

Women in Small and Medium Enterprises and Entrepreneurship in Japan

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Abstract: The article undertakes a gender analysis of small and medium enterprises and entrepreneurship in Japan to find out whether they affect gender inequality, women and economy; what women empowerment could bring to the development of SME, entrepreneurship and economy in Japan. To answer these questions the author uses gap analysis (gender wage gap, enterprise size wage gap, education wage gap) per industry in dynamics; international comparisons, institutional analysis, trend analysis, case studies, historical analysis and policy analysis. The research finds out that SMEs in Japan maintain higher level of inequality, comparing to large enterprises. Interlocked business relations between SME and large corporations (keiretsu) and employment structure are major and unique factors that exacerbate gender inequality in Japan. Tracing back how labor relations were organized in Japan, the research finds that the exclusion of women from lifetime employment was supposed to suit women's best interests, however it resulted in subordinate position and economic dependence of women. Women's entrepreneurship in Japan presents an area of untapped potentials that could effectively tackle a set of socio-economic problems and impact exponentially women empowerment in Japan. Women business in Japan proves to be effective and profitable and, what is more important, it has a "human face" and occupies (among others) vacant niche of social care, both optimizing and humanizing it. Finally, the research concludes that female entrepreneurship requires more attention and support from the government.

Key words: Japanese SME, female entrepreneurship, gender inequality, women empowerment

Women empowerment have become a top priority for Japan since 2013, when *Womenomics* was introduced. *Womenomics* present a set of policies aimed to tackle gender inequality and facilitate women empowerment in Japan not only to bring justice and social inclusivity, but also to spur economic

УДК: 339.9

Received: March 25, 2020

Accepted: April 15, 2020

growth¹ – the most challenging goal for super-aging society (Acemoglu, Restrepo 2017; Bloom, Canning, Fink 2011; Harioka 2017; Lee, Shin 2019; Liu, Westelius 2016; Nakamura, Kaihatsu, Yagia 2018).

Gender inequality and female discrimination in the workplace undermine competition, underexploit “the skills, ideas and perspectives of half of humanity” (Schwab 2018), which is particularly harmful in the era of talentism (Damiano 2017); and subsequently lowers economic output and growth. Some studies, however, prove the opposite: early industrialization used to exploit cheap female workforce, that increased the competitiveness of goods, fostered investments and accelerated economic growth (Seguino 2000). Nevertheless, growth-promoting effect of female discrimination is limited to early stages of development, rather than being universal. Further studies, including cross-country analyses explicitly emphasize crucial role of gender equality for economic growth (Schober, Winter-Ebmer 2011; Weichselbaumer, Winter-Ebmer 2005).

Small firms differ from large enterprises in terms of gender inequality. Initially, scholars concentrated only on gender discrimination in large enterprises (Ashenfelter, Hannan 1986; Becker 1971; Bergmann 1974; Bergmann 1986; Bielby, Baron 1984; Blau 1977; Blau, Feber 2018; Buckley 1971; Groshen 1991; McNulty 1967; Pfeffer, Davis-Blake 1987; Powell 1987). Troske and Carrington (Troske, Carrington 1995) pioneered the research of gender segregation in small firms and found that (1) “interfirm segregation is prevalent among small employers”, (2) “the education and sex of the business owner strongly influence the sex composition of a firm’s workforce”, (3) “interfirm segregation can account for up to 50 percent of the gender gap in annual earnings”. The series of works by Woodhams and Lupton show that small firms tend to maintain higher level of female discrimination (Woodhams, Lupton 2006) and demand specific policies and gender-based diversity management (Woodhams, Lupton 2009).

Female entrepreneurship deserves special attention. Female entrepreneur activity rises globally, so does the research of the phenomenon advances from the studying how female entrepreneurship differs from male (Berner et al. 2012, Minniti, Naudé 2010; Peredo, McLean 2006; Seelos, Mair 2005; Troske, Carrington 1995), to the establishment of “well-respected and defined area of academic inquiry” (Minniti, Naudé 2010), that includes network issues (Aldrich et al. 2002, Greve, Salaff 2003), issues related to health, motherhood, family position (Schindehutte et al. 2003; Williams 2004), female-owned businesses issues, (Bird, Brush 2002; Burke 2002; Carter 2003; Stewart et al. 2003), finance issues (Cervelló-Royo, Moya-Clemente, Ribes-Giner 2015; Garikipati 2008; Kabeer 2001; Ngo, Wahhaj 2012; Weber, Ahmad 2014). However, as De Bruin et al (2006), Green et al (2007) and Minniti and Naude (2010) and many others repeatedly emphasize, “female entrepreneurship is vastly understudied” (cit. Minniti, Naude 2010). Minniti and Naude (2010) explains the necessity of thorough examination of different practices of female entrepreneurship across the world for comprehension of

