may be more effective and can sell for more than the pre-existing drugs on the market.

Another interesting aspect of the health economics in Japan involves looking at the physicians and their concepts of making and spending money on healthcare. First of all, the medical profession in Japan is highly paternalistic; therefore, many physicians are resistant to the ideas and concepts that they deem may be critical of their practices\textsuperscript{21}. One particular observation made by economists researching healthcare in Japan comes from the use and availability of preventative resources. Due to the fact that many preventative resources in Japan are available at relatively low costs, Japanese physicians prescribe the use of MRIs, X-Rays, and CAT scans prematurely, as opposed to trying to diagnose them without these treatments. Economically, studies have found that recommending the preventative screenings rather than diagnosing patients without these treatments has proven to significantly increase medical bills. This is a particularly important healthcare initiative in the field of Japanese economics because of the fact that Japan has a more rapidly ageing population in comparison to other countries throughout the world\textsuperscript{22}. With the already frequently used screenings, a larger ageing population may possibly place an


increasing strain on the health care budget due to the possible higher prevalence of age-related diseases\textsuperscript{23}. Although many Japanese are nevertheless satisfied that good health care indicators are being achieved at low cost, in future years it is important for economists to recognize that new policies must be implemented in order to maintain these low costs and excellent rates of infant mortality and life expectancy.

Health Economic Policy Reform

As seen earlier, physicians play a very significant role in the spending of capital in the healthcare field. In an attempt to lower the costs of medical care in Japan, the government has implemented a strategy for cutting fees for physicians and cutting spending within hospitals. Further, the current strategy of cutting fees for physicians and hospitals and the prices of drugs and equipment is unsustainable, making it important to increase efficiency\(^\text{24}\). One key area for reform is the length of hospitals stays, which is four times the Organization for Economic Co-operation and Development average, reflecting in part the important role of hospitals in providing long-term care for the elderly\(^\text{25}\). According to economists, “it is essential to move away from a per diem payment scheme and toward a “diagnostic-related group” approach, which sets an overall fee according to the illness, while promoting the standardization of treatment and length of hospitals stay”\(^\text{26}\). As seen earlier in the field of pharmaceuticals, by moving toward generic drugs as opposed to the newest, most expensive drugs, this will reduce the amount of spending on healthcare. Economists also believe that due to the fact that Japan has a relatively large ageing population, increasing the amount of check-ups and the accuracy of patient information is essential in keeping the population healthy. However, increasing check-ups and awareness programs for Japanese society comes with a high


\(^{25}\) Ibid

\(^{26}\) Ibid
cost and therefore, economists believe that in order to keep healthcare successful and at a low cost, it is necessary for the government to implement higher taxes on unhealthy goods, particularly cigarettes\(^\text{27}\).

Increasing the amount of households that pay for the universal healthcare in Japan is also one of the primary concerns of reform by Japanese economists. By 2008, about 21% of households that were covered by National Health Insurance (which includes primarily the self-employed, economically inactive and elderly) failed to pay the premium\(^\text{28}\). In order to reduce the number of people who do not contribute to universal healthcare premiums, it is necessary to improve compliance, as well as to include more non-regular workers in employer-based insurance. Furthermore, according to a 2007 Japanese poll, a significant portion of households limit their use of health care for financial reasons\(^\text{29}\). In order to make healthcare more financially acceptable for all citizens of Japan, economists feel that it is important to reduce the monthly ceiling on copayments to ensure adequate health care, particularly for those with serious or chronic illnesses\(^\text{30}\).


\(^{30}\) Ibid
Japanese Foreign Direct Investment

Historically Japan has been known to be one of the most closed investment markets and one of the least appealing economies for foreign financial investors. This statistic is particularly shown where despite its rank as the world's second largest economy, Japan's inward foreign direct investment rate is surpassed several times over by those of individual European countries. However, in recent studies, Japanese economists have found that foreign investment can ultimately help the Japanese economy. Keeping with successive government administrations' goals of doubling the level of foreign direct investment in Japan at five-year intervals or faster, Japan has been narrowing the foreign direct investment gap. In 2006, gross capital inflows increased to their highest and the foreign capital invested in Japan rose to almost one hundred and eight billion dollars according to Japanese statistics. These recent statistics are showing that the original secluded form of economy held in Japan is losing its value because firms and industries are realizing the necessity of foreign direct investment in increasing their revenue. One case showing that the government is genuinely trying to facilitate both domestic and foreign mergers and acquisitions activity comes from the continuing reforms to bring down the firewalls between retail and investment banking while also

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relaxing regulations for acquisitions within the pharmaceutical industry. Although there have been movements towards increasing foreign direct investment, industries including public safety and national defense remain completely domestic in Japan in order to reduce threats of corruption within their society. “Foreign investors intending to make direct investments in certain industries must file with the Japanese Ministry of Finance as well as the respective ministry governing the specific industry of the investment target.” Foreign direct investment in the Japanese economy is utilized far less in comparison to other countries world-wide yet Japanese citizens remain some of the wealthiest and healthiest people throughout the globe.

Japanese Foreign Economic Investment: Healthcare

By looking at the ways in which Japan utilizes foreign direct investment in the field of healthcare, it is clear that many of the aspects Japanese universal healthcare are influenced by foreign countries. A few of the areas in Japan impacted by foreign direct investment include pharmaceuticals, medical equipment and health care services, representing the broad spectrum of Japan’s health care system. In the Japanese economy, it is found that pharmaceuticals have the highest amount of foreign investment and foreign employees in comparison to any other industry in the Japanese economy\textsuperscript{35}. At almost US$60 billion in 2004, the country’s drug market is the second-largest in the world, behind only that of the United States and about twice as large as third-ranked Germany’s\textsuperscript{36}. The distribution of pharmaceuticals within Japan also greatly impacts the amount of foreign direct investment that ensues. In Japan, over ninety percent of the drugs distributed are by wholesalers, particularly dispensed by those that work in hospitals. The traditional ties between certain wholesalers and manufacturers have made it difficult in the past for other drugs makers, particularly smaller Japanese as well as foreign ones to gain access to doctors and most foreign firms operating in Japan. In order for smaller firms as well as foreign firms to be successful in the Japanese pharmaceutical


market, they have to team up with one of the five large Japanese firms that are used, to dominate the wholesale network in the country\textsuperscript{37}.

