

ARE THERE “NATIONAL STYLES” OF SOCIAL SCIENCE AND LABOR SCHOLARSHIP?: REFLECTIONS ON INDUSTRIAL RELATIONS RESEARCH IN JAPAN

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If I have to give a simple answer to the question above based on my understanding on industrial relations research in Japan, the answer will be negative. Needless to say, there are numerous differences between Industrial Relations (IR) research in Japan and that in other countries, particularly in the United States. It would be, however, an exaggeration if one claims that there is a uniquely Japanese style of scholarship in IR research or social science in general. I observe more commonality than uniqueness.

It is true that there are some characteristic ways in how social scientists do research in Japan. For instance, if one looks at the supply side of the creation of social scientific knowledge in industrial relations in Japan, he or she will find some institutional characteristics that are likely to affect its production functions. There is no IR school in Japan. Business schools are still in their infancy. Sociology is generally taught at the faculty of letters. It is mostly the case that there is only one professor in industrial sociology, if any, in a sociology department within the framework of the faculty of letters.

Then, who does research in industrial relations? One group belongs to the faculties of commerce or business that are basically in charge of undergraduate education in those areas. A typical class those professors teach is personnel management. Another, probably the largest group, belongs to the faculty of economics. Typical classes they teach are either social policy (or rather *Sozialpolitik* in German terminology) or labor economics. In many cases, the faculties of economics have the department of business management as part of their organization and professors often teach personnel management at the faculty. I taught it for 10 years at the faculty of economics at

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Musashi University, a small private university in Tokyo. It is obvious that those faculties of economics in Japanese universities are very different from the department of economics in the United States in their size and structure. If one looks at the educational backgrounds of business elites in large Japanese firms, the biggest groups will be the graduates from the faculties of law and economics, except for the case of manufacturing where the graduates from faculty of engineering are the dominant force.

Within the faculty of economics, institutionalist tradition and applied economics have been stronger and economic and social history has been widely taught. Traditionally, training of future elite bureaucrats in ministries of industry, finance, agriculture, etc. was one of the chief roles for the faculty, particularly at leading national universities such as the University of Tokyo. It was perceived to be more important to give broader perspectives to those future elites than to give them rigorous training in scientific analysis. That tradition might have had an impact on the way research is done in those faculties. Max Weber was as popular a name as Adam Smith and Karl Marx under that tradition.

The demand side has also played a very important role for social science research in Japan. One reason why Marxist theories have been highly influential in the social sciences in Japan is the appeal of the stage theory it provides. Almost instinctively, social scientists in Japan have tried to visualize the state of Japanese society on the map of historical stages derived from the experiences of "advanced countries" or "Western countries." Even now, after Japan has become one of the most "advanced" countries, a popular discourse in journalism and academia is to proclaim that Japan is entering a new stage of the history, such as "Mega competition," "IT Revolution," etc. Here, I see an aftereffect of late development psychology deeply seated in the minds of Japanese intellectuals.

A more specific character regarding social science in Japan is relative weakness in econometric analysis. One factor that brought about the weakness relates to the fact that access to microdata is very limited in this country. A symbolic fact in this regard is the absence of Japan in the Luxemburg Income Study. The Japanese government has refused to open up access to microdata derived from government statistics which are renowned for their quality in the professional world of statisticians. Only those scholars with special contacts with ministries have obtained access to government microdata. It may change in the future as "policy evaluation" becomes a buzzword for

politicians and bureaucrats alike who are facing increasingly skeptical public opinion towards government policies and spending.

Thus, it is clear that there are some characteristic features of the social sciences in Japan that can be traced down to the historical and institutional contexts. However, it is also clear that social sciences in Japan share a lot of common aspects with those in other countries. Neo-conservative ideas are gaining popularity even among die-hard bureaucrats in Japan. It is almost comical to see a bureaucrat at the notorious MITI (now changed to METI: Ministry of Economy, Trade, and Industry), the stronghold of industrial policy and the counter-idol of the Japan Bashers in 1980s, claim that the ministry is now the champion of free market ideas. I even have met a MOL (now part of Ministry of Health, Labor and Welfare) official who regards *The Commanding Heights*¹ as “a very good and useful book.”

Interestingly, the Koizumi Cabinet is considering enactment of a Discharge Limitation Act. This is not to protect Japanese workers threatened by the prospect of job-loss in a prolonged recession. Quite the contrary, since legal protection against dismissal has been established by the courts who developed protective case law in the past decades. “Reformists” argue that it is difficult to predict court decisions on dismissals and therefore employers avoid dismissals even though they may be legally justifiable. As a result, the argument goes, employers not only avoid firing, they also avoid hiring. I was invited to the Consultative Council for the Minister of Health, Labor, and Welfare on Labor Conditions of which Professor Takashi Araki also is a member. My counter-argument against the “Reformist” dogma was that employers are not having too much difficulty in reducing employment despite the case law. Employment reduction is achieved through “voluntary severance” schemes using severance pay as an incentive. Interestingly, Nikkeiren, the employers’ organization, is against enactment of the Discharge Limitation Act. This is evidence, I would argue, that employers are not finding it very difficult to reduce manpower. Rather, the business community is worried about the possibility of stronger employment protections being introduced into the proposed law through the process of floor debate in the Diet. Their skepticism may have a point. No politician would want to answer “Yes,” when he/she is asked in a discussion session in Diet, “Are you proposing to set up a new law that will make discharge easier?” Anyhow, my observations suggest that we are facing similar

1. DANIEL YERGIN & JOSEPH STANISLAW, *THE COMMANDING HEIGHTS* (1998).

policy issues—for instance in Italy and Japan—within rather different political contexts.

It is easy to guess the “Reformists” are neoclassical economists by training or at least are inspired by them. The debate on dismissal regulation shows that neoclassical economists are now more influential than labor lawyers even in the arena of policy discussion of labor protection law.

One factor that pushes social scientists in various countries toward convergence and loss of national styles is clearly the diffusion of academic knowledge on a global scale. Ideas have always been more easily diffused than social institutions. Diffusion of social scientific knowledge is easier now than before, thanks to technological development and global industrialization.

It is true that diffusion of knowledge is not a mechanical process. It should be understood as a co-evolutionary process between a sender and receiver of knowledge. Thus, diffusion of knowledge presents a fertile ground for knowledge creation. We should carefully examine what kind of knowledge creation is going on in the social sciences in the present era of globalization.

In industrial relations research today, I find two very important questions in terms of methodology and policy issues commonly shared by scholars in various disciplines. First, the question on policy can be generalized as follows: “What can we do about the end of the post-war accord formalized in the Declaration of Philadelphia in 1944?” Second, the question on methodology can be summarized as, “How can we develop multi-disciplinary approaches appropriate for industrial relations research today?” Industrial relations research has always been a field where scholars with various disciplinary backgrounds communicate, debate, and find solutions to social conflict. As each discipline makes progress, we have better tools provided by the disciplines. However, it also means that it is more difficult for scholars from different disciplines to understand and communicate with each other. We need to find ways to overcome this obstacle so as to permit the social sciences—including industrial relations—to better serve the general public and to give advice to policy makers.

In my view, those two questions are closely related. If Industrial Relations research is able to assist practitioners to find a balanced policy mix, it must reach new heights of multi-disciplinary analysis of the problems we face.