¹ Address by Prime Minister Shinzo Abe, at The Sixty-Eighth Session of The General Assembly of The United Nations. URL: https://japan.kantei.go.jp/96_abe/statement/201309/26generaldebate_e.html (accessed 26.06.2020)

the phenomenon, its causes, outcomes and policy implications. Thus, the research of Japan's SME through gender lenses is important for both Japan's economy (and SME in particular) to find obstacles for women empowerment and boost economic growth; and theoretical studies of gender issues of SME and female entrepreneurship.

I use Japan's Ministry of Economy, Trade and Industry (METI)'s White Papers on SMEs and Small Enterprises². Official data allows me not only to analyze statistics, but also to reflect on official agenda and priorities. Besides, I use statistics of Ministry of Health, Labor and Welfare, Ministry of Internal Affairs and Communication and international databases (OECD, UN, WEF, etc.) for international comparison, institutional analysis, trend analysis, case studies (Japanese female entrepreneurs' stories on Youtube and other open online sources), economic history methods for tracing origins and evolution of female labor in Japan.

The article consists of 3 parts: first concerns Japan's SME trends analysis through gender lenses in international comparisons (gender wage gap according to the size of enterprise and education level); second part dives into the origins and traces evolution of female labor in Japan up to present time; third part deals with female entrepreneurship in Japan by identifying major trends, factors, obstacles and stimulus, characteristics of female run business, social and economic effects.

Japanese SME through gender lenses

Japan's SMEs play great part in national economy, accounting for 99,7% of enterprises, almost 70% of employment and 53% of added value³. The gender wage gap in Japanese SMEs is striking: whether Japan holds first place among G7 and second among OECD members (after S. Korea) with average 25% gender wage gap according to OECD stat, more detailed national statistics show that gender wage gap hits 35% in small firms among low educated employees (lower & upper secondary school) (Fig. 1).

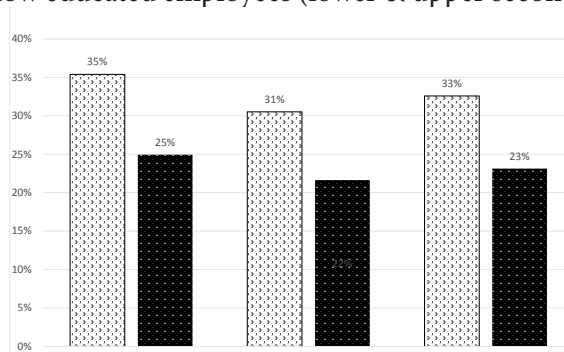


Figure 1. Gender Wage Gap per Enterprise Size and Education Level, 2017.

Source: Calculated by author based on data from Ministry of Health, Labor and Welfare, Japan, 2019.

² 2018年版 中小企業白書・小規模企業白書 概要 (Eng. White Papers on SMEs and Small Enterprises 2018) METI, Japan. URL: <https://www.meti.go.jp/press/2018/04/20180420001/20180420001-3.pdf> (accessed 26.06.2020).

³ White Paper on Small and Medium Enterprises in Japan 2019. 2019. METI. Japan.

