

## **CHAPTER II**

### **Historical Background and Factor of Aging Population in Japan**

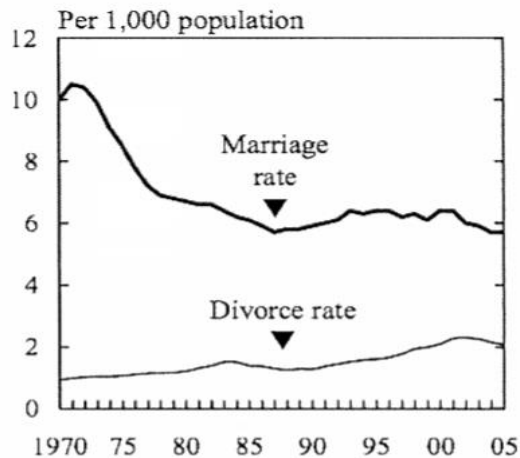
In the 21<sup>st</sup> Century there are many countries, especially developed country, are facing the aging population; Japan has becomes one of them Since postwar after the Baby Boom phenomenon 1947-1949, the fertility birth rate began to decrease along with the high mortality rate. Thus, causing an increase in the age of the elderly or commonly called as the aging population. This chapter will explain the history of Aging Population in Japan since postwar which was first considered as peripheral issue and so the government had little thought that it would cause that much impact to the country. It was only later that the government realized that aging population is crucial which had a very large impact to the country's economic growth. This aging population has since led to some long terms effects such as labor shortage, increasing pension expenditure and health expenditure. Thus, this chapter will describe how the government come to the realization of how the aging population had bring about the declining birth rate in 1963. In addition, it will also explain the aging population condition in Shinzo Abe administration.

#### **A. Historical Background**

In the postwar, Japan's annual population growth was around 3 percent but declined 1 percent in mid-1950. Population growth continues to decline due to a decrease in fertility and mortality. Then, the fertility rate declined even further in the mid-1970s. Mortality continues to decline further, especially in the elderly group. The decline of fertility is due to the trend marriage in Japan. In the early 1970s, the percentage of marriage averages 10.0 per thousand population, the average age of the first marriage at male is 26.8 while at female it is 24.2. Then in 2005 it dropped to 5.7 per 1,000 population (Figure 2.1) (Statistical Handbook of Japan, 2005). In 1975, the average age of women at the first marriage was 24.7 and in 2005 the average age rose to 28. Delays in marriage have resulted in delays in childbirth and will lead to fewer children. This causes a sharp decline in the percentage of the population of children (ages 0-

14) while the population aged 65 years and over continues to increase. Then, in 1950 the percentage of the child population was 35.4 and decline to 18.2 percent in 1990. Along with the old age, the population increased quickly from 4.9 percent in 1950 to 10.3 percent in 1985. Since the Aging population is growing very fast which in 1994 the percentage was 14.1 percent. This resulted in the average age of the population increased by 15.5 years from 22.2 in 1950 to 37.7 in 1990 (Hiroshi, 1995).

**Figure 2.1 Changes in Marriage and Divorce Rate 1970-2005**



Source: Ministry of Health, Labour and welfare.(2005).

During postwar, Japan's mortality was divided into two categories: death caused by disease and death caused by suicide. Based on data from 1980-1986, deaths in Japan were mostly caused by several diseases such as stroke, heart disease, and cancer (Table 2.1) (Daveymith, 1989)

**Table 2.1 Infant Mortality and Mortality among adults aged 45-79 in Japan 1980 and 1986**

				Ischaemic		other	
				Heart		heart	
All causes		Stroke		Disease		Disease	
Male	Female	Male	Female	Male	Female	Male	Female
Mortality							
Infants:							
1980		8-3	6-6				
1986		5-6	4-8				
Age 45 – 49 :							
1980		436	211	68	3421	6	35
14							
1986		354	180	42	22	15	4
34 13							
Age 60-64:							
1980		1506	785	275	161	123	45
110 66							
986		1266	621	154	90	82	30
108 56							
Age 75 – 79							
1980		7586	4778	2063	1452	604	39
779 556							
1986		6122	3586	1133	822	469	302
733 521							

Since postwar (1947-1955), Japanese life expectancy increased dramatically for men from 50.1 to 63.6 years and women from 54.0 to 67.8 years (Yasuo Sugiura, 2010). In 1986, a comparison of the life expectancy of a girl born in Japan to a girl born in English was 80 years to 77 years, while for boy it was 75 years to 71-79 years (Table 2.2) (Daveymith, 1989). Then, in 1994 life expectancy has come to be 76.57 years for males and 82.98 years for females, longer than in any other countries in the world. It has been lengthened by two years during the last decade. In recent years, there has been an unusually large mortality decline in old ages, which is

stimulating aging population. Life expectancy at birth was estimated to reach around 78 years for males and 84 years for females in the early twenty-first century (Hiroshi, 1995).