Within other sectors of the healthcare field in Japan, foreign direct investment has a very different influence on Japanese society. With the pharmaceutical sector receiving a fair amount of foreign direct investment, “in the medical services, health and hygiene segment, foreign companies are almost non-existent and account for less than 0.2 percent of total employment in the sector”\textsuperscript{38}. Although this sector within the healthcare field does not usually draw much FDI for any country, this statistic is significantly lower in comparison to a country like the United States. The discrepancies in the amount of foreign direct investment in the healthcare service sector in comparison to the pharmaceutical area comes from the general entry barriers of foreign investors, leaving this sector of healthcare as an untouched “sanctuary”\textsuperscript{39}.


\textsuperscript{38} Ibid

\textsuperscript{39} Ibid
Chapter 2: Japanese Healthcare

Structure of Japan’s Universal Healthcare

Looking at the structure and formation of the healthcare system in Japan, will identify qualities that are specifically unique to Japan’s universal health. Today, Universal healthcare is enshrined in the Japanese Constitution, establishing a national health insurance system in 1961. The core of Japan’s universal healthcare comes from the social security system in Japan which is basically divided into four different sections. These sections include: social insurance, social welfare, public assistance and public health.40 “The core social insurance is a compulsory system that ensures the livelihood of citizens by providing a given amount of cash or in-kind benefits in case of events insured against, namely, disease, injury, childbirth, death, old age, disability, loss of job, etc”41. From this area of social insurance a universal healthcare system is derived and extends to all citizens, ensuring that any Japanese citizen may receive appropriate health treatment anywhere and at any time. Under this universal health system, citizens are covered under “employee’s health insurance for employed individuals, national health insurance for self-employed individuals and those out of employment, and the healthcare system for later-stage elderly for the people aged 75 years or older”42.

41 Ibid
42 Ibid
In order to fund this universal healthcare program, there are particular regulations which citizens follow in paying for their insurance. In the medical insurance system, the insured pays a given amount of money every month to the insurers, and in case of a consultation pays part of the costs of the received healthcare services to the healthcare institutions. From here, the healthcare institutions claim their medical fees from the screening and payment institutions and from this point receive payment from insurers\textsuperscript{43}. These medical fees that are collected by healthcare institutions are calculated and billed based on the individual medical practices which they perform.

The public health insurance policies of universal healthcare in Japan covers almost all of the citizens of Japan and pays for more than 70 percent of medical costs and drugs, with the remainder is covered by the patient. The monthly insurance premiums are paid per household and are based on salary, allowing people to receive optimal healthcare in relation to their annual wage. Furthermore, visiting a doctor in Japan is relatively cheap, costing approximately six to seven dollars, when it costs anywhere from sixty five to one hundred dollars in the United States\textsuperscript{44}. For children, healthcare is basically free, while the elderly only pay small fees. “Public health insurance for the elderly falls into two categories: one for people aged 75 or older, and the other for those aged 65 to 75. As of March 2009, about 13.5 million people were covered by the schemes”\textsuperscript{45}. These elderly and child benefits are financed through taxpayer money, the working population and private insurance premiums.

Japanese Healthcare in a Global Environment

The countries with the most effective healthcare systems are those who are involved internationally for both financial help and for new ways of prevention of communicable disease. Japan is involved in the Japanese international Cooperation Agency which has a budget of 1.5 billion dollars for the year 2007. This money comes from the bilateral aid of the United States, specifically through the Organization of Economic Cooperation and Development. The OECD is made up of 22 countries and each country is focused on a diverse group of health problems relating to their specific needs. Japan specifically is working on a long-standing focus on supporting government and economic development and now shifting toward health and post-conflict activities. Along with being involved in this international health program, Japan is involved in one of the most important programs in the world: the World Health Organization. This organization is used to coordinate authority on eradicating the worst diseases across the globe. WHO is financed by each of the members of the organization as well as by different donors. Due to Japan’s high GDP they can provide a lot of revenue to help towards international healthcare. The last large international health agency that Japan is involved in is the Japan Association for International Health. This agency is primarily focused on science based action, where they work in laboratories and conduct field work, and then produce articles and records of their findings. These articles and records are provided to the public and to different health agencies across the world.

**Public Health in Japan**

Over the course of history and even today, Japan has a very interesting epidemiological profile. Across the globe, different countries experience times where specific diseases or environmental problems greatly affect the health of their nations’ citizens. In 1916, the Institute of Infectious Disease was incorporated into the University of Tokyo by professors Seiki Ogata and Shibasaburo Kitasato. Then in 1967, the Institute of Infectious Disease at the University of Tokyo changed its name to the Institute of Medical Science at the University of Tokyo. This change was made because of the many technological advancements in Japan, as well as the close relationship made with the National Institute of Health. The surveillance system of infectious disease in Japan started in 1981 and has been providing useful epidemiological information on 27 communicable diseases. “The system consists of medical institutions (fixed monitoring stations), institutions of hygienic sciences, health centers, local governments and the ministry of health and welfare”47.

The spread of disease in Japan can be simplified to a few demographic and environmental factors. First of all, the size of Japan’s population and the relative size of the country place a burden on citizens when there is a communicable disease. Due to the fact that there are many people in a small geographic area, diseases can be easily and

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quickly spread. Another way that disease is spread in Japan is due to the rapid economic expansion throughout the country. This expansion allows the trading of many different products, particularly food and agriculture products that could be contaminated with different infectious diseases. Furthermore, similarly to most countries, poverty and inequality in parts of Japan leave many people without quality healthcare resources as well as without suitable drinking water. This burden leaves the impoverished people of the Japanese society more vulnerable to communicable diseases as well as infectious diseases. Disease spread through food and agriculture is also a problem in countries with a high population density. Countries with a large population need high amounts of food and livestock to supply their growing populations. Therefore, if there is a group of livestock animals that are infected with a particular disease, this agent for spreading disease is greatly amplified because of the number of people that will be consuming these animals and coming in contact with the food. Some diseases that come from animals in Japan but are not as commonly consumed include bats, birds and different rodents. These animals are considered to be swarming animals; therefore if one of the members of a swarm has a particular virus, the chances of the remaining members to get the virus are very good. Diseases spread through these agents include, SARS-CoV, Ebola Virus, Nipah Virus, Lassa-Virus and the Avian Flu.\textsuperscript{48}