In fact, the gender income gap is even larger, because the data includes only monthly contractual earning of regular employees and omits additional, but important benefits of regular employees and particularly of the lifetime employment. Moreover, the gender wage gap of part-time and temporary employees might be higher. To understand the specifics of female discrimination, one should dive into Japan's employment structure. Many heard of lifetime employment and believe that every Japanese is employed for lifetime, but it is not true. Lifetime employment accounts for about 20% of Japan's employment and a vast amount of lifetime employees work in large enterprises. For lifetime job, gradually increasing salary, benefits (bonuses, pension, insurance, etc.) and respect, lifetime employees basically "belong" to their employers: they crucially overwork (12-18 hours a day), barely take days off, can be relocated out of a town or even the country. The ultimate quality of lifetime employee is *loyalty*. However, a woman is not seen loyal enough to participate in lifetime employment, as her first duty is to be a mother. When 1970-80-s saw golden age of lifetime employment, only men participated in it. In 1986 the new law of equal career opportunities for men and women forced employers to include women and that is what they did: they divided lifetime employees into two categories: *sogoshoku* and *ippanshoku*. *Sogoshoku* are specialists, managers, governance, whether *ippanshoku* is a female field and mostly administrative. The major difference is that if *sogoshoku* provides career growth according to experience which inquires rotation and education, *ippanshoku* does not. Roughly 80% of *ippanshoku* are female and 80% of *sogoshoku* are male (Lebedeva 2019). It means that women who participate in lifetime employment do not receive the benefits like gradual salary increase, career growth and lifetime education that men do. Besides that, tax system and social security facilitate unequal benefit distribution and gender wage gap. Spousal deduction tax system provides the spousal deduction of ¥380,000 if a spouse earns an annual income of less than ¥1.03 mn (US\$9,364). Social security covers dependent spouse and children for healthcare and the national pension by premiums deducted from a worker's salary at a cost no higher than the premium a single worker pays or that each member of a married working couple pays. As a result, women often agree with lower salary, what creates general atmosphere of acceptance of low salaries by "good mothers and wives" (Kaku 2015). Altogether, institutions in Japan view women primarily as mothers, who supposed to leave company for family and childbirth. It makes them weaker assets, not worthy of additional investments in education and career development. Moreover, lifetime employment becomes a severe obstacle on the path towards women empowerment and gender equality by maintaining patriarchal time and duty allocation. Men belong to their companies and cannot participate more in household chores and childcare, whether women belong to their families and have limited opportunities of career growth.

In that sense, SMEs, that more rarely practice lifetime employment (14% of lower educated workforce and 40% of college/university graduates vs. respectively 31 and 44% at large firms⁴) could provide more gender equal conditions. In fact, they do not.

⁴ Calculated on data Labor Force Survey. 2019. Statistics Bureau. *Ministry of Internal Affairs and Communications*. Japan.

Together with cultural and institutional constraints, severe gender inequality in Japan's SME rests on two pillars. The first pillar deals with vertical ties between SME and large corporations, named keiretsu. Those ties are based on trust and loyalty and they last, rather than being based on competition and effectiveness. Although, the ways of inter-connection between large firms and SME vary, few important features are widespread. Firstly, large firms usually set price for product, forcing SME cut down expenses (in return large firms provide technological and other assistance). Thus, SME are strictly limited in their abilities to increase wages. Secondly, the corporative rhetoric that a woman is "a weaker asset" is spreading to SME. Second pillar resembles foreign experience (Troske, Carrington 1995; Woodhams, Lupton 2006), concerning the sex, age and education level of the employer and his or her personal preferences.

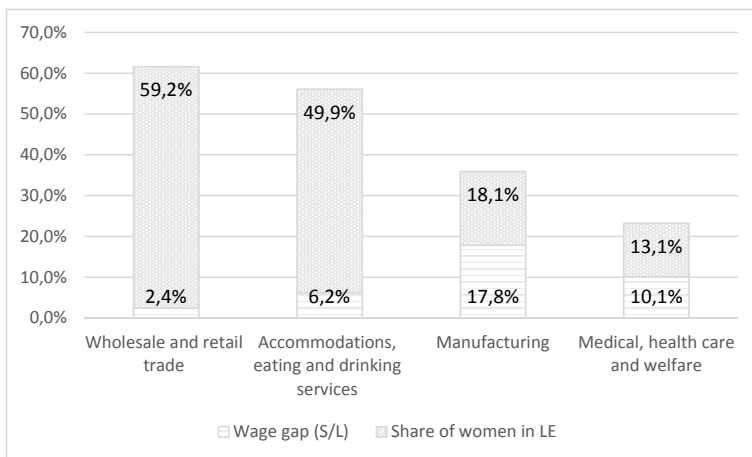


Figure 2. Female part-timers in Japan's major industries, 2017

Source: Calculated by author based on data from Ministry of Health, Labor and Welfare, Japan, 2019.

Worth mentioning, that Japan's government acknowledges the lack of balance between work and life, rigid labor market, keiretsu and lifetime employment negative impacts and seeks ways to restore balance. One of the ways to protect life-work balance is the part time employment. Part-timers are not included into lifelong employment as they do not receive any benefits, but they do experience stable job with no overworking. Analysis of detailed statistics of salaries and number of female part-timers in 4 major industries ((1)wholesale, retail and trade; (2) accommodations, eating and drinking services; (3) manufacturing and (4) medical healthcare and welfare) show that the less the wage gap between large corporations and small firms, the more women work in small firms (1,2), but the more the wage gap, the less women work in large corporations (Fig. 2). Not only wage gap, but also the salary level matters: medical healthcare and welfare pays on average 30% and the share of women within the industry, employed by large firms, is only 13%. Thus, the allocation of female workers between large and small firms facilitate female discrimination. However, positive trends can be found:

in wholesale industry the wage gap rises from -0,1% in 2015 to 2,4% in 2017 and the share of women in large firms rises from 14,4% to 18,1%; in manufacturing the wage gap rises from 15,7% in 2015 to 17,8% in 2017 and the share of women in large firms rises from 14,4% to 18,1% (Fig. 3).

