

Table 6: Changes in distribution of household composition by gender (%)

	1986		1995		2001	
	male	female	male	female	male	female
single	4.4	54.8	7.3	57.6	7.8	60.6
couple-only	17.4	0.5	24.4	0.5	27.6	0.6
nuclera	55	5.7	47.3	5.8	42.9	5.4
one-parent	1.2	27.6	1.2	26	1.4	24.2
three-generation	17.3	4.8	13.9	3.9	13.5	3.1
other	4.7	6.5	5.9	6.2	6.8	6

Source: Basic Survey of the People's Living Conditions (*Kokumin Seikatsu Kiso Chōsa*), 1986, 1995, 2001.

Table 7 Economic differentials between two-parent households and one-parent households

median of the household in	1986	1995	2001
1. two-parent households	200.44	262.12	244.80
2. lone-father household	189.26	257.52	190.57
3. lone-mother household	99.14	135.40	116.96
2/(1=100)	94.42	98.25	77.85
3/(1=100)	49.46	51.66	47.78
3/(2=100)	52.38	52.58	61.37

Source: Basic Survey of the People's Living Conditions, 1986, 1995, 2001.

Table 8 Low-income ratio for two-parent households and one-parent households (%)

	1986	1995	2001
two-parent households	7.48	8.05	10.12
lone-father household	12.94	17.86	24.44
lone-mother household	55.1	50.18	52.83

Source: Basic Survey of the People's Living Conditions, 1986, 1995, 2001.

Chapter 3
Young, Japanese, and Not in Education,
Employment, or Training
Japan's experience with the NEET phenomenon

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Introduction

Joblessness among young Japanese has risen alarmingly since the 1990s—Japan's “lost decade” of essentially no economic growth. Numerous pundits have attributed that rise—largely on the basis of anecdotal evidence—to a deteriorating work ethic. Here, the author argues that rising joblessness among young Japanese has resulted mainly from structural change in the employment environment and in the household environment and offers empirical evidence in support of that argument.

Young people have been the principal victims of the overall upturn in Japanese unemployment that began in the 1990s. Unemployment in Japan, long lower than in other industrialized nations, reached 5.4% in 2002, the highest ever recorded. Japanese unemployment peaked in the 15-to-19 age bracket at 12.8% in 2002 and in the 20-to-24 age bracket at 9.8% in 2003.

Paralleling the sharp increase in youthful unemployment has been a surge in the number of so-called freeters (*freta* in Japanese): young people who find employment in consecutive temporary jobs after leaving school. Freeter entered the Japanese lexicon in the late 1980s and is presumably an amalgam of the English freelance and the German *arbeiter*. Japanese use the German word as *arubaita* in reference to part-time workers.

The 2004 edition of the Japanese Ministry of Health, Labor and Welfare's annual *White Paper on Labor Economics* documented the increase in the number of freeters. Citing survey findings by the Statistics Bureau of the Ministry of Internal Affairs and Communications, it reported that the number of freeters had more than doubled, to 2,170,000 in 2005, from 1,010,000 in 1992.

Another pressing concern is the increase in the number of working-age young

people who are not seeking work. Japanese statistics have traditionally included those young people in the nonlabor force, along with full-time housewives, full-time students, and the fully retired elderly. That statistical grouping obscures the burgeoning number of young, unmarried Japanese who are out of school and not seeking employment. Japanese have imported a term that originated in the United Kingdom to characterize those young people: NEETs, for not in education, employment, or training. The concept and term NEET appeared originally in the 1998 report, *Bridging the Gap*, by the British government's Social Exclusion Unit.

This paper is to provide non-Japanese readers with a summary of empirical findings about Japan's NEET phenomenon. It consists mainly of content presented originally by Y. Genda and M. Maganuma (2004); Y. Genda, R. Kosugi, and the Japan Institute for Labor Policy and Training (2005); Y. Genda (2005); and Y. Genda (2006a). Most of the analytical results presented here are from *A Special Report on the Working Environment for Youth*, issued in July 2005 by a cabinet-advisory council chaired by the author.

The NEET phenomenon has captured a great deal of attention in Japan in recent years, but the public discourse has centered on casual observations. Notwithstanding the research cited here, the phenomenon has received surprisingly little serious empirical study. Limiting the scope for analysis has been the small size of the samples of nonemployed individuals gleaned from household surveys. Nearly all of the published research in regard to nonemployment among young Japanese has pertained to samples smaller than 200. That has seriously limited the statistical significance of the survey findings.

In this paper, the author draws on the voluminous samples afforded by the Japanese government's Employment Status Survey. That survey, conducted every five years by the Ministry of Internal Affairs and Communications' Statistics Bureau, covers some one million individuals aged 15 and older in about 400,000 households nationwide. It is second only to the census—also conducted quinquennially and which covers all Japanese households—in the scope of its coverage of the employment picture nationwide.