Over the course of the past ten years, there have been three prominent diseases in Japan. These diseases are AIDS, Tuberculosis and Malaria and are continuously attempting to be eradicated. “Japan has pledged to offer additional aid of up to $800 million from 2011 to the Global Fund to Fight AIDS, Tuberculosis and Malaria, which

Japan helped to establish in 2002, at a conference on replenishing the fund in New York. These diseases are most common to developing countries but Japan still has problems with these diseases due to their neighbors in China, as well as the fact that they have such a high population density. One specific example of Tuberculosis as a health inequality in Japan is the prevalence of this disease amongst those who live in these urban areas of Japan. Prior to the economic development of Japan, hundreds of thousands of people were dying from the disease each year and poverty, poor housing and overcrowded cities were the major causes at the time. Japan's economic development in the 1960’s helped to change the situation; living standards improved enormously and the government reinforced its TB control efforts. However, in 2006 the average number of newly notified TB cases per one hundred thousand urban population ranged from a low of 11.5 in Sapporo to a high of 57.0 in Osaka. Due to the relationship between economic development and urbanization, it is interesting to observe that, although Japan’s economy was becoming wealthier and more stable, inequalities in health were also becoming more prominent in Japanese society.


Impact of Culture and Environment on Health

Due to Japan’s relatively small geographic size and very large population, the issue of the impact of the culture and the environment on health is unique. In Japan, citizens are expected to conform to societal ways and norms, yet through this era of globalization, there have been exceptions of the very radical younger generations that have adopted westernized cultures that are very different from the older generations’ culture. Next, “Japan is a collectivist society where group needs and wants are placed above those of the individual and Japanese people tend to be other-directed”\textsuperscript{52}. Ultimately, individualistic views in Japanese society are viewed negatively and the emphasis on groups and strong relationships are both a prevalent ancient and modern cultural quality.

While looking at the overall health of Japan, it is clear that the unique qualities of the culture present some underlying health problems. First of all, in Japan, the staples of food include rice, soybeans, noodles and fish. These have all been cultural norms for the citizens of Japan, due to their climate and availability to the ocean\textsuperscript{53}. With the increase in westernization in Japanese culture, comes the increase in the imports of food from western countries, along with the many styles of food that are associated with countries


like the United States. Foods that contain large amounts of fat, particularly those from fast-food restaurants, are from the United States and have become very prominent in Japanese culture. As the amount of fast-food restaurants grow, and as the spread of uncommon unhealthy westernized food flourishes, as does the rates of people being overweight and of people being obese in Japanese society. The major group that is being affected by this increase in healthy food and obesity is the earliest generation of children. In an obesity study, between 1976 and 1980 the obesity rate was 6.1 percent for boys and 7.1 percent for girls and these numbers have gradually increased and, in the most recent period of 1996 to 2000, 11.1% and 10.2% of boys and girls. This is directly related to the change of diet and culture, conforming to a more westernized style.

As the industrialization of Japan has increased and shifted from an agricultural society to a more urban society, the effects of this have had a significant effect on the environment and further the citizens of Japan. Toxic pollutants from power plant emissions have led to the appearance of acid rain throughout the country. In the mid-1990s, Japan had the world's fourth highest level of industrial carbon dioxide emissions, which totaled 1.09 billion metric tons per year, a per capita level of 8.79 metric tons per year. Water pollution is also a major problem in Japan. Increase in acid levels due to industrial pollutants has affected lakes, rivers, and the waters surrounding Japan. “Other sources of pollution include DDT, BMC, and mercury. Environmental damage by industrial effluents has slowed since the promulgation of the Water Pollution Control Law of 1971, but there is still widespread pollution of lakes and rivers from household

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sources, especially by untreated sewage and phosphate-rich detergents. These two forms of pollution on the environment greatly affect Japanese health as a whole because air and water are both commodity goods. The effects on the water directly affect fisheries and have shown to decrease the fishing industry. This negative effect directly affects Japanese health because fish is a staple food amongst society. These aspects of the culture and environment and their effects on health in Japan are unique to Japan due to the geographic setting in which Japan is placed in, as well as the particular societal norms that have been established throughout this country.

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Prevention of Infectious and Chronic Disease

In looking at the Japanese healthcare system, it is interesting to observe the forms of prevention towards disease and illness. These forms of prevention create a unique form of universal health for Japanese society that remains highly efficient compared to other highly developed countries world-wide. In every country, there are both infectious and chronic diseases that are handled through different levels of prevention. Different policies and healthcare plans emphasize primary, secondary and tertiary preventions for diseases, based on their transmission and severity. One prominent infectious disease that has significant effects on the Japanese population is Malaria. Malaria is a serious and sometimes fatal disease caused by a parasite that commonly infects a certain type of mosquito which feeds on humans. People who get malaria are typically very sick with high fevers, shaking chills, and flu-like illness\(^57\). Malaria can be a fatal disease; however, there are some steps that can be taken in order to prevent and control this disease. After World War II, Malaria had become a serious threat to the citizens of Japan. Just after World War II, more than 10,000 malaria cases per year were reported in Japan, including indigenous, imported and induced malaria. Malaria has been successfully eradicated since 1961 in Japan and now only imported malaria cases are encountered\(^58\). With more people


travelling overseas for vacations as well as business arrangements, Malaria has become more apparent in Japanese society. Compared to western travelers, the Japanese are not adequately protected against Malaria. Primary care clinics and hospitals have been encouraging travelers to receive immunizations for Malaria if they are planning to leave the country. Also, Japanese traveling medicine providers and general practitioners who engage in pre-travel consultation should raise awareness of travelers about the seriousness of malaria.\(^{59}\) Next, Japanese health clinics have been conducting many more screenings in order to reduce the transmission of Malaria. Japanese health clinics have concluded that there has been around 100–150 cases of acute Malaria annually for the last 10 years, and of those, about 75% are Japanese and 25% are foreigners, and about 75% are male and 25% are female. These conclusions have encouraged screening nationwide. Once a person is diagnosed with Malaria, there are some tertiary levels of prevention that Japanese doctors have been using. Patients sometimes see doctors at clinical institutions for common cold-like symptoms such as headache, muscle pain and malaise without such high fever that is characteristic of malaria. These patients are then given all of the precautionary treatment and care by doctors in order to reduce the chance of an acute case of Malaria. These patients are then taken and tested for Malaria by staining of the blood film to confirm microscopically the malaria parasites within the red blood cells.\(^{60}\) This will ultimately help to contain the spread of Malaria by taking these screening precautions.