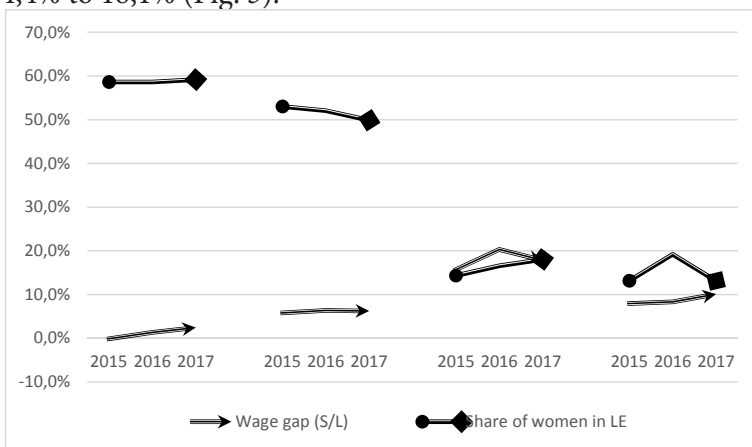


Figure 3. Female Part-timers in Japan's major industries, 2015-2017

Source: Calculated by author based on data from Ministry of Health, Labor and Welfare, Japan, 2019.

Apart from regular employment, there are other forms of employment in Japan: daily, temporary, family and self-employed workers (Fig. 4). Temporary and family work is viewed as female field with women account for 80 and 62,9% accordingly. On the contrary, self-employment is viewed as male field with men account for 75% of self-employed and 83% of self-employed with employee. Thus, women prevail in the least paid, the least prestigious and the least stable forms of employment, which means that average gender wage gap (25%) does not mirror the depth of gender inequality in labor force.

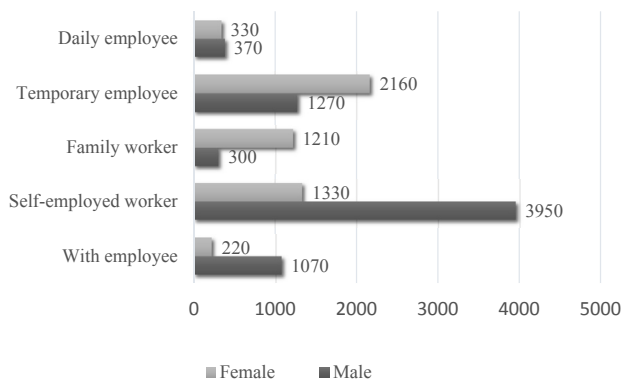


Figure 4. Employment Structure (except long term employment), thousand persons.

Source: Labor Force Survey, Statistics Bureau, Ministry of Internal Affairs and Communications, Japan, 2019.

Thus, Japan labor market is highly discriminative and the allocation of female employment according to firm size and employment type exacerbates the gender wage gap. Let's trace the origins and evolution of female labor market in Japan to find key factors and reason of female discrimination.

The origins and evolution of female labor market in Japan

Modern employment structure of Japan was formed during industrialization in late 19th – first half of 20th centuries. Early industrialization extensively exploited female labor, including child labor. Poverty forced families to send their children (particularly girls, as they were seen as “less important for families”) from 8-9 y.o. for work, despite severe conditions. Girls lived in dormitories (15-20 girls in one room) under the supervision of an elder women, who substituted mother and watched and taught girls the obedience and some basic skills within the dormitory; and a male manager, who substituted father and controlled the girls at work. All connections with the family through the letters was also under strict control. The imitation of family model justified violence and abuse calling it *oyagokoro* (parental benevolence) (Tsurumi 2015⁵).

The severe conditions of female labor at the silk and textile industries are vividly captured in Wakizo Hosoi's *Joko Aishi* (The Pitiful History of the Female Factory Workers, 1925), where he describes different forms of abuse of the factory girls. The Dickensian picture also emerges in the notes of the assigned medical observer, when he describes nightshifts at the Kurashiki Cotton-Spinning Factory: “Only females were at work... There were workers 9 or 10 years old... Their spindles were at eye level. And dense dust filled the air... Almost a prison” (Rodo Kagaku Kenkyujo Rokuju Nenshi, 12; Tsuzuki 2015: 196).