Criteria and definitions

References to freeters in white papers issued by the Japanese government's Cabinet Office and by the Japanese Ministry of Health, Labor and Welfare have been in the context of a broad age spectrum. The white papers have tended to accept an age range

for freeters of 15—the last year of compulsory education—to 34. The upper end of that age range seems justified in light of Japanese perceptions and practice. That is, the mid-30s are the upper end of what Japanese tend to regard as “young,” and they are the age threshold above which employment opportunities decline sharply. The author therefore abides by that age criterion in the following discussion of nonemployed young Japanese. All references in this paper to young people are to individuals in the 15-to-34 age bracket.

Excluded from the definition of nonemployed young in this paper are people in the subject age bracket who are attending high school, university, or vocational school or who are attending preparatory school with an eye to seeking admission to university. Included in the following discussion of nonemployed young are individuals who have completed school and those who left school, for whatever reason, before completing their education.

Also excluded from the definition of nonemployed young are individuals who, married or otherwise, are cohabiting with another individual as a couple. The author is well aware of the formal and informal barriers faced by Japanese married women who wish to participate in the workforce, and he recognizes the social, economic, and moral importance of eliminating those barriers. The focus of this paper, however, is on single individuals, who lack the safety net of a caring partner.

In defining employed and nonemployed, the author abides by the definitions used by the Ministry of Internal Affairs and Communications’ Statistics Bureau in its Employment Status Survey. Employed: individuals ordinarily engaged in income-earning work and planning to remain engaged in such work, but also including people who are temporarily not working to cope with personal illness, to care for small children, or to care for ill or infirm relatives. Nonemployed: individuals not ordinarily engaged in work that yields income.

Categories of nonemployment

Japan’s nonemployed young comprise, for the purposes of this paper, three categories: job seekers; non–job seekers who express a desire to work but who, for whatever reason, are not seeking work actively; and non–job seekers who, for whatever reason, are not seeking work actively and who express no desire to work. NEETs, the subject of this paper, are a combination of non–job seekers who have stopped seeking work and those who have never sought work. Parsing their behavior requires careful analysis of their expressed attitudes toward work, as well as of their activity or lack of activity

in seeking work.

Job seekers include individuals who express a desire to work and who are seeking employment, awaiting the results of job applications, or preparing to undertake entrepreneurial ventures. Here, seeking employment means any concrete activity toward securing work, such as obtaining introductions from public- or private-sector employment agencies and responding to help-wanted notices. Nonemployed job seekers appear among the “unemployed” in the findings of the monthly labor force survey by the Ministry of Internal Affairs and Communications’ Statistics Bureau. The bureau predicates that classification in its monthly surveys and in its Employment Status Survey on the ability to begin work immediately should the opportunity arise.

Non-job seekers who want to work but who have stopped seeking work actively appear neither among the “employed” nor among the “unemployed” in the government’s survey findings. The government classifies them—along with students, full-time housewives, and retirees—as “nonlabor.”

An implicit assumption in the Employment Status Survey and in this paper is that individuals who express no interest in working are not seeking jobs or making preparations for entrepreneurial ventures. The survey dispenses with questions about job-seeking activities for respondents who indicate that they have no desire to work. Those respondents also appear in the survey findings as nonlabor.

Note that what the Employment Status Survey detects is, strictly speaking, not who might actually be interested in working but, rather, who expresses a desire to work. Interviews by the author have revealed large numbers of Japanese NEETs who, on questioning, evince a latent interest in working but who ordinarily shy away from expressing that interest (Genda 2005). A lot of those individuals, for various reasons, display a severe lack of confidence in their ability to hold a job. Faced with the difficulty of changing their circumstances fundamentally, they identify strongly with those circumstances and regard any such change as a threat to their very being. Betraying their vulnerability are comments by which they try to rationalize their situation: “Working is not worth that much trouble.” “I can do without the stress of a job.” “I’m happy enough with things the way they are.”

Trends

Japan’s nonemployed young (aged 15 to 34) numbered 2,132,000 in 2002, the year of the government’s most recent Employment Status Survey. That was up from 1,710,000 in 1997 and 1,307,000 in 1992 (fig. 1), and this means that the nonemployed ranks of

young Japanese increased an average of about 80,000 people a year. As a percentage of the young population, the nonemployed had increased to 6.3% in 2002, from 4.9% in 1997 and 3.7% in 1992.

The most prominent movement among the nonemployed in figure 1 is the increase in job seekers. They more than doubled in number, to 1,285,000 in 2002, from 639,000 in 1992. Those job seekers appear in Japan's unemployment statistics, and their increase matches the rise in the unemployment rate among young Japanese.