\(^{60}\) Ibid
In Japan, 80 percent of all deaths in 2002 were due to chronic illnesses. Of these chronic diseases, Cardiovascular Disease was the second leading killer, behind cancer. Due to this statistic, doctors have been taking steps toward primary, secondary and tertiary levels of prevention, that will ultimately help to lower the incidence of Cardiovascular Disease. At the primary level of prevention, studies have been created that have given people a drug called Pravastatin, which reduces cholesterol and lowers the risk of Cardiovascular Disease. Studies have shown that treatment with a low dose of Pravastatin reduces the risk of coronary heart disease in Japan.

In order to prevent Cardiovascular disease at the secondary level, doctors are screening individuals for multiple risk factors of Cardiovascular Disease, when at least one factor is present. Also, doctors are looking at the family history of patients who may be prone to having high cholesterol, and taking precautionary steps to ensure that they keep their cholesterol down. At the tertiary level, those who are diagnosed with high cholesterol and are susceptible to Cardiovascular Disease have been prescribed prescribed omega 3 acid ethyl esters, which are licensed in Japan for patients who have had a myocardial infarction. “The aim is to achieve a daily intake of 1 g of long chain polyunsaturated fish oil and thereby to reduce the risk of death or further non-fatal cardiovascular events.”

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Though Japan has a very high reputation as having one of the wealthiest economic markets in the entire world, with this comes a price to pay when it comes to the laborers of Japan. After World War II, Japan had a serious increase in their economy, forcing workers to be working for ten or twelve hour days, either six or seven days of the week. This physical and mental burden was very detrimental to the health of many laborers. During the first three postwar decades no one paid any special attention to the larger than usual number of men in their 40s and 50s who died of brain and heart ailments, most often from acute cardiac insufficiency and subarachnoid hemorrhage. “It was not until the latter part of the 1980s, when several high-ranking business executives who were still in their prime years suddenly died without any previous sign of illness, that the news media began picking up on what appeared to be a new phenomenon.” This new and overwhelming phenomenon became known as karoshi, or in other words, “death from overwork”. The overworking of laborers continued up until 1990 where there was an estimated of over 10,000 people dying each year from karoshi. Karoshi is still occurring in today’s economy in Japan, however, Japanese Legislation has

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66 Ibid
put in effect different working and wage laws that have helped to decrease the amount of hours that employees work.

Environmentally, Japan has a very large effect on both their own country as well as the global community due to their choices in trade as well as national industries. In Japan, the whaling industry has always been one of the more predominant sources of income. Currently, environmentalists are very against this, claiming that Japan is not conducting scientific research with the whales, but rather, poaching them and using their products in Japanese markets. One way that this industry is detrimental to the health of those who live in Japan, is the increase in serving whale in many of the cafeterias.

“According to a recent survey, 5,355 schools — about 18 percent of public elementary and junior high schools nationwide — said they served whale meat in cafeterias at least once between 2009 and 2010”67. Despite the fact that the serving of whale in Japan is currently declining due to Japanese Legislation, any whale that is being consumed by children is a serious health risk. “The mammal's meat contains a whopping dose of mercury, a heavy metal linked to health problems like numbness, fatigue, brain damage and developmental problems, birth defects, and even death”68. Another environmental problem that Japan has experienced is through oil spills due to their oil trade with China and Russia. In 1997 the oil tanker called Nakhodka carrying about 19,000 kl of heavy oil, sank due to stormy weather conditions right off of the coast of Japan. This not only affected Japan’s fishing industry, but it also polluted the coast of China, negatively affecting many of their fishing and trading ports as well.


68 Ibid
Although Japan is ranked as one of the healthiest as well as most economically developed countries throughout the world, underlying social inequalities ultimately negatively impact the Japanese society and culture. Due to the fact that Japan has become a country with a flourishing economy, this has led to many different disparities regarding socioeconomic status amongst citizens. Furthermore, it has been found that “increasing socioeconomic inequalities are a potential contributor to increasing health inequalities”\(^6^9\). The differences in socioeconomic statuses throughout Japanese society as well as other underlying factors within Japanese culture are significant contributors to the social inequalities found in Japan.

Due to the fact that Japan produces and maintains some of the healthiest people amongst the global community, it is essential to observe some of the inequalities in the Japanese healthcare system. In comparison with the global community, Japan has the longest healthy life expectancy on Earth and spends half as much on healthcare as the United States\(^7^0\). In the analysis of these efficient statistics Japan produces in terms of overall health, underlying inequalities amongst Japanese doctors and hospitals are necessary to examine. From an interview with a typical doctor in Japanese society, it is apparent that the lack of benefits and low wages may ultimately impact the quality

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amongst many doctors countrywide. Doctor Kono Hitoshi runs a private, 19-bed hospital in the Tokyo neighborhood of Soshigaya, where he describes some of the problems with the current health system in Japan. In one scenario, Hitoshi describes that “if somebody comes in with a cut less than 6 square inches, Kono gets 450 yen, or about $4.30, to sew it up”\textsuperscript{71}. This very cheap healthcare service is due to the Japanese universal healthcare system and in other countries like the United States, a service similar to this may cost considerably more. Due to the low wages of these doctors in Japan, many are forced to find other ways to create revenue. In Hitoshi’s case, he has four vending machines in the waiting room of his hospital and furthermore, in a part of Tokyo with free street parking, he charges $4 an hour to park at his clinic\textsuperscript{72}. Similarly to doctors, hospitals are also a victim of inequality throughout Japanese society. According to Hitoshi, he approximates that around fifty percent of hospitals similar to his are in a high financial crisis. Hitoshi continues in saying, “While the United States probably spends too much on healthcare, Japan may be spending too little. In a country with $10-a-night hospital stays, prices just aren't high enough to balance the books”\textsuperscript{73}. Although this problem of having healthcare prices too low in Japan may be an appealing problem to countries like the United States who pay significantly more for health services, only time will tell the point in which these low costs in Japan will affect their health quality.