Roughly a half of a million of women worked in silk, cotton, textile, cigarette and other industries, accounting for 80-95% of labor force (Takenaka 1983: 48). Not only young girls, but women of all ages including mothers were vastly employed and suffered from terrible conditions. Nevertheless, not only women were treated as “a low-cost, disposable source of labor power” (Kaku 2015: 31). It was severe poverty, that extorted both spouses and even children to leave villages and work for factories. As Kaku points out the gender wage gap at that time was low and men experienced the same struggles as women.

However, it seems like paramount underestimation of gender inequality of those times. Even though primitive labor relations were formed with no regard for natural or physical limitations (Okochi 1948, cit. by Kaku 2015: 32) and exploited both genders, low level of the gender wage gap does not confirm the absence of female discrimination. Apart from financial dimension, female discrimination was seen in

⁵ Kazuko Tsurumi. 2015. *Social Change and the Individual: Japan Before and After Defeat in World War II*. Princeton University Press. 456 p.

form of sexual harassment, psychological abuse, social and sleep deprivation, physical violence both at home and at work⁶. Moreover, women experienced severe discrimination and deprivation at mother-in-law's house, where a woman obliged to live after her arranged marriage (kumiai), even in case husband's death. As a factory girl wrote in the essay about her mother:

When I used to cry my mother scolded me, she said: "It is good that you can cry now. When a woman gets married, she cannot afford to cry. If she cries in her bed, she is found out. If she cries in the toilet, her mother-in-law complains that she is in the toilet too long. If her face shows that she has been crying, her mother-in-law gossips about her with the other old women over their cups of tea. If she cries in front of her own parents when she is allowed to visit them once a year, she is scolded by her parents for being immature. It is good that you can cry now. (Sawai cit. from Tsurumi 2015: 237).

Those were conditions where the modern housewife emerged: a woman was clawed between traditional rural family and primitive labor market. Therefore, the restrictions of female labor and the emergence of the modern housewife were supposed to serve women's best interests.

Amelioration of labor relations took long period from late XIX century to the World War II and was impacted by social, political, economic and technological factors. Let's focus on political agenda and female awareness. The exploitation of cheap labor force with no limits of working hours was an important factor of development and competitive advantage of Japan's industrialization. However, the concepts of protecting employees, granting them rights, limiting working hours was arising among intellectuals and bureaucrats. They argued that limiting working hours and working age would result in higher qualification, that would enforce productivity and efficiency. The exploitation of female labor force with no limits led to health problems and decreased female fertility.

Balancing between employers and employees, Japan's government gradually embarked on factory legislation. What is particularly important, that legislation dealt with only large enterprises, leaving small firms to self-regulation.

Japan's ambitions on the world arena also spurred the legislation. West countries already had the minimum standard of labor protection. The establishment of International Labor Organization brought Japan's labor conditions into sharp focus through the international comparison. Thus, the pressure from advanced West paced the process.

The limitation of working hours led to salary decrease, so the government had to guarantee minimum wages and that is the point, when the gender approach was implemented. As women's salaries were seen as supplement to family budget, they were excluded from further labor relations evolution, including the establishment of lifetime employment.

⁶ Not to mention the absence of women in government, low education access, etc.

Despite the short-term decrease, business won from labor legislation as it resulted in technological and productivity advancement.

Concerning the development of female awareness, the transition from obedient girl to a woman who participates in violent strikes took place at the turn of XX-th century. Kazuko Tsurumi traces the transition basing on essays, that factory girls wrote about themselves and their mothers (Tsurumi 2015: 234). They contemplated on their mothers' misery and they saw that absolute obedience, exacerbated that misery. Moreover, they saw that strikes and demands for better labor conditions actually work even better than obedience. If in the late XIX an American visitor in Japan writes: "The Japanese girl does not seem to strive continually for the increased wage due to an increased exertion. She seems content with what appears to consider a reasonable wage" (Moser, p. 16. Cit. from Hunter 2003: 144), 1930-s witnessed aggressive strikes by Japanese women, demanding better working conditions. One of the most famous is the Toyo Muslin strike lasted over 60 days and involved thousands of women (Mackie 1995). The female awareness was institutionalized in form of various organizations like the Proletarian Women' League (Musan Fujin Doumei) and the Women Workers Night School. Whether this activity developed the new dimension of life for women – social and political, where women were seen as equal comrades, that image did not overcome the image of a mother. Both government and feminists admitted that motherhood is an absolute priority for women. Thus, the emergence of modern housewife was not seen as a step back in women empowerment, but as the escape from unbearable conditions.