Of equal concern is the growth in nonemployed young people not counted among the unemployed. Non-job seekers who wanted to work and those who expressed no desire to work together counted for some 40% of Japan's nonemployed population in 2002.

Although slower than the growth in job seekers, the growth in non-job seekers who wanted to work is also striking in figure 1. Their number increased to 426,000 in 2002, from 291,000 in 1997 and 257,000 in 1992. Prolonged unemployment became a worsening problem as the economic environment deteriorated after 1998. Growing numbers of Japanese gave up looking for work as jobs became harder to find. Physical and mental fatigue amid increasingly grueling working conditions also appears to have contributed to the increase in non-job seekers, as the author demonstrates statistically below

In contrast with the growing number of NEETs who would prefer to work if possible has been the stagnant population of individuals who display no active desire to work. The number of non-job seekers who expressed no desire to work hovered just above 400,000 during the 11 years covered in figure 1. Nonemployed young people who do not seek work have become a cause célèbre in Japan since around 2004, but we see here that they have been with us in like number for more than a decade at least. Why NEETs can't hold down jobs

The Employment Status Survey asks non-job seekers who express a desire to work why they can't find and retain work. The respondents choose the response that best characterizes their chief reason from among multiple choices. Readily apparent in their responses (fig. 2) is the adverse effect of economic sluggishness on the job market. Notable increases occurred between 1992 and 2002 in non-job seekers who had looked for work but couldn't find anything or who saw no chance of finding the kind of work they wanted.

Japan's NEETs frequently mention a sense of insecurity about their capabilities. Some report having quit jobs under the pressure of rigorous

performance-evaluation systems, which are increasingly prevalent in Japanese workplaces, and having subsequently not sought work anew. The experience and feelings of those NEETs are apparent in figure 2 in the rising number of respondents who express a lack of confidence in their knowledge and ability. Employers in Japan became increasingly insistent in the late 1990s that job applicants possess distinctive strengths, such as specialized skills, language ability, and good communication skills. The emphasis on communication skills was especially vexing for individuals who struggled with interpersonal relationships, a common problem with NEETs.

A separate and alarming trend depicted in figure 2 pertains to health. Among all the respondents who specified a reason for not seeking work, those who cited illness or injury increased the most sharply. Their number reached 104,000 in 2002, an increase of 40,000 in 10 years. Illness or injury prevented one in four of the non-job seekers who expressed a desire to work from finding or accepting employment.

The Employment Status Survey does not gather information about the kinds of illnesses and injuries that the respondents have suffered. Informal evidence suggests, however, that psychological and mental disorders, along with physical and mental exhaustion, have increased in frequency among young workers since the end of the 1990s. Of the 104,000 survey respondents who cited illness or injury as their reason for not seeking work, fully 70,000 had work experience. We can fairly surmise that mental stress figured in the withdrawal of a lot of those individuals from the workforce.

Workloads became more onerous for large segments of the Japanese workforce as the economy stagnated. Performance quotas rose. Ever-longer working hours became a fact of life. A lengthening workweek is immediately apparent in the yearly editions of the *Annual Report on the Labor Force Survey*, published by the Ministry of Internal Affairs and Communications' Statistics Bureau. The reports detail an especially sharp increase since the 1990s in weekly working hours for males in their 30s. About one-fourth of those workers were logging more than 60 hours of work a week.

Incidences of depression, schizophrenia, and other mental disorders multiplied and drove young Japanese who would have preferred to continue working from their jobs. So pervasive was the problem in the late 1990s that most large employers adopted measures to cope with mental health issues.

Also commanding our attention in figure 2 is the reason cited more than any other for the inability to work: "Other." Some of the respondents presumably chose that response because their reasons for being unable to work were complex and defied easy characterization. And we can assume that some respondents simply didn't have a

clear notion of why they couldn't hold down jobs. Young Japanese are ordinarily conscious of their reason or reasons for quitting a job or for giving up looking for employment. But after joining the ranks of the NEETs, a lot of them gradually lose sight of why exactly they feel unable to work.

Work aspirations

A reason commonly offered for the NEET phenomenon—and for the increase in freeters—is young people's allegedly declining interest in full-time career jobs. Here's how the reasoning typically goes: Increasingly diverse values have blurred the conventional focus on full-time vocations, and temporary employment and even not working at all have become acceptable lifestyle options. The growing amenability to temporary work frees young people to seek work when and as they please and thus eliminates the tense fixation with Japan's traditional spring hiring season. That breakdown of well-established job-seeking behavior has encouraged freeters and spawned NEETs.