***Table 2.2 Comparison Life Expectancy of Japanese and English Population since 1955 -1986***

	Males		Females	
	At birth	At age 85	At birth	At age 85
Japan''				
1955	63-6	11-8	67-8	14-1
1965	67-7	11-9	72-9	14-6
1975	71-7	13-7	76-9	16-6
1980	73-4	14-6	78-8	17-7
1986	75-2	15-9	80-9	19-3
England and Wales :				
1955	67-5	11-8	73-0	14-8
1965	68-5	12-1	74-7	15-8
1975	69-5	12-4	75-7	16-4
1980	70-4	12-8	76-6	16-8
1984-86	71-9	13-4	77-7	17-3

According to a survey report from the National Institute of Population and Social Security Research in the early 1990s, it was stated that "most young people claim that they have no intention of getting married." Then, among young people who want to get married, wanting to get married when they are around two years is higher for all age groups (Midori, 2009). Then, the average age of women who gave birth to their first child had rose from 25.7% in 1975 to 26.2% in 1994 and continued to increase to 29.1% in 2005. The average of age marriage is higher. Besides that, there is a trend of increasing of married couples with one child in Japan. In 1977, the percentage of married couples with one child is 11 percent for those who have a marriage period of 10-14 years. The married couple with one child showed an increasing trend in 12% years in 1997, and 16% in 2002 (Stewart, 2007).

In 2000, the National Institute of Population and Social Security Research reported a statistical comparison of the non-military births low rate with some countries; showing that 55 percent of non-military births in Sweden, 43 percent in France, 40 percent in Britain, Spain and Italy had a percentage 10 percent. Whereas in the similar year, the amount of non-military births in Japan was only 1.6 percent. In 2006, according to the Population Reference Bureau, the birth rate fell to 1.3, far below the previous birth rate of 2.1, and was expected to continue to decline for the following eighteen years, leading to a demographic crisis (Population Reference Bureau, 2006).

## **B. The Effect of Aging Population**

This aging population becomes one of the economic problems because it led to the emergent of several impacts such as labor shortage, pension expenditure increase, health expenditure increase which will eventually make the revenue of state decline resulting to an unstable economy.

### **1. Labor Shortage**

The demographic changes that have had an impact on aging have been widespread in Japan. The demographic ratio affects the amount of labor along with the structure of demand for goods and services (Guðmundsson, 2011). As the aging population grows disproportionately, public pension funds and health funds are also increasing. Causes a decline in the tax base and an increase in government spending, economic activity will slow down and thus leading to unsustainable dependency (Sigurdsson, 2017). Because the entire population will be smaller, so the total production is not necessary to maintain living standards.

In Japan, productive age for workforce are between 15 to 64 years; and is gradually declining. Japanese Institute for Employment Policy and Training predicts that, if the ratio of participation of workers remain at that level that is equal to 66.57 million people in 2006, by 2030 it will decrease into 55.84 million people; with an estimated decline of 10.7 million people (Yamada, 2010). Then in 2012, 24 percent of

Japan's population was around 30 million people, over 65 years old, and would rise to 40 percent by 2055, and more importantly the number of workforce replacing those who retire also diminished, from 10 in 1950 to 3.6 in 2000 and will be 1.9 in 2025 (Kingston, 2013). The number of the population ready to work in Japan reached the highest number in 1995, which was around 87.3 million, and began to experience a downward trend wherein 2013 the number became 79 million (Takao, 2014). Based on these results, it can be said that one in out of three companies in Japan is not able to meet their recruitment targets. The construction industry in Japan is one of the most affected industries by the number of workforce in Japan which continues to decline due to an aging population. Besides, currently, in Japan, there is a change in work ethics called "three undesirable Ks": *kitanai* (dirty), *kitsui* (difficult), and *kiken* (dangerous)" which young people do not want or refuse to work in low-paid sectors or as unskilled workers (Sugimoto, 2010). Therefore the trend of "three undesirable Ks" jobs is very influential in recruitment of workers in the sector of unskilled work. Besides, Japan also faces problem of shortages of workers in health sector, especially in the field of nursing. The population of the elderly, those aged 65 years and over, in Japan, accounts for 25% of the total population of Japan. This number is certainly a large number and the elderly residents themselves certainly need care services. The population crisis, as well as labor shortages in some sectors that require unskilled workers, enforce Japan to consider several solutions.