However, it arrested gender inequality both at the labor market and at the family institution. Family nuclearization that usually companions industrialization decreased female abuse at home, but also perpetuated the division of gender roles.

To sum up, female discrimination at the labor market roots in the Prewar era, when the modern labor force relations were settled, and women happened to be excluded in their best interests after decades of severe exploitation. It explains why simple legislation of gender equality at work makes little difference and inspire to look for other ways of women empowerment in Japan, among which the female entrepreneurship development deserves particular attention.

Female entrepreneurship in Japan

Japan has the lowest entrepreneurial activity among OECD states; hence, low female entrepreneurial activity is no surprise (Fig. 5).

The low entrepreneurial activity in Japan rests mostly on cultural, rather than institutional factors (Tadokoro 2017). Japanese culture exalts the collectivism over individualism, that makes it very hard for individuals to engage in risk as they pursue new businesses (Tahara 2017). Concerning institutional factors, there are issues of underdevelopment of venture capitalism (Hamao et al. 2000) and legal hurdles, that make it too hard to recover from bankruptcy. But where do 99,7% of small enterprises in

Japan come from? Japanese don't start business, they inherit it. Who does? Most often the sons do – 42,8% of succession, whether daughters become successors only in 2,3% cases⁷.

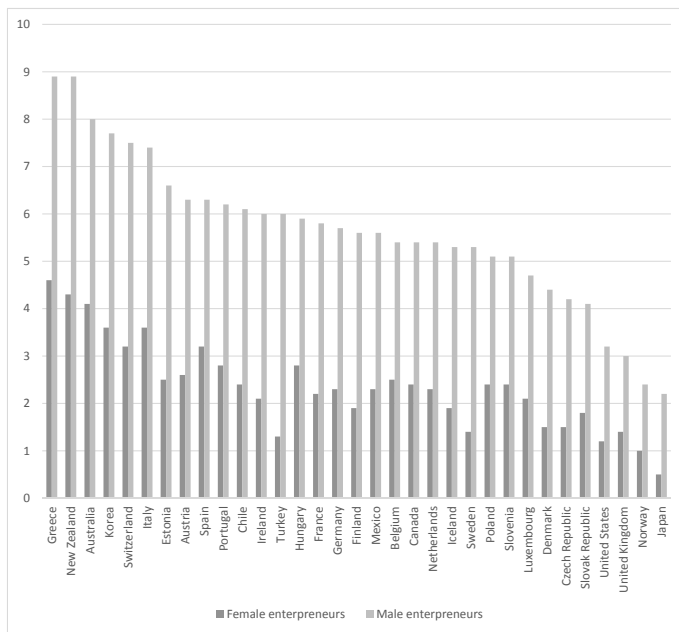


Figure 5. Share of female and male entrepreneurs in OECD states, 2017, %.
 Source: OECD data

The lack of inheritor is a very frequent reason to discontinue business. According to White Papers, 19,8% of businessmen in a survey named the reason “Didn't have a successor candidate with capacity”. Another 7,1% had a successor, but he resisted. 3,9% also could not find a successor within the family and “felt resistant to the succession of business to someone outside the family”⁸. All in all, around of 1/3 of the reasons could be potentially solved if women were seen as decent successors. The discontinuity of business becomes a serious problem of Japan's economy, as the number of cases increases fast: from 34 800 in 2013 to 46 724 in 2018. Thus, developing female entrepreneurship in Japan could reverse the negative trend and support small firms and entrepreneurship. However, White Papers do not emphasize the problem of under exploitation of female entrepreneurship and do not view it as a window of possibilities for SME, rather concentrating on succession methods and bankruptcy procedures.

However, Japanese female entrepreneurship is developing and no doubts it deserves special attention. Who are those brave women, that embarked on the path of entrepreneurship, and why they did it? What industries they chose? How they operate their business? What problems they face?

⁷ White Papers on SME. 2019. *METI*.