The preceding argument, though seemingly plausible, is at odds with the expressed aspirations of young Japanese. That is evident in young people's responses to the government's Employment Status Survey. The survey includes questions about what kind of work respondents would like to do, and most of the respondents have indicated a desire to find permanent, full-time work (fig. 3). More than three-fourths of the male job seekers and more than three-fifths of the female job seekers expressed a preference for such work in each of the past three surveys.

To be sure, the preference for permanent, full-time work is lower among non-job seekers who express a desire to work: around 50% for males and lower than 40% for females. No long-term downward trend is evident, however, that would corroborate a declining interest in permanent, full-time work or a growing preference for the freedom and flexibility of temporary employment. If anything, the preference for stable employment among non-job seekers shows a slight increase from 1992 to 2002.

An oft-heard criticism of Japan's NEETs is that they harbor unrealistic expectations. Their aspirations exceed their qualifications by far, according to the critics, and when they encounter the impossibility of finding employment consistent with those aspirations, they lose interest and stop looking for work. Belying that complaint are the responses by NEETs in the 2002 Employment Status Survey (fig. 4).

In the 2002 survey, job seekers who cited a vocational preference favored

technical and other specialized work. Next in order of preference for the job seekers were office work and service-sector jobs. The top three vocational preferences were the same for non-job seekers who cited vocational aims, though service-sector jobs displaced office work as the number two choice.

What is most striking about the findings, however, is that “No preference” outnumbered all other responses by job seekers and by non-job seekers. That was the response by 26.3% of the job seekers and 44.2% of the non-job seekers. Inordinately choosy behavior thus does not appear to be a definitive factor in nonemployment among Japan’s NEETs. If anything, a lack of focus in vocational preferences might be impeding their assimilation into the workforce.

Education

Japan’s nonemployed young display a strong correlation between approach to work and educational attainment (fig. 5). The percentage of young people who have not graduated from a four-year university, a two-year college, or a postsecondary vocational school (“non-college graduates”) is notably higher for the nonemployed than for the 15-to-34 population overall. And among the nonemployed young, the percentage of college graduates is higher for job seekers than for non-job seekers. In short, educational attainment is lower among the nonemployed than among the employed, lower among non-job seekers than among job-seekers, and lower among non-job seekers who express no interest in working than among those who express a desire to work. Figure 5 presents findings of the Employment Status Survey for 2002, but similar trends are evident in the findings for 1997 and for 1992.

The percentage who have graduated from a four-year university (including those who have completed postgraduate studies), is 5.1 points lower for non-job seekers who express a desire to work, at 13.1%, than for job seekers, and is 10.6 points lower for non-job seekers who express no interest in working, at 7.6%. Among non-job seekers who express no desire to work, the percentage of high school graduates who have not earned higher-education degrees is 5.4 points higher than among job seekers, at 52.1%, and the percentage of junior high school graduates who have not completed high school is 12.6 points higher, at 28.6%.

Nonemployed holders of baccalaureate and postgraduate degrees have powerful motivation to seek jobs. Remaining jobless entails the opportunity cost of failing to secure the income that their education has qualified them to earn. It prevents them from earning a sound return on the money that they—or someone—invested in

their education. In that sense, nonemployed young who have completed only high school or only junior high school have less to lose from not working: they have invested little in their education, and the compensation on offer for their services in the labor market is small.

The demotivating factors are especially compelling for nonemployed young who never attended high school or who dropped out. Those individuals have little hope of securing work that is even the least bit fulfilling, and the compensation and workplace conditions at any jobs they are likely to find are generally unappealing. Remaining out of work is an all too easy choice for these young people. Even maintaining the desire to work can become an unsustainable chore.

Inexorable demographic trends are depleting the ranks of 18-year-old Japanese, and the day is fast approaching when anyone who wants to attend university will be able to gain acceptance somewhere. Numerous households, of course, will lack the economic wherewithal to send children to college. Japanese will witness a growing gulf between families financially able to provide their children with comprehensive educational support and those unable to provide that support. A lot of the young people unable to further their education will choose not to seek work rather than accept employment on demeaning terms. An appalling number of young Japanese are losing the opportunity to even want to work.

Japanese concern with educational attainment and employment prospects has centered on differentials in compensation for employees. Those differentials are small, however, compared with what prevails in the United States and in other industrialized nations, and they have not become much of a social issue. What will command mounting attention in Japan, more than the question of employee compensation, is the difficulty of even eyeing employment for people of low educational attainment. Japanese have long prided themselves on possessing a largely classless society, but a new set of castes, based on educational attainment, is about to emerge.

Work experience

Any assistance for Japan's NEETs will need to address the characteristics of the intended beneficiaries. Some of the NEETs, for instance, express a desire to work, whereas others deny any interest in working. That distinction alone warrants different approaches in counseling, training, and other modes of assistance, and other distinctions, such as differences in work experience, also require attention.