## **2. Pension Expenditure**

The aging population will burden large expenses for the pension system. In 2004, there were 24.9 million elderly (65 years and over), accounting for 19.5% of the total population. The proportion of older adults is estimated to increase quickly to 25.3% in 2018 and more than 30% in 2033 (Takayama, 2004). The aggregate social security costs in terms of national income are predicted to increase from

17.2% in 2004 to 24.3% in 2025. In Japan, almost 70% of the total social security benefits are shared with the old population. In 2004, pension payments amounted to 9.2% of GDP and health care expenditure of 5.2%. It is predicted that by 2025, pension payments will increase to 11.6% and health care expenditures to 8.1% (Ngee-Choon Chia, 2005). The growth of care and social and health spending will be a greater burden of time, estimating that public health insurance benefits to GDP will grow by 1 percent every ten years, reaching almost 10 percent of GDP by 2050 (WorldBank, 2011). An aging population has implications for various types of pension systems. The public pension system is usually financed based on Pay-As-You-Go (PAYGO) where retirement pensions are paid by the contribution of the working age population (Humberto Godínez-Olivares, 2015). . Pay-As-You-Go's pension system faces serious challenges because the number of beneficiaries (old population) will increase while the number of contributors (productive age) will decrease. Thus, for the long term, this system will not be effective for it has become such an unsustainable system (David E. Bloom, 2011)

### **3. Health Expenditure**

Since the 1960s, in Japan the general health insurance system was provided inclusive coverage to all Japanese citizens. The health care system of Japan is based on a social insurance system with tax subsidies and out-of-pocket (OOP) payments. However, the increasing number of elderly causes an increase in health care funds. The effect of aging alone will bring health spending from 9½ percent of GDP in 2010 to 13 percent of GDP by 2030 (Masahiro Nozaki, 2014). According to OECD data, in 2015 total health costs in Japan increased significantly and accounted for 10.9% of GDP as the third ranked from 3a countries, around two percentage points above the OECD average of 9% (Haruka Sakamoto, 2018). This aging of the population affects the health care system through two sides. First, when population groups above 65 increase, groups that pay taxes and

premiums that finance the system decrease. Because a quarter of the program costs are financed by government revenues, the remainder is paid by salary taxes imposed on employers and workers and joint payments are made to those seeking medical care. Hence, financing premium contributions must be achieved with higher salary tax rates which will adversely affect labor supply and demand. Because the working age population is shrinking, premium contributions are increasing. The estimated increase in government transfers is equivalent to raising the consumption tax rate. So that it is estimated that health spending will reach 19 percent of GDP by 2030. Second, the elderly population faces higher health risks and requires more care than young people. Data shows that the average cost per person for those over 65 years is 241.8% of the average population, and is about 4 times that of those under 65 years (Gary D. Hansen, 2011).

### **C. Government Policy toward Aging Population before Shinzo Abe**

Since 1960s, the Japanese government has been aware of the issue of increasing aging population in Japan and declining birth rates. The Japanese government has tried to overcome the increasing number of older adults by making several laws and policies. However, the law and policies made at that time were focusing more on insurance and health care for the elderly.

#### **1. Policies toward Aging Population Insurance and Health Care**

In 1963, under Hayato Ikeda administration make law of The Action Social Welfare fo the Elderly 1963. This Law of the was enacted under Hayato Ikeda administration; covering homes for parents homes for parents, home care assistance services, resilient care ("short-term programs") and other similar services that have been covered by taxes from the central and regional governments. This law is designed for low income elderly people who do not have relatives to care for them (Ihara, 2012). However, since the



demand for long-term care has increased, elderly person who needs long-term care able to accept services under the Welfare Law for the Aged. Then in the 1970s, problems related to the care of elderly people called as “social hospitalization” emerged. This happens because providing long-term hospitalization care for elderly in the household is difficult; and thus it becomes a social problem. To respond to this problem and realize that parenting for parents is becoming increasingly difficult, the Japanese government under Prime Minister Noboru Takeshita introduced and implemented the Gold Plan in 1989. The Gold Plan is a ten-year strategy for health and well-being for the elderly and has specific goals that must be accomplished in ten-year period and ending in 1999. These objectives include some targets for facilities and workers in the term of long-term care for parents. Then, The Gold Plan was revised in 1994 under Tomiichi Murayama administration as the New Gold Plan. The New Gold Plan was improved home-based care and sparked debate about a new long-term care system for the elderly. The Japanese government revised the Gold Plan and formulated by increasing the objectives (Ihara, 2012):