⁸ *Ibid.*

Japanese female start-upers are on average older than male: 32,9% are 40-49 y.o. and 19,7% are 50-59 y.o., whether male start-upers are mostly 30-39 y.o. (39,5%)⁹. It might be explained by various factors. From psychological dimension, younger women might lack self-confidence and motivation. Being entrepreneur is not a common life goal for Japanese girls, who are raised to be mothers and wives. Thus, motivation between men and women for startup also differs. Concerning life circumstances, Fujii and Satoshi (Fujii, Kanaoka 2014) emphasize the difference of family structure, education level and household chores responsibilities allocation of entrepreneurs according their gender. They find that 47,5% female entrepreneurs are single (versus only 20,8% of single male entrepreneurs); 52,8% of female entrepreneurs have a child or another dependent (an old parent). At the same time, female entrepreneurs are more burdened with household chores with more than 60,1% doing it alone or almost alone (versus 10,3% male entrepreneurs). Thus, female entrepreneurs usually undergo through severe life circumstances, and have to provide care to dependent, and manage household chores together with their own business. The ability to juggle different dimensions of life and take responsibility appears to be essential characteristic of Japanese female entrepreneur. However, female entrepreneurs have lower education level% only 21,3% graduated university (versus 38,2 – for male), which also points that starting a business was a choice made under life circumstances, rather than a planned path. Another gender specific motivation is that women become entrepreneurs in attempt to escape discrimination and harassment at work (30,1%) and because they want to make the world a better place (28,4%).

Concerning problems, that female entrepreneurs face in Japan, they mostly affirm foreign experience, however strict division between female and male world exacerbate them. Resources, viewed as natural for men, are challenging for women. Those are business network, finance, technology, etc. However, those challenges enforce women to operate with smaller start-up budget and operate faster than male entrepreneurs. The corporate performance of female start-ups shows higher profits than male after 3 years. Matsui explains that Japanese women tend to close low-performing businesses faster than men¹⁰. And if a woman continued business more than 3 years, chances that it is successful are higher.

Another important characteristic of female entrepreneurship is that women tend to hire more women or only women. It solves the array of problems such as discrimination, sexual harassment, female unemployment and poverty, etc. Female business creates better conditions for life-work balance because it takes into consideration double-burden effect. The development of female business also helps to change the attitude towards women at work in order to treat them as equal partners, rather than helpers.

However, Japanese government seemingly underestimate the potential of female entrepreneurship and does not provide enough support for women who embark on

⁹ 日本政策金融公庫総合研究所「2013年度新規開業実態調査(特別調査)

¹⁰ Womenomics 2.0.

entrepreneur path. White papers on SMEs do not identify female discrimination as one of the key problems and the window of opportunities. I have not found any coherence state program to support nor women in SME neither female entrepreneurship, whether research and experience show that SME need special policies and special management for female inclusion. However, there are stippled initiatives, such as programs, held by Ministry of Agriculture, Forestry and Fishery. that stimulate female agricultural business.

Private initiatives, led by successful and influential women, make a tremendous contribution into female entrepreneurship development. The experience of DBJ is a good example, worth examination. DBJ Women Entrepreneurship Center was created by Kathy M. Matsui – famous Japanese businesswomen and women rights activist. It provides grants, assistance, mentorship, education, financing and networking for Japanese women since 2011 (2 years before Womenomics were launched). DBJ programs are completely transparent: reports and videos are available online. However, the scale of private initiatives is insufficient for notable improvements.

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The analysis of gender wage gap according to enterprise size shows that SMEs in Japan preserve higher level of gender inequality, comparing to large enterprises. In-depth analysis of available statistics of different categories of employment prove that gender wage gap is not sufficient for capturing actual level of gender inequality at Japanese labor market as it does not factor in the specifics of lifetime employment practices, its benefits for male employees and the lack of those benefits for female employees. Complicated structures of employment forms and interlocked relations between enterprises, named keiretsu hold gender inequality and create obstacles for women empowerment.

Tracing back the origins of labor market inequality shows that restricting female labor force participation took place before lifetime employment was settled and aimed to free women from enormous burden of severe exploitation. However, it froze the development of female labor activity and ennobled the reproductive role.

The female entrepreneurship in Japan is in inchoative stage and develops in spite of, not thanks to Japanese institutions of family and market. Women choose entrepreneurship in attempt to escape gender discrimination and harassment at work; to find balance between family and work; to care for dependent children and parents; and to change the world. Thus, women often engage in socially useful activities. Due to challenges and lack of possibilities, female entrepreneurship develops in tougher conditions, comparing to male. Thus, women proved to operate faster, have better time management in order to jungle different spheres of life; and female business proved to be more profitable after 3 years.