Figure 6 presents a breakdown of work experience among nonemployed

young Japanese by category: job seekers; non-job seekers—express a desire to work; non-job seekers—express no desire to work. Two-thirds of the nonemployed young covered in the 2002 Employment Status Survey possessed work experience. However, fewer than one in three non-job seekers who expressed no interest in working had held a job. The lack of work experience was, as to be expected, higher toward the lower end of the age spectrum. But even at the upper end—late 20s to early 30s—former job holders accounted for less than 40% of the total. Over-30 NEETs who have never worked are a particularly daunting challenge in efforts to help people gain the desire seek and hold jobs.

Work experience was more common, at more than 60%, among the non-job seekers who expressed a desire to work than among their counterparts who expressed no desire to work. But that percentage was substantially lower than the work-experienced percentage—nearly 80%—of job seekers. Individuals who express a desire to work and those who don't constitute roughly equal portions of Japan's NEET population. So people who possessed no work experience accounted for nearly half of that population.

Figure 6 displays a steep increase in the percentage of nonemployed in 2002 who possessed work experience, compared with 1997 and 1992. Among the nonemployed overall, that percentage had risen to 65.5% in 2002, from 53.8% 10 years earlier. Rising unemployment among the young had become a conspicuous problem for Japan, and the percentage of job seekers who possessed work experience rose to 78.3% in 2002, from 70.6% in 1997. The work-experienced percentage also rose among young non-job seekers. It had surpassed 60% by 2002 among non-job seekers who expressed a desire to work. The work-experienced percentage of non-job seekers who expressed no desire to work remained low, at about 30%, in 2002, but that was up from only 24.3% in 1997 and just 22.0% in 1992.

Something was persuading large numbers of young people to stop working. For many, health problems associated with increasingly onerous working conditions were, as noted, the reason for leaving the workforce. The growth in Japan's NEET population is thus a combination of working young people who lose the motivation to work and those who never gain that motivation sufficiently to obtain work. Remedial efforts will need to include measures for helping young working people cope with adversity encountered in the workplace, as well as measures for helping first-time job seekers find viable positions in the workforce.

Household income

External factors weigh heavily in the discouragement of NEETs who express no desire to work. The circumstances of a NEET's household, especially, influence the individual's notions of possible vocational and career paths. Singularly important is household income. Along with social status and parental vocation, overall household income has figured decisively in the NEET phenomenon. And that phenomenon is demonstrably more the product of economic disadvantage than of affluence, intuitive speculation to the contrary.

Blaming the NEET phenomenon on unprecedented affluence and spoiled children was a natural response for Japanese reared in the postwar years of hardship. The data, however, tells a different story, as we see in figure 7. Affluence is rarer among NEETs' households than among the households of young Japanese in general.

Annual pretax income of ¥10 million is a common benchmark for upper middle class attainment in Japan. That figure, as used here, does not include income from such one-time sources as drawing on savings, selling fixed assets, coming into an inheritance, or receiving employment insurance. In 1992, annual household income exceeded ¥10 million at 21.3% of Japanese households that included members aged 15 to 34. The percentage edged up to 22.9% in 1997 despite Japan's economic stagnation of the 1990s, but it slipped to 19.0% in 2002, reflecting the stubbornness of the economic malaise. The affluent—more than ¥10 million—percentage was consistently lower among nonemployed young people's households: nearly five points lower in 2002, at 14.1%.

Among nonemployed young people, the affluent percentage was highest among households that included NEETs who expressed no interest in working. That percentage among those households exceeded 20% in 1992 and 1997, and it was comparable in those years to the percentage among all households that included members aged 15 to 34. The affluent percentage was conspicuously lower among nonemployed young people's households whose nonemployed young were job seekers or non-job seekers who wanted to work.

Affluence might have figured in the decision by numerous NEETs not to seek work in the 1990s, but that was clearly not the case after the turn of the century. The percentage of affluent households that included NEETs who expressed no interest in working plunged to 14.4% in 2002, from 22.9% in 1997. That plunge was 4.6 points larger than the decline in the same indicator for young people's households overall. The percentage of affluent households was lower in 2002 for NEETs—both those who wanted to work and those who expressed no interest in working—than for young job

seekers, and it was substantially lower than the percentage for young people overall.

Separately, the author has used 80% random resampling data from the government's Employment Status Survey and multiple statistical methodologies to identify determinants of nonemployment among young job seekers, non-job seekers who want to work, and non-job seekers who express no interest in working (Genda 2006a). The findings indicate that the tendency to refrain from seeking work and even to deny an interest in working is strongest at the high end of the age bracket (15 to 34), among the individuals who have the lowest educational attainment, among females, and among the individuals who have been out of employment for the longest durations. Also evident in the findings is a statistical linkage between a lack of interest in working and affluent households, but that linkage weakens over time, consistent with the trend described above.