Access to healthcare is becoming an increasingly imperative social inequality that has been found throughout Japanese society. In the past few decades, a relative shortage

\textsuperscript{72} ibid
of physicians has been reported across the country of Japan\textsuperscript{74}. Although the field of medicine and healthcare has been on the rise and has become more popular in the world of academia in Japan, in 2007 a shortage of physicians was reported to the Japanese government. Because of this, in May of 2007, the Japanese government announced the "Active Plan for urgent supply of physician" and from “2007 to 2008, the Ministry of Education, Culture, Sports, Science and Technology, increased medical school admissions for the first time in twenty-eight years, permitting 7793 students to begin their training”\textsuperscript{75}. This plan increased the number of physicians and medical practitioners for the general population; however, this also increased the concentration of these physicians to urban areas, leaving those who live in rural areas with an unequal opportunity to receive health treatment. Due to this increased focus of medical practice within urban areas, the change of both population and the number of the physicians in an area must be examined “at the same time because urbanization widens the disparity between the rural area and urban areas”\textsuperscript{76}. One area that has been affected the most due to the lack of accessibility to physicians in rural areas is pediatric healthcare. “As warnings of a potential collapse of the Japanese medical system for children has been given, it is critical to examine the geographic distribution of pediatricians and evaluate their accessibility”\textsuperscript{77}. When describing geographic accessibility for children to visit physicians, not only the mean travel time but also the inequality indicator of travel time should be closely

\begin{footnotesize}
\textsuperscript{77} Hakui T: Problems in Medical Care Services for Children. \textit{Japan Medical Association Journal} 2005, 48: 271-475.
\end{footnotesize}
This inequality indicator in Japanese society directly correlates to the disparities of socioeconomic status that can contribute to the unequal opportunity children have to travel to a medical center.

Inequalities in access to healthcare are crucial to observe within Japanese society; however, gender inequality amongst Japanese culture also provides us with insight to an important issue in Japan. The statistics that are most often used to illustrate the nation’s dismal status in this respect are the United Nations Development Program's Gender Empowerment Measure (GEM), which gauges equality by tracking women's participation in politics and business. “In 2007, Japan's GEM was ranked 54th out of 93 countries, compared with Australia's 8th ranking, Germany's 9th, Canada's 10th, Britain's 14th and the United States' 15th. Furthermore, the presence of women in Japan’s government has a staggering percentage of 9.4 percent, which puts the nation in the disgraceful position of being ranked 131st out of 189 countries surveyed. One explanation for the lack of women in government positions in Japan comes from the idea that women are not achieving high enough levels of education. “A 2005 report on education by the Organisation for Economic Co-Operation and Development (OECD) said that, among 100,000 young employees, the number of male university graduates in Japan with science degrees was 1,656, above the OECD average of 1,398, but the corresponding number for women stood at a paltry 372 — less than half of the OECD

80 Otake, Tomoko. "Japan’s gender inequality puts it to shame in world rankings." Japan Times 24 02 2008, 1 n. pag. Print.
81 Otake, Tomoko. "Japan’s gender inequality puts it to shame in world rankings." Japan Times 24 02 2008, 1 n. pag. Print.
average of 858”\textsuperscript{82}. Sociologists have recognized that some of the reasons for this phenomenon include the lack of resources of nurseries for researchers who work very long hours, as well as the lack previous influential women in the areas of science, technology and politics.

When observing social inequalities throughout Japan, it is important to observe the way the mainstream ideals of Japanese society contribute to the inequalities within Japanese culture. The housing policy within Japan greatly contributes to the formations of inequalities throughout their culture. Housing policy in Japan does not intend to ameliorate the living conditions for all people, yet instead allots resources to particular groups, further promoting inequality. The housing policy in Japan has placed an emphasis on forming a social mainstream where the Conservative Party in Japan directs resources to family households with middle to upper incomes while also encouraging them to own their own private home\textsuperscript{83}. Although normally people are required to acquire housing by themselves, the incentives that the government gives people of middle and upper incomes, has created a distinct form of inequality. “The government has been implementing housing policies as a means of accelerating the mass construction of owner-occupied houses and has a driving force of economic development backed by its strong relationship with the construction and housing industries and real estate developers”\textsuperscript{84}. However, the Japanese government has implemented very few housing policies for low-income citizens, creating an increase in the inequalities of housing.

\textsuperscript{82} Otake, Tomoko. "Japan’s gender inequality puts it to shame in world rankings." Japan Times 24 02 2008, 1 n. pag. Print.
Without action by the Japanese government, these housing inequalities will only increase, due to a relatively recent demographic change in Japan’s society where the elderly population is increasing and birthrates are decreasing. The evolving social mainstream in Japan has created many opportunities for inequalities and without government regulation, could lead to negative economic impacts as well as health disparities.
Chapter 3: Japanese Reform

Government Healthcare Reform and Promoting Health Equality

With the presence of many health inequalities in Japan, it has become a necessity for there to be certain measures of reform within the Japanese government. Initial efforts to make healthcare reform were considered to be very radical and were nullified due to their radical nature. Today, the Japanese government is taking less radical steps in making changes in the healthcare system that will ultimately reduce the inequalities that are present. Four of the main goals that the government has noted will reduce health inequalities for Japanese citizens include; increasing patients’ share of health costs, creating an independent health insurance plan for the elderly, introducing inclusive payments for acute inpatient care, and setting the reference prices for drugs\textsuperscript{85}. In looking at the first goal of increasing patients’ sharing of health costs, “conservative politicians from time to time observe that if the public rejects increases in taxes or premiums, having patients pay more is the only viable alternative”\textsuperscript{86}. Furthermore, recommendations to permit balance billing for physician consultations and to give hospitals more freedom to charge extra for amenities in inpatient care remain in the plan in reducing the health inequalities of patient spending. Next, creating an independent insurance plan for the large elderly population is a necessary area of reform to promote equality in Japan’s

\textsuperscript{86} Ibid
health system. Insurers complain that it is their ever-rising contributions to the old age pooling fund, not benefits for their own members, that have forced them to raise premiums for all who belong under their health insurance plans. In order to combat the inequality in the insurance plans, an independent insurance plan, to be primarily financed from taxes but with a large proportion covered by premiums collected from the elderly themselves has been proposed and will hopefully be implemented in the near future. The problems with the acute inpatient care have stimulated a demonstration project with ten hospitals that are mostly nationally owned, to develop, test, and begin using diagnosis-related groups for acute inpatient care. Finally, as seen earlier, the pharmaceutical companies within Japan have had problems with the prices of the drugs in the Japanese market. Despite price reductions that have been made in each fee-schedule revision, there is widespread belief that drug costs are still too high and cannot be reduced further as long as providers profit from dispensing. Under a new Japanese government proposal, a reference price would be set up for a group of drugs that contain similar pharmacological characteristics. With this proposal in place, “if the provider buys at a lower price, the reimbursement would be at the actual purchase price; if the provider buys the drug at a higher price, the patient would have to pay the difference." This provision will eliminate all of the profits from drugs for both hospitals and physicians while also making a disincentive for physicians to prescribe high priced drugs to those who cannot afford them in order for them to receive pay.