To sum up, the female entrepreneurship have positive effects on economy, granting diversity, creating new sustainable business models “with human face”, developing

small enterprises; on society creating socially useful products; on women empowerment by creating new image of successful and equal women, by employing more women, by finding balance between family and work.

Discussion

Historical analysis of origins and evolution of female labor relation provides few important insights. Firstly, the restrictions on female labor (in order to grant them more opportunity for childcare) consequently lead to discrimination, not to empowerment. Secondly, female labor participation stimulates awareness of women, concerning their rights and injustice they face, even if those women were taught obedience for centuries. Thirdly, the absence of women in governing institutions incapacitate government's ability to comprehend and tackle women issues effectively, defeating the best intentions.

Concerning ongoing debate of gender inequality impact on economic growth, the research affirms that early stage of industrialization might add competitive advantage through reduced labor costs. However, positive results are short-termed, because it impedes the technological advancement, deteriorate the quality of labor force and endanger reproductive labor.

The research proves that SMEs are less sensitive to government regulation and particularly in gender aspects. They hide higher level of inequality and require special attention. Not only legislation, but also special management practices are essential.

However, the government initiatives to spur female entrepreneurship seems incoherent and stippled, hence insufficient and ineffective. Outdated perception of female labor as supplement still prevails and lurks in SMEs, creating obstacles for women empowerment.

Focus on female entrepreneurship could improve the effectiveness of Womenomics, as it provides clue to series of Japan's socio-economic problem and particularly women empowerment.

History teaches us that in search for balance between productive and reproductive labor, the restriction of the former doesn't support the later. In Taleb's terms it decreases the antifragility of women. Being dependent financially doesn't provide security. Being viewed as supplement labor force, incapable for real 'brutal' business doesn't add on self-confidence. Both security and self-confidence are essential for the motherhood. Therefore, closing opportunities of Japanese women at the labor market, decrease their confidence in themselves and their future and put them into subordinate position. Thus, women empowerment is essential for Japan's economy in both productive and reproductive dimensions.

There is no any universal path towards gender equality. Women and governments all over the world struggle to find the balance between productive and reproductive dimensions. Indeed, restriction of female labor exacerbates inequality instead of granting more space and opportunities for productive labor, as it puts women into subordi-

nate state and ennoble only reproductive functions. Women empowerment is the key to find balance between production and reproduction and female entrepreneurship can bring tremendous improvements as it tackles a number of issues and impacts exponentially. Female entrepreneurship has great but yet untapped potential to create favorable conditions to couple productive and reproductive dimensions, which is particularly challenging for Japan facing demographic tsunami.

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Conflict of interests: The author declares absence of conflict of interests.

УДК: 339.9

Поступила в редакцию: 25.03.2020 г.

Принята к публикации: 15.04.2020 г.

Женщины на малых и средних предприятиях и в сфере предпринимательства в Японии

С. Ребрей

DOI 10.24833/2071-8160-2020-3-72-170-185

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В статье проводится гендерный анализ малых и средних предприятий и предпринимательства в Японии, чтобы выяснить, влияют ли эта сфера занятости на гендерное неравенство в Японии; позволит ли расширение прав и возможностей женщин привести к развитию малого и среднего бизнеса, предпринимательства и экономики в Японии. Для ответа на эти вопросы автор использует динамический отраслевой GAP-анализ, международный сравнительный анализ, институциональный анализ, анализ тенденций. Исследование показывает, что МСП в Японии поддерживают более высокий уровень неравенства по сравнению с крупными предприятиями. Взаимосвязь между МСП и крупными корпорациями (кейрецу) и структурой занятости являются основными и уникальными факторами, усугубляющими гендерное неравенство в Японии. Прослеживая историю трудовых отношений в Японии, автор показывает, что исключение женщин из пожизненной занятости должно было соответствовать интересам женщин, однако это привело к экономической зависимости женщин и их подчинённому положению. Женское предпринимательство в Японии представляет собой область неиспользованного потенциала, которая может эффективно решить ряд социально-экономических проблем и экспоненциально повлиять на расширение прав и возможностей

женщин в Японии. Женский бизнес в Японии оказывается эффективным и прибыльным, и, что более важно, он имеет «человеческое лицо» и занимает (среди прочего) вакантную нишу социальной помощи, оптимизируя и гуманизируя её. Наконец, исследование делает вывод, что женское предпринимательство требует большего внимания и поддержки со стороны правительства.

Ключевые слова: японское МСП, женское предпринимательство, гендерное неравенство, расширение прав и возможностей женщин

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Конфликт интересов: Автор заявляет об отсутствии конфликта интересов.

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