NEETs and other nonemployed Japanese aged 15 to 34, meanwhile, represent a disproportionately large share of economically disadvantaged households (fig. 8). The percentage of low-income households—less than ¥3 million a year—was consistently more than 10 points higher for nonemployed young people than for young people overall, and the differential broadened over the 11 years covered in figure 8. From 1992 to 2002, the low-income household percentage increased 4.7 points for young people overall but increased 8.6 points for nonemployed young people. Economic stagnation thus weighed even more heavily on the households of nonemployed young people than on young people's households in general.

Bearing the brunt of economic adversity in the 1990s were the households of young non-job seekers who wanted to work. The low-income percentage for those households in 1992, at 29.1%, was more than twice as high as for young people's households overall, and it was nearly twice as high, at 27.0%, in 1997.

By 2002, the households of young non-job seekers who expressed no interest in working displayed the highest low-income percentage. At 37.6%, that percentage was conspicuously higher than the low-income percentages for the households of young job seekers, 31.4%, and young non-job seekers who wanted to work, 31.8%.

The views from the affluent and the low-income ends of the economic spectrum reinforce the same message: If the NEET phenomenon was ever rooted in affluence, that relationship had played out by century's end. Young non-job seekers who expressed no interest in working tended to be from economically comfortable households in the 1990s, but by 2002 they represented a preponderance of economically less-comfortable households.

Whereas the number of NEETs who wanted to work increased notably, the

number of NEETs who expressed no interest in working hovered around 420,000. The lack of substantial change in the number of more-discouraged NEETs masked a sweeping change in economic circumstances. NEET was no longer—if it ever had been—a choice made amid affluence. It was becoming the face of the vicious circle of disadvantage breeding disadvantage.

Prospects

Japan's NEET population appears to be shrinking. Arithmetic based on the preliminary findings of Japan's latest census, conducted in October 2005, indicates a NEET population of 670,000. That figure is the result of simply subtracting the numbers of working people, unemployed job seekers, and students from the total number of unmarried people in the 15-to-34 age bracket. Performing the same calculation with the 2000 census numbers produces the much-larger figure of 940,000 for the NEET population. The census data, admittedly, is an imprecise indicator of the NEET population. That is because the data provided by people on the census forms about their job-seeking activities is frequently incomplete. But the evidence of a general trend is convincing.

NEETs multiplied amid the labor market deterioration wrought by economic stagnation and deflation. Now, economic rejuvenation, along with demographic trends that place a premium on increasingly scarce young workers, promises to help reabsorb them into the labor force. We mustn't let the brightening economic outlook divert our attention, however, from the deep-rooted problems manifest in the NEET phenomenon. That phenomenon was only partly economic in its origins. Physical and mental problems have underlain the inability of numerous NEETs to find and hold jobs, and similar problems continue to prevent numerous young Japanese from seeking work or even summoning the desire to seek work. Meanwhile, onerous working conditions across a large swath of the jobs on offer have also diminished the propensity to work, and if and how much economic recovery will ameliorate those conditions remain to be seen.

All things considered, we should expect a persistent population of Japanese NEETs in the hundreds of thousands for the time being. And we should recognize the NEET-like trend among Japanese older than the younger-than-35 ceiling we have adopted in our considerations here. Figure 9 shows nonemployment among unmarried people aged 35 to 49 by the same criteria we used for younger Japanese and on the basis of the same Employment Status Survey data. Whereas job seekers outnumbered

non-job seekers among nonemployed Japanese in the 15-to-34 age bracket, non-job seekers were in the majority among nonemployed Japanese aged 35 to 49.

Job seekers—the stuff of Japan's unemployment statistics—numbered 407,000 in the 35-to-49 age bracket in 2002. That was up nearly threefold over the 149,000 of 1992. Non-job seekers who wanted to work numbered 203,000 in 2002. That was up from 142,000 in 1997, when their number was unchanged from 1992. Non-job seekers who expressed no desire to work—a category that showed little 10-year change in the 15-to-34 age bracket—increased notably between 1997 and 2002. Their number rose to 284,000 in 2002 after edging down to 236,000 in 1997, from 242,000 in 1992.

Japan's census data underlines the presence of a large and persistent population of middle-aged NEETs. Calculating the number of Japan's 35- to 49-year-old NEETs on the basis of the 2000 census data yields a figure of 410,000. Arithmetic based on the preliminary data from the 2005 census yields an identical number.