- a. Home care aides 170,000 people
- b. Respite care (short stay) service facilities 60,000 beds
- c. Daycare centers 17,000 locations
- d. Home-visit nursing care stations 5,000 locations
- e. Special nursing homes for the elderly 290,000 beds
- f. Health service facilities for the elderly 280,000 bed
- g. Supported living facilities (Care houses) 100,000 people

The progress in implementing the New Gold Plan is run well, except in terms of health care, home facilities. Many regions have experienced more demand than predictable since the launch of the New Gold Plan and the supply of home care services and facility services have not yet matched the increasingly rapid needs. It was estimated that demand would grow expand because of the enactment of the public long-term insurance system in April 2000.

In 2000, under Yoshiro Mori administration, the New Gold Plan was once again revised into the Gold Plan 21 which also introduced Long Term Care Insurance. The Gold Plan 21 covers the following aspects; (1) increasing the foundation of long-term care services, (2) promoting support measures for senile elderly people, (3) promoting measures to revitalize the elderly, (4) developing support systems in the community, (5) developing long-term care services that protect and be trusted by users, and (6) building a social foundation that supports the health and well-being of the elderly (Ministry of Labor, Health, and Welfare, 1999).

Long Term Care Insurance was social insurance system covering the care in long period for the elderly, previously partially provided through the health insurance system and partly by welfare measures for elderly. Long-term Care Insurance raised out of the recognition because of changes in society such as weakening community ties, increasing numbers of small families, and the increasing number of working women which all then made providing care for elderly to become an overwhelming economic and psychological burden. Long Term Care Insurance aims to share the burden of caring for the elderly among community members (National Institute of Population and Social Security Research, 2014).

However, the Gold Plan and long-term care policy for the elderly have substantial impact on the national economy. Due to the increasing amount of elderly people, public long-term care insurance increases the number of people to whom the burden for the fee must primarily be carried out among the generation of workers. On the other hand, it resulted in a significant growth of long-term care services through the externalization process of the family workforce. The most prominent factor regarding post-retirement life anxiety among people is Japan's problem about who will care for them when they need care. Hence this policy is considered to be ineffective which does not think of its long-term impact in terms of costs to make policies unsustainable.

## **2. Policies toward the Decline Birth Rate**

In 1994, under Tomiichi Murayama administration, in response, the decrease fertility rate, Japan formulated a plan "Basic Direction for Future Child Rearing Support Measures" known as the Angel Plan to increase the national birth rate. The main aspect is reducing the pressure related with raising children by creating infrastructure that supports working parents, offering counseling services and changing male and female role attitudes while remaining one of dual care and sharing responsibility for 10 years. The Angel Plan was created based on the agreement among the four Ministers associated to the problem of decreasing birth rate. This Angel Plan contains supporting steps to: (1) reconcile work and family responsibilities, (2) strengthen the function of raising children in the family, (3) provide affordable quality for families with children, (4) promote healthy child development; and (5) alleviate the economic burden associated with raising children (Ministry of Labour, 1996).

In 1999, under Keizo Obuchi administration, the Japanese government revised the Angel Plan and made a New Angel Plan which introduced more child-rearing support programs such as placing child care centers near train stations. The plan is formulated by an agreement made by six Ministers under the initiative of the Prime Minister. The plan contains more specific goals and targets in the fields of work, childcare, health, education, and housing. This plan known as the New Angel Plan was being carried out from 2000 to 2004. The policy goals of the New Angel Plan consists of eight steps: (1) creating childcare centers with more accessible service, (2) creating a flexible work environment suitable for workers with children, (3) changing the traditional values of gender roles, (4) expanding child health and maternal facilities, (5) encouraging an educational environment based on local communities, (6) expanding environmental education for children; (7) reducing the burden of education fees; and (8)

creating house and public facilities so that the community environment is more supportive for families with children. As in the case of the Five-Year Emergency Action for Child Care Services (National Institute of Population and Social Security Research, 2003).