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89 Ibid
These suggestions for healthcare reform in Japan aim to draw on many of the approaches associated with the managed care revolution in the United States, such as risk adjustment, evidence-based medicine, and the various ways to insert market mechanisms. Using a combination of different reform methods allows for the most successful and appropriate ways in creating health reform and promoting health equalities. Government officials feel that “muddling through” is the approach best suited to Japanese health policy, because in the realm of power, Japan’s health care system will always be dominated by interest-group politics, and in the realm of knowledge, real-world experience is considerably more valuable than theories and models.\textsuperscript{90}

Recent developments in the area of healthcare reform have brought up the idea of the changing of medical education in Japan. Scholars have noted that these recent policy changes in the field of health education reform have brought about a contemporary challenge to the Japanese healthcare system. The changes in the education within the Japanese healthcare system have come mainly in the past two decades due to a number of different societal and cultural changes in Japan. To compensate for the changes in Japanese society, the government has reversed its previous decision to reduce the number of doctors in the healthcare system. Concurrently, the public opinion is changing in Japan to that of support and sympathy for the practicing physician as opposed to the historic viewpoint of neglect and poor pay.\textsuperscript{91} In order to produce a new breed of future doctors, Japanese medical education has undergone major reform. Some of the major changes in this reform are made in the types of subjects in which they are teaching their future


doctors. Some of these changes include: problem-based learning and clinical skills development in most medical schools, more rigid assessment methods, ensuring competency and fitness to practice have been introduced; and there has been an increase in purposeful clinical attachments with a hands-on approach rather than a traditional observation model. Finally, “A new postgraduate residency programme, introduced in 2004, hopes to improve general competency levels, while medical schools throughout the country are paying attention to modern medical education and faculty development”

These new healthcare reform policies within Japan are essential in this society due to their quickly ageing population, as well as the different forms of technology that have been introduced to treat diseases that were not as common a few decades ago.

93 Ibid
Impact of Japanese Economic Development on Equality

By observing the economic development of Japan, it is obvious there are many relationships between the Japanese economy and the different equalities and inequalities that are apparent in Japanese society. Similarly to many other countries, Japan’s economic development and growth is based on the idea of industrialization, concentrating many of their resources on the expansion of manufacturing. While it is a common trend for countries to shift from agrarian-based societies to technology and manufacturing based societies for economic growth, “Japan's agricultural productivity was high enough to sustain substantial craft production in both rural and urban areas of the country prior to industrialization”94. Due to this phenomenon, this gave citizens of Japan different instances where they may encounter both forms of equality as well as inequalities in Japanese culture. Furthermore, Japanese economic growth was significantly due to the internal investments made within Japan. “Domestic investment in industry and infrastructure was the driving force behind growth in Japanese output. Both private and public sectors invested in infrastructure, national and local governments serving as coordinating agents for infrastructure build-up”95. The internal investment in Japan is unique compared to other countries across the world, because many countries world-wide were focused on exporting in order to achieve economic success; however Japan

established an efficient national economy before exploring trade and shipping overseas. The investments within Japanese society are also apparent as far down as the household level, where the investment of money into education allowed younger students to have improved social capabilities\textsuperscript{96}. In continuation, “at the firm level, creating internalized labor markets that bound firms to workers and workers to firms, thereby giving workers a strong incentive to flexibly adapt to new technology, improved social capability”\textsuperscript{97}. At the government level, policies that allowed private businesses to have access to foreign technology at a low price allowed them to create high amounts of outputs of goods while not being restricted by the high prices of the inputs of supplies. As Japan increased economically, as did the distribution of the focus that particular private and public firms had in terms of the acquisition of capital. In the private sector, high ratios of capital to labor relatively paid high wages, while the labor intensive public sector had unfair working conditions and relatively low wages\textsuperscript{98}. This attribute of Japanese economic development presented Japanese society with large amounts of despair regarding income inequalities; however these inequalities were addressed through government public policies that erased much of this bitterness prior to World War II. After World War II, Japan’s infrastructure revitalized through the Occupation period reforms, its capacity to import and export enhanced by the new international economic order, and its access to American technology bolstered through its security pact with the United States, Japan

\textsuperscript{97} Ibid
\textsuperscript{98} Ibid
experienced the dramatic "Miracle Growth" between 1953 and the early 1970s. Currently, although Japan’s economy experienced a lag in growth from the 1990’s to the early 2000’s because of inefficient investments made in the 1980’s, Japan remains the third most powerful economy in the world with a concentration on urbanization. However, due to some of their demographic trends the economy in Japan may experience another lag in future years to come.

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Gender Inequality in Japanese Society

From the analysis of the economic development in Japan, it is apparent that gender is one characteristic of Japanese society that was significantly affected with both steps toward equality as well as inevitable inequalities. When observing equalities and inequalities throughout gender roles and practices within a society, it is interesting to observe that women have historically been known to be the attention of the disparities of gender equality. As the economy of Japan quickly shifted from its agrarian roots, to a more industrial and urban focus, gender roles within modern Japanese society also reflected these changes. “International laws and treaties on the rights of women, like the 1985 Convention on the Elimination of All Forms of Discrimination Against Women, demonstrate the widespread global support for women’s equality that characterizes the postmodern era”\(^{101}\). Further laws and reforms were also put in place within Japan after recognizing the serious amount of employment inequalities that were occurring throughout society. These include the 1985 Equal Employment Opportunity Law, revised in 1997 and 2007; the 18 Childcare Leave Law in 1992; the Basic Law for a Gender-Equal Society in 1999; and the creation of a new government post, the Minister

of State for Gender Equality and Social Affairs, in 2005\textsuperscript{102}. Although Japan has put a significant amount of emphasis on these reforms toward equality, in recent years, a focus on economic development as well as a lack of serious enforcement by the Japanese government on these reforms, has left Japan with a very unequal and divided society.