Careful analysis of the Employment Status Survey data reveals that the middle-aged NEETs reflect a disproportionately large weighting of low-income households and low educational attainment. They include a startlingly large number of individuals who have never held regular jobs (Genda 2006b).

Japanese can ill afford to turn a blind eye to their NEETs of any age. Young NEETs tend to be dependents of their parents, but a lot of them will end up as dependents of society unless they attain some degree of self-sufficiency. As for the middle-aged NEETs, their parents are elderly, and the need to secure continuing means of support is a pressing issue for most. Employment opportunities are scarcer for middle-aged NEETs, meanwhile, than for their younger counterparts, which heightens the urgency of devising assistance.

Renewed economic vitality and a reinvigorated jobs market are bound to dampen concern about the issue of NEETs. That only heightens the importance of recognizing the stark message of objective labor-economic data and of adopting policies to promote—and enable—wide-ranging social participation by all citizens. Social-assistance programs should include every possible precaution, of course, to encourage self-reliance and to avoid fostering a culture of dependence. But the assistance needs to be substantial, as well as motivational. More than employment is at issue here. For a large portion of Japan's NEETs, survival is at stake. Japanese authorities and civil society need to go to work forthrightly on measures for helping NEETs take their lives into their own hands.

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Definitions of Categories of Nonemployed Young (aged 15 to 34)

<p>Nonemployed</p>	<p>Individuals not ordinarily engaged in work that yields income who are not attending school and who are not cohabiting as a couple with another person</p>
<p>Job seekers</p>	<p>Nonemployed individuals who express a desire to work and who are seeking employment, awaiting the results of job applications, or preparing to undertake entrepreneurial ventures</p>
<p>Non-job seekers: express desire to work</p>	<p>Nonemployed individuals who express a desire to work but who, for whatever reason, are not seeking work actively</p>
<p>Non-job seekers: express no desire to work</p>	<p>Nonemployed individuals who express no desire to work and who are not seeking work actively</p>

Figure 1: Nonemployed Japanese Aged 15 to 34 by Stance (thousands)