In 1999, the Angel Plan aimed to improve child facility centers and services such as an increase in child care for babies, a threefold rise the number of child care centers by providing longer time, a seven-fold increase in the center that offered temporary care, an expansion of 30 to 500 in a number of centers that provide care for sick babies; increasing the number of child care centers after school, and increasing the number of regional childcare support centers from 236 to 3,000 (Boling, 1998). (Boling, 1998). Overall, the second main goal of the Angel Plan is to foster Japanese people to have more children. The government felt it was necessary to execute this initiative when the country's the low birth rate. However, at the end of 1996, it appeared that the Angel Plan was failed to fulfill these goals, largely due to the inability or reluctance of the regional government to produce the necessary matching funds

In 2002 under Junichiro Koizumi administration the government formulated plan "Measure to Cope with a fewer Number of Children Plus One" known as Plus one. It has the purpose of changing the working pattern among men and women and increased family awareness of having children. The plus one included four specific objectives (National Institute of Population and Social Security Research, 2003):

- a. Adjustment predominant work models including those men,
- b. Intensify community to support for families with children
- c. Encourage the responsiveness among children to be responsible for the next generation
- d. Stimulate independence and social skill for children.

In 2003, two laws were ratified to achieve the plan of the 2002 "plus one." It is the Law for Measures to Support the Development of the Next Generation, which is known as the "Next Generation" law and the Law for Basic Measures to Cope with a Declining Fertility Society, known as the "Basic Measures" (Retherford, 2005). The law of "Next Generation" requires employers with more than 300 employees to make plans to increase birth rate among workers and provide the plan to local governments before the law comes on 1 April 2005 (Rikiya Matsukura, 2007). Then the law of "Basic Measure" stated that Japan needed to stop the decline in the number of children. The 2002 and 2003 laws aimed to create child-friendly workplaces, mainly for women, felt more comfortable when taking childcare to leave children while work (Ma, 2010).

The government has failed to meet the increasing expectations of women that they will be able to balance family and work, due to the declining number of women working between 1997 and 2000. Hence all laws and government policies from 1994-2003 failed to increase the birth rate, which proved the birth rate in 1989 was 1.57 and decreased in 2008 to 1.23 (Cardiosk, 2008). While the laws and policies for the elderly were not valid because they only focus on insurance and care for the elderly, this also caused the failure to implement the Angel Plan because the government only focused on funding many funds for the Gold Plan, so that it did not provide full financial support for the Angel Plan. Hence it can be concluded that the Japanese government has been aware of population aging since 1960, but does not consider population aging as a crucial thing that will have a long-term impact on the development of the country. Because from 1960 no single Prime Minister had a specific vision or policy on the aging population in the era of his administration.

#### **D. Aging Population in Shinzo Abe Administration**

In the history of the Japanese government, Shinzo Abe had served in two periods as prime minister of Japan. In 2006, Shinzo Abe was elected prime minister of Japan for the first

time, and he was listed as the youngest prime minister at the age of 52 years. In his, first administration Shinzo Abe's characteristic was ideological and ambitious was also prioritizing legislative efforts focusing on three aspects: education, defense, and constitutional reform, with his political slogans "a beautiful country" and "breaking away from the postwar regime" (Mohr, 2008). However, Shinzo Abe only served for a short time with 366 days of administration and resigned in 2007. Shinzo Abe resigned due to two factors: five ministers resigned because of scandal and thus he suffered a low approval rating at the Upper House election 2007. In 2016, the majority of people chose social welfare reforms such as pension and health insurance with 59.2 percent of respondents and economic reforms such as job creation with 50.6 percent as their top priority, while constitutional reform only received 5.7 percent of respondents (Fujihara, 2008). However, Shinzo Abe remains focused on education, defense, and constitutional reform. Then in August 2007, immediately after the election of the Council, the public also responded to the same by prioritizing social security reform (65.1 percent) and business conditions and job creation (51.7 percent) above constitutional reform (7.4 percent) (Fujihara, 2008). In 2012, Shinzo Abe was elected the Prime Minister for the second time. In his second administration, Shinzo Abe had learned a lesson from his failure in the first government that was steadfast in its ideological ambitions that were not by the wishes of the Japanese citizen. Therefore, during his campaign, he promised that on his second administration he would be focusing on economic issues, which are in accordance with the wishes and needs of Japan with a slogan "take Japan Back".