This track of economic development that took place in Japan created many interesting gender inequalities because of the particular steps they took toward industrialization. One of the first apparent inequalities amongst gender arose post-war and showed a change in the gender roles of the Japanese family order. With the changes in gender roles, “the evolution of this type of role division went hand in hand with a far-reaching separation of the life spheres of the husband and wife”\textsuperscript{103}. As a result of this, families that were supported by white collar employees experienced autonomous decision making competencies in the respective fields of duty of husband and wife and further leading to the development of power structures throughout families in Japanese society\textsuperscript{104}. This family ideal received large amounts of criticism where there was a clear male role division and because of this, the goal of a partnership and the equality between husband and wife has become as goal within Japanese familial culture.

Due to the specific type on industrialization that occurred in Japanese society, the equality of employment in Japanese culture has also brought about certain criticisms. In a society where the basis of economic employment is based upon a lifetime commitment of work, men, not women, were hired for life, as women were expected to stay home and


raise children and those women who were hired served as temporary or part-time employees in order to protect full-time male workers when layoffs were necessary during economic downturns. Furthermore, for those women who do accept jobs in Japanese society, during their interviews with employers they rarely even ask about starting wages or salaries because of the fear this question may lead them to not receiving the job. In the instance where a woman does receive a job, it is “exceedingly rare for a woman to pursue a career outside the home” and with these jobs, from “the work they do they receive somewhat less than sixty percent of a man’s income”, leaving them at a significant economic disadvantage in society. It was found that in the 1980’s, after completing some extent of education, whether it is high school, junior college, or university, women attempt to enter the workforce but are restricted from working for an extended period of time because employers require women to resign once they are married, have a child or reach the age of thirty. These inequalities of gender are a direct cause of the economic development in Japan through the philosophy of low amounts of input with high amounts of output in order to create prosperity. Employers in Japan are able to hire Japanese women at very low wages and have them work for a few years without advancing them in their position and then fire them once it is culturally acceptable without any further contract. This path of economic development in Japan

108 Ibid
has been successful however; the creation of many inequalities ultimately undermines the advantages of their economy.

In a specific example of the development of Japan’s economy, the emphasis on their fishing industry also presents inequalities in Japanese culture. Japan remains the world’s primary fishing market for fresh tuna for sushi and sashimi, and from the success of this industry in Japan it has ultimately created international trading arrangements with many countries world-wide\textsuperscript{109}. Japanese demand for Bluefin tuna, which is highly prized as well as highly priced in Japanese culture, created a gold-rush mentality on fishing grounds across the globe wherever Bluefin tuna could be found\textsuperscript{110}. Due to the ways in which the economy in Japan has developed, women are already at a decreased opportunity at obtaining a job, and further, the laborious and heavy lifting job of tuna fishing presents an industry that is clearly employed by men. In Japan, in a “comparison of the ratio of women "employer and own-account worker" in agriculture, hunting, forestry and fishing and in all industries to the ratio of total women in each sector, women were divided at 37.7 percent in the agricultural and fishing industries compared to 72.2 in remaining industries”\textsuperscript{111}. This comparison further shows that not only are cultural norms of Japan’s economy preventing them from obtaining jobs, but the jobs themselves also limit their availability to women.

Economic Reform in Japan

In contemporary Japan, there have been some serious efforts towards the reformation of the Japanese economy. A group of government and industry leaders knows as the “Industrial Rebirth Council” which was formed in July 2000 to expand and support Japanese economic reform initiatives\(^\text{112}\). “The council, which was convened by - - and is chaired by -- Prime Minister Yoshiro Mori, is comprised of key government ministers and CEOs of such companies as Sony, Toyota, Fujitsu, NTT and Toshiba”\(^\text{113}\). This group has been put in place particularly to help jumpstart the Program for Economic Structural Reform which was put in place during the middle of the 1990’s. Through some of the new goals of the Industrial Rebirth Council, they hope to ensure and restore economic success in Japan and ultimately prevent a major recession from occurring. The primary initiatives for the goals of the Industrial Rebirth Council are to implement the necessary changes in the economic environment of Japan which will attract foreign investors and improve the economic climate\(^\text{114}\). In simpler terms, “there is a growing realization that simply waiting for economic conditions to change under current business practices is a flawed strategy for enhancing economic development”\(^\text{115}\). With the


\(^{114}\) Ibid

changes that need to be made within the economy of Japan, this will further promote the Japanese society’s movement towards equality.

In a conference headed by the Industrial Rebirth Council, there are several main points that have been stated are necessary in revitalizing the economy of Japan. Historically, corporate dynamism has been stubborn in refusing to change their practices to suite the economy. From the Industrial Rebirth Council, they have accentuated the fact that it is necessary to promote entrepreneurship and innovation, while also being more creative in stock-compensation plans. Furthermore, the incorporation of outside directors within large companies in Japan will allow for the ability of more checks and balances

Next, since the industrial revolution in Japan, the successes of small and midsize businesses have dwindled. One of the main focuses on the Industrial Rebirth Council is to reduce the size of many of the large corporations in Japan, and allow those who were previously employed in these companies to seek jobs in smaller businesses. The industrial Rebirth Council also has a significant amount of emphasis on the fact that the technology in Japan must be improved in order to compete and thrive with countries like the United States. The IRC feels that it must “invest more in research and development at universities and enhancing the transferability of human resources between private firms, the public sector and academia” in Japan, the labor force has been known to be very strict with minimal flexibility. In order to promote industrialization and capital growth, the Industrial Rebirth Council emphasizes that there must be a strengthening of the human resource development within countries, as well as an increased amount of labor flexibility by changing business policies. Some of the specific goals of the

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117 Ibid
Industrial Rebirth Council in enhancing the labor force include: enriching recruiting efforts with Internet usage, making pensions portable, expanding employment categories, changing university curricula to enhance viability in a changing economy and strengthening adult education and training systems that focus on the needs of individuals. With Japan being a rapidly ageing society, the IRC has recognized that there need to be a considerable amount of changes in the Japanese economy in order to compensate for this population. The Council will seek to find ways to develop new businesses in the medical and geriatric care arenas. It also will examine strategies for expanding electronic access to medical records to improve efficiency, facilitate privatization of nursing homes and allow more flexible standards for construction of nursing homes. With all of these new plans of reform on the Japanese economy, scholars have recognized that it is necessary to enforce and implement environmental restrictions which will create a viable situation for a successful economy. Economists and business leaders alike feel that it is in the popular interest of the government and business leaders to promote environmentally conscious agendas. Efforts here will concentrate on promoting and expanding recycling systems and effectively disposing of hazardous materials to minimize pollution and global warming. Finally, the Industrial Rebirth Council seeks to strengthen the cost effectiveness within the many businesses in Japan. This factor has mostly to do with improving the efficiency of logistics and

119 Ibid
promoting reform to reduce Japan’s high cost structure\textsuperscript{121}. In looking at the ways in which Japan is reforming their economy, it is interesting to observe the ways in which these reforms will ultimately help to reduce inequalities in Japanese society.