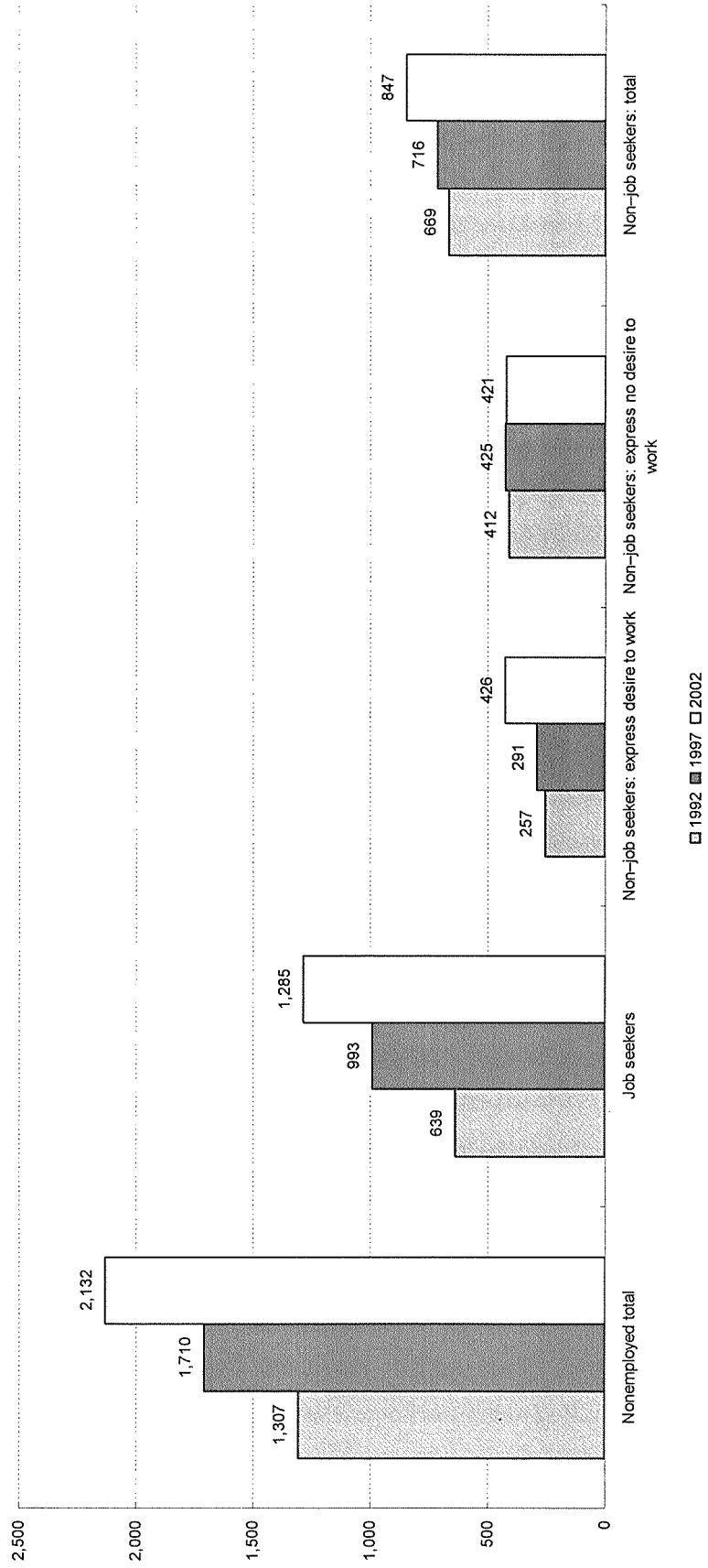


Figure 2: Chief Reason for Not Seeking Work (thousands of responses)

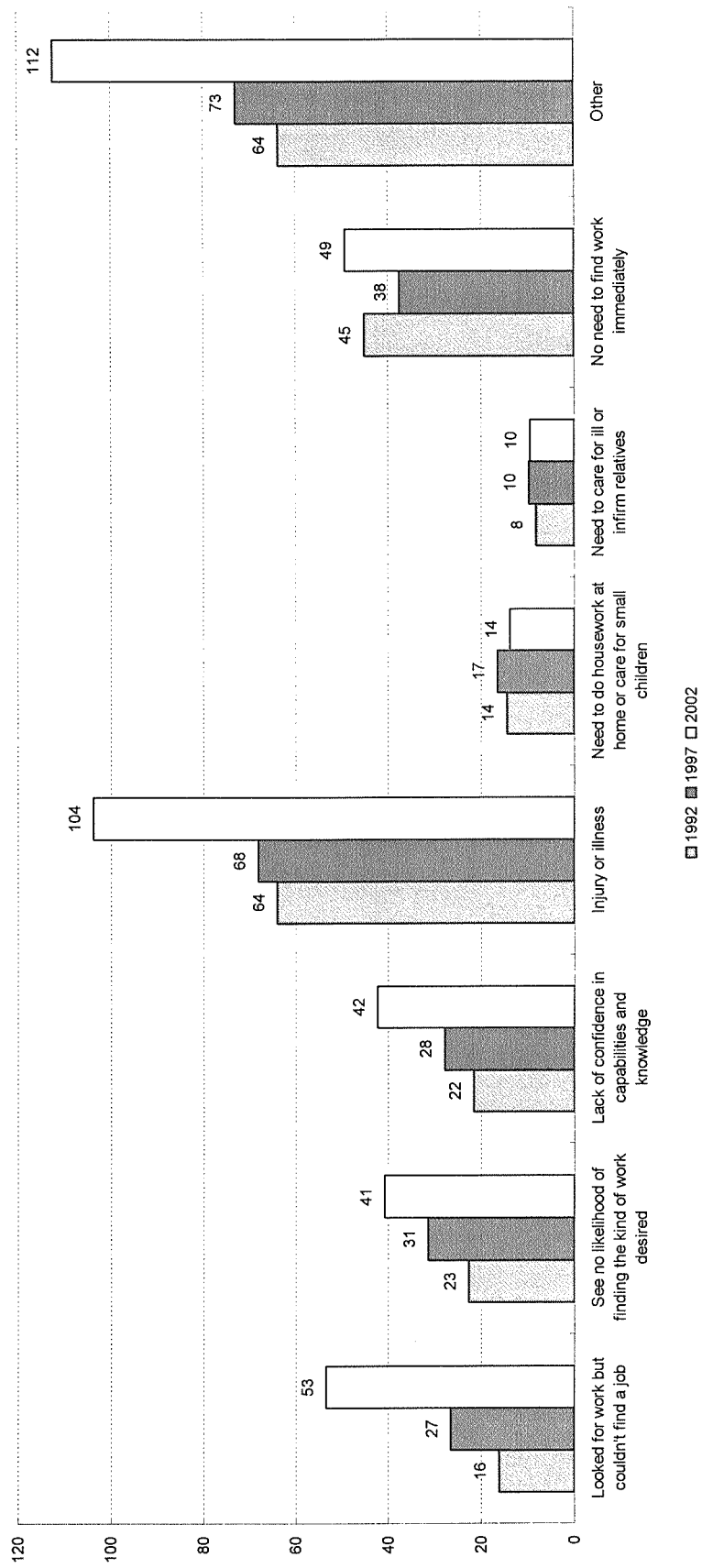


Figure 3: Percentage Who Desire Full-Time, Permanent Employment