Based on data from the World Bank, it was explained that Japan's economic condition as seen from the GDP of the 2000s was very good. Such condition had made Japan become the second highest economy in the world. However, in 2005-2012 Japan's economic growth continued to decline until finally the second position was taken over by China enforcing Japan to shift to the third highest position in the world. In 2012, Japan's debt ratio reached 220 percent for the first time, which also placed

Japan as the country with the largest debt ratio in the world (Schad-Seifert, 2018). Then, based on World Bank data in 2010 Japan's GDP figures were at 5.7 trillion USD and in 2015 it was at 4.383 trillion USD. Within five years, Japanese GDP has fallen by 1.5 trillion USD (The World Bank, 2017). It happened because the level of Japanese productivity from 2010 to 2015 continued to decline by the high number of aging people while the number of young people keep decreasing. This phenomenon is called the issue of an aging population.

As we know although this aging population issues had happened since long time ago it reached its culmination during Shinzo Abe's administration. Data from United Nations Population Division in 2011 mentioned 10 countries with an alarming aging population increase from 2011 to 2050 and Japan took the first place with 31 percent in 2011 and 42 percent in 2050 as shown by Table 2.3.

***Table 2.3 Countries with the highest shares of the 60+ population in 2011 and 2050 (percent)***

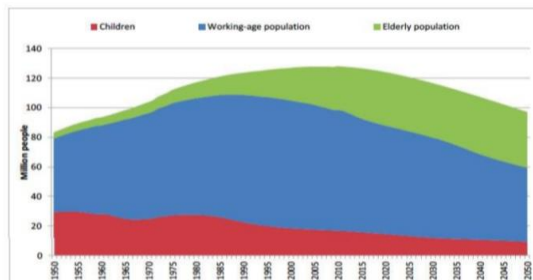
2011	Percent	2050	Percent
Japan	31	Japan	42
Italy	27	Portugal	40
Germany	26	Bosnia Herzegovina	40
Finland	25	Cuba	39
Sweden	25	Republic of Korea	39
Bulgaria	25	Italy	38
Greece	25	Spain	38
Portugal	24	Singapore	38
Belgium	24	Germany	38
Crotia	24	Switzerlan42	37

*Source: United Nations Population Division (2011).*

Then in 2015, Japan was still in the highest position with 33 percent of its people aged 60 years or more. Japan was followed by Germany and Italy at 28 percent and Finland by 27 percent. This rapid aging hasd implications in almost all sectors

of society. These include the labor and financial markets, housing, transportation, family structure, intergenerational relations, and many others (Sigurdsson, 2017). According to the OECD, Japan's population is not only aging but is shrinking too, as the OECD estimates show in the population is projected to decline by 22-23 percent by 2050 figure 2.2, at which time the elderly will reach almost half of the Japanese population (OECD, 2016).

***Figure 2.2 Japanese Population and age structure, 1950-2050***



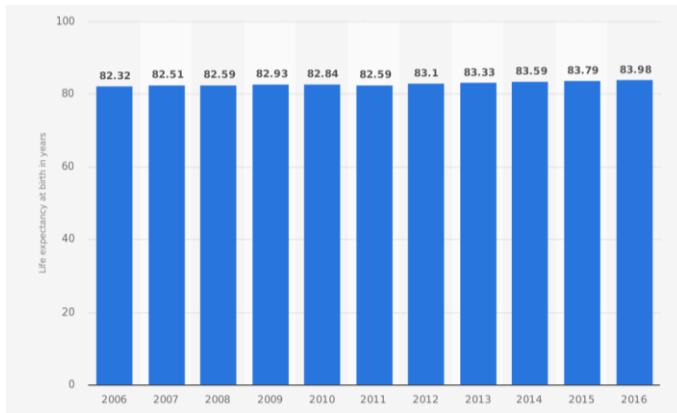
*Source: OECD Historical Population Data and Projections.(2016)*

In the Shinzo Abe era aging population still coincided with high life expectancy, high mortality rate, and decline birth rates. Japanese life expectancy continues to increase each year starting from 2012 83.1 years, 2013 83.33, 2014 83.59, 2015 83.79 until 2016 to 83.98 years (Figure 2.3). Then in 2017, Japan was still recorded as having the longest life expectancy in the world with 83.7 years when compare with other countries such as Singapore, Switzerland, Spain, and Australia with an average starting from 82.8 to 83.4 years later U.S. at 79.3 years and China at 76.1 (Otake, 2017). Japan had the longest life expectancy because, as an advanced industrial country, the government was able to provide high living standards such as high-quality health services, national health insurance systems, social security systems, economic prosperity, and nutritional and environmental factors. Hence, it is not surprising that Japan is a country that has the highest life expectancy. As we know, since the issue of



population aging emerged in 1963, the Japanese government enacted laws and policies that focused on health insurance for the elderly. So that the life expectancy continued to increase and was not balanced with the birth rate.