Promoting Gender Equality in Japan

From the history of the economic development of Japan the presence of gender inequalities has become an inevitable phenomenon. The awareness of these gender inequalities within Japanese society has created an urgency to implement different policies that can help to minimize the gender discrimination within Japan’s culture. With Japan being one of the most rapidly ageing developed countries in the world, the demographic transitions within Japan directly relate to the ways in which gender inequality is manifested. Therefore, with this demographic trend of such an elderly population, the active participation of women within Japanese society is seen as an urgent necessity. Promoting the activity of women within Japan’s economy will ultimately allow for there to be a decrease in the rate at which their economy is declining and may ultimately create a period of recovery where they will be able to reanimate prosperity. In December of 2010, Japan’s Cabinet approved of the Third Basic Plan for Gender Equality, which was based off of the 1999 policy regarding the Basic Act for Gender-Equal Society. This plan has fifteen priority fields that have been newly introduced based on the socioeconomic situation that Japan is currently in. Some of these priority fields include; the expansion of women’s participation in the policy decision-making process, the elimination of all violence against women, and gender equality within all

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academic fields, particularly those pertaining to science and technology. This third plan is also filled with eighty two performance objectives, which is forty two more objectives than the previous plan. These objectives further specify the desire for Japan to develop programs that are promoting gender equality.

In an effort to promote gender equality, Japan has also established a Council for Gender Equality. This council is established within Japan’s cabinet office and is regulated by the Chief Cabinet Secretary. The Council for Gender Equality is made up of twelve cabinet ministers and twelve gender specialists who are responsible for policies for gender equality. The primary missions of the Council for Gender Equality include; studying the basic policies and measures of equality, surveying the effects of government measures and monitoring the implementation status of government measures. The missions of the Council for Gender Equality were put into effect through some of the different proposals that were implemented in 2008. The council was concentrating of the promotion of employment and social participation of elderly people in Japan by both sexes. Next, the improvement of systems and environments that increase economic independence for the elderly of both sexes is one of the main proposals in making steps toward economic recovery. Finally, ensuring initiatives in medical services and preventative care while also taking into account the differences between men and women within these areas is a main concern of the Council in order to increase the equality in Japan’s culture. These proposals and missions of promoting Japanese gender equality are closely monitored by the special committee within the Council for Gender Equality.

125 Ibid
Conclusion - Possibilities for Future Research

Societies across the globe have been constantly aiming to increase equality within their cultures in order to reduce conflicts and eliminate the possibilities for creating detrimental situations that may harm the prosperity of their countries. However, from a historical global perspective, equality within many societies was rarely found due to the increasing amounts of societies that instituted slavery while also containing corrupt forms of government. Overall, in today’s modern societies universal or perfect equality for all is not the goal and instead the focus of equality reforms is creating greater equality and reducing inequalities within cultures, yet also recognizing that this goal will not be achieved without considerable obstacles\textsuperscript{126}. From this goal, it is important to understand that while trying to achieve this objective, the diversity within societies trying to reduce inequalities creates many complexities which manifest underlying and conflicting goals because of the natural differences in people. From a historical context, it is very interesting to observe the ways in which societies today have ultimately attempted and achieved equality due to the many events which have occurred in particular countries over time. One of the most influential events on a country’s culture and government comes from the growth of a country’s economy. The changes of a society’s economy significantly impact all aspects of life, ranging from quality of life in terms of healthcare

to the type of government established within a given country. Furthermore, the economic development within a country greatly impacts growth towards greater equality as well as the formation of inequalities within society.

While looking at the association between the economy in Japan and health, it is crucial to observe the influential economic policies that support different industries, particularly the health industry. Furthermore, the economic achievements in Japan are greatly impacted by foreign direct investment from the world as well as the Japanese foreign direct investment, therefore it is important to scrutinize the FDI of Japan and the ways it may impact healthcare. Through the study of the economic policies and foreign direct investment in Japan, it will be apparent that there is a distinct relationship between economic success and the health and well-being of Japanese society.

By observing the many aspects of Japanese society and their interesting relationships with health quality in Japan, it is apparent that the health system in Japan is unique in the eyes of a global community. Furthermore, looking at the economic development in Japan has also presented scholars with correlating data regarding the inequalities that have developed throughout Japanese society. The Japanese health care system is sometimes considered one of the best in the world because it appears to have achieved universal coverage, high quality, and a comparatively low level of expenditure. Many of the pieces of Japanese society that is covered by their universal healthcare system has lead this prosperous country into being one of the healthiest countries in the world, but also present citizens with underlying inequalities that stem from both Japanese culture as well as the structure of their health system. Additionally, looking at the definitions of equality in Japanese society, and specifically the relationship that equality
in Japanese society has with universal healthcare, will provide a deeper observation as to how universal health in Japan is truly one of a kind. Speculation against the research presented in this essay is not against the data presented but instead varying views on the types of reforms necessary are the primary concern for politicians, government officials and scholars alike. Through the analysis of this research, it is apparent that although Japan has historically been known as a successful country economically and in terms of health, the necessity for reform within government policies regarding equality in Japan is an important step in the future development of this nation. Without the current awareness and data regarding inequalities in Japan, this could ultimately lead to a potential downfall of this quickly ageing developed country. In future years, speculation on the progress of reducing both health and social inequalities within Japan will be necessary in order to assess the functionality of both past and upcoming policy reforms within the economic and healthcare sectors.


Otake, Tomoko. "Japan’s gender inequality puts it to shame in world rankings." *Japan Times* 24 02 2008, 1 n. page.