**Figure 2.3 Life Expectancy at Birth from 2006-2016 (ages)**



*Source: The World Bank. (2017).*

Based on WHO data, in 2012 Japan was the 3rd country after the Republic of Korea and Hungary that had the largest suicides in the world (Table 2.4) (Wingfield-Hayes, 2015). There were more men than women who had committed suicide, with a ratio of 26.9 being male and 10.1 being female. In 2012, the total number of suicides in Japan reached 29,442 cases with a ratio of 20,888 men and 8554 women. Suicide was the second largest cause of death, for groups of young people ranging in age from 15 to 29 years. There were several reasons why people commit suicide. The highest motives are economy, home problems, work problems. The financial shortages due to pressure in the work environment was a factor the high number of people who chose suicide. Then, as we know, Japan is a country where the majority of the population doesn't have any religion. Thus, people tend to commit suicide easily assuming that committing suicide is not a sin.

**Table 2.4 Suicide rates in 2012 per country (per 100,000)**

Country	Total	Female	Male
Republic of Korea	28.9	18	41.7
Hungary	19.1	7.4	32.4
Japan	18.5	10.1	26.9
Poland	16.6	3.8	30.5
Belgium	14.2	7.7	21.0
Finland	14.8	7.5	22.2
France	12.3	6.0	19.3
Austria	11.5	5.4	18.2
Czech Republic	12.5	3.9	21.5
United States	12.1	5.2	19.4
United Kingdom	6.2	2.6	9.8

*Source: World Health Organization.(2015)*

Japan is one of the non-western countries that has achieved economic success at the global level. One of the factors of Japan's success in being one of the highest income countries is the working principle that is hard-working and highly disciplined for work called workaholic. Workaholic is people who are very interested in work or can be called a working driver who is ready to work long hours. Japan holds the second rank as the country with the most workaholic, with an estimated 31.7% of people working more than 40 hours per week. Japan's highest population is 127 million people with the gross domestic product (GDP) which grew to 1.9% in 2012, and it was per capita income in 2012 was as much as \$ 6,107 (Maranjian, 2014). The reason for working long hours in Japan is not only caused by economic factors, but also social-cultural factors. For Japanese people, work is the ultimate goal of the work itself: it is the process of carrying out obligations towards society and oneself as social beings. In Japan there is a trusted culture that people who spend time at work are symbolic loyalty to the company, because effort and hard work are judged to be higher than abilities in a collective culture. As a result, workers in Japan often work

overtime voluntarily (Akihito Shimazu, 2011). Based on the data around 22% of Japanese work more than 49 hours a week, compared with 16% of US workers and 11% in France and Germany. (McCurry, 2015). This workaholic habit tends to make the Japanese not having time to think about marriage life and have a child.

According to the World Bank, there had been an increase in the dependency ratio in Japan in 2010, which was 56,189 and in 2015 it increased by 64,467. The age dependency ratio has two types, the dependency ratio of the population of young people aged 0-14 years and the elderly population who have aged 65 and above. Thus, the productive age of humans is between 15 and 64 years. Then the old age ratio in 2010 amounted to 22,449 and in 2015 amounted to 26,015, an increase of around 10% over a period of 5 years. This means that if the dependency ratio increases, the burden that will be borne by the state to provide facilities for the elderly such as health benefits, pensions and others will increase (The World Bank, 2017).

The aging population has hit Japan for around 30 years more beginning since 1963 under Hayato Ikeda who at the time only made policies and laws that focused on care and insurance for the elderly. For the government did not consider this aging population issue to have long term impact on the Japanese economy, none of the governments including the first administration of Shinzo Abe government took significant policies to tackle the issue of aging population. As result, in the second government of Shinzo Abe, it was rather difficult to difficult to balance the percentage of old age and young age. Hence, Shinzo Abe needs long-term and short-term policies to face the issue of the aging population.