

Finally, Chapter 8 concludes this study by first summarizing the findings and overall arguments presented in the previous chapters. Following this, I describe changes in women's employment opportunities since the mid 1990s using more recent survey data. I then assess whether a further divergence or a future convergence can be expected between the two countries by evaluating recent policy changes and their implications for gender inequality in the workplace. I pay special attention to how broader economic shifts, resulting from the slowdown of both economies since the late 1990s, may transform workplaces and gender inequality in the years to come. Last, beyond the specific cases of Japan and Taiwan, this chapter ends with a discussion of this study's general implications for understanding the different paces at which the economic gender gaps close across the industrialized world.

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CHAPTER TWO

The Development of Women's Labor Market Experiences

The remarkable speed of economic development that Japan and Taiwan experienced after World War II ensured rapid changes in women's labor market experiences. In both countries, women had virtually moved out of the agricultural sector by the late 1970s. They had become more frequently involved in office work rather than factory work by the end of the twentieth century (Brinton 2001). Despite these shared trends, there are considerable differences between Japan and Taiwan in the development of women's economic roles. The objective of this chapter is to explain how women from these two countries diverged in their employment behaviors, as well as the economic consequences of this divergence. To this end, I compare the employment trajectories of women from different birth cohorts in Japan and Taiwan. *Birth cohorts* refer to individuals who were born during the same time period within a population. Members of a birth cohort experience the same historical events at similar time points of their lives. I focus on the experiences of the birth cohorts that entered adulthood and became eligible for market work from the early 1950s to the early 1990s to delineate labor market and social changes during the second half of the twentieth century.

Although I focus on the post-World War II development of women's work opportunities and experiences in Japan and Taiwan, it is noteworthy that Japan's industrialization started long before the war (Cunings 1987; Pyle 1978). It was not unusual for Japanese women with some formal schooling to hold modern industrial jobs even before World War II (Brinton 1993). By contrast, the Taiwanese economy was primarily agrarian in the aftermath of World War II, despite the onset of its industrialization under prewar Japanese colonial rule (Cunings 1987). Because of their different paces of economic development, it is expected that Japan and Taiwan would differ in the magnitude of change in women's market activities since the 1950s. This chapter, however, shows that the divergent histories of industrialization between the two countries do not account for all the differences in the patterns of female labor force participation.

The trends and analysis presented here are based on data from two nationally representative surveys. Specifically, the data for Japan are from the Social Stratification and Social Mobility Survey (SSM) conducted in 1995, and the data for Taiwan are from the Taiwan Social Change Survey (TSC) conducted in 1996. These surveys asked respondents to report their entire employment careers and information about each job retrospectively (see Appendix A for more details). Using such job history records, I first describe changes in women's employment trajectories over time in the two countries. Second, I explore gender differences in career processes and compare the gender gap in economic conditions between the two countries. In particular, I examine the earnings of men and women, with an emphasis on the implications of women's employment trajectories for their income. Taken together, the analysis presented in this chapter addresses the following questions: How did women's career processes evolve during the second half of the twentieth century in Japan and Taiwan? To what extent did men and women differ in their employment trajectories? Have women and men converged or diverged in their labor market experiences over time? Finally, how different have Japan and Taiwan been with regard to the gender gap in economic opportunities?

TRENDS IN WOMEN'S PARTICIPATION IN THE LABOR FORCE

This section focuses on the labor market experiences of women from different birth cohorts. Survey respondents from Japan and Taiwan are divided into four cohorts based on whether they were born in the 1930s, 1940s, 1950s, or 1960s.¹ Differences in the experiences of these four groups, taken together, indicate how women's working lives have changed in the two countries throughout time.

Changes in Women's Work Experience

Today, most people have been or expect to be engaged in market work at some point in their lives. This has not always been the case historically. Although few men in the samples for Japan and Taiwan reported that they had never participated in any market work, nearly one fifth of Taiwanese women born 1936 to 1941 had never held any job.² Conversely, less than 8 percent of Japanese women born during the same period reported not having any job experience throughout their lifetime. Taiwanese women's likelihood of ever participating in the labor force, however, increased rapidly with time. When the cohort born in the 1960s reached working age, there was virtually no difference between Japan and Taiwan, or between women and men.

Gender differences in the length of work experience nevertheless remain in the two countries. According to the survey data, the average proportion of time Japanese men spent on market work since their first entry into the labor market was close to 100 percent.³ It was extremely rare for Japanese men to discontinue their employment careers. Taiwanese men had a greater tendency for work interruptions than Japanese men, but their career trajectories were still relatively continuous. On average, a Taiwanese man who had his first job at age twenty would have had only one year of absence from the labor force by age 40, after excluding the time he had to be away from the labor market for his mandatory military service.⁴ By contrast, Japanese women who started their first job soon after leaving school were in the labor force for about 66 percent of the time, whereas Taiwanese women were employed for 69 percent of the time after their first job. Based on these percentages, a woman who began her working life at twenty years of age would have accumulated about twenty years of work experience by age 50 in both countries. This length of work experience, though lower than what a similar man would have accumulated, is comparable with that of U.S. women born in the 1970s (Rosenfeld 1996:204). Thus, although market work was once viewed as a short-term activity before marriage for women in both Japan and Taiwan (Brinton 1993; Diamond 1973; Hunter 2003; Kung 1994), most women born during the postwar decades participated in the labor force for an extensive proportion of their lives.

Women's timing of labor force participation has also changed over time, especially in Taiwan. To illustrate, Figure 2.1 shows by birth cohort the percentages of women in the labor force at seven time points in their lives: before marriage, at first marriage, at first childbirth, at last childbirth, at last child 3 years old, at last child 6 years old, and at last child 6 years old.⁵ Because a considerable number of women born in the 1960s had not completed their childbearing by the survey years (1995 in Japan and 1996 in Taiwan), I present their work experience only up to the point of having their first child. Likewise, I do not present the proportion of women born in the 1950s in the labor force when their last child was 12 years of age, because only a small proportion of them would have experienced this life course stage by the time of the survey.

Reflecting its rapid industrialization during the postwar decades, Taiwan witnessed a 30 percent increase in women's labor force participation before marriage. In comparison, the increase in Japanese women's premarital labor force participation seems small. This small increase has to do with the fact that even those born in the 1930s had a participation rate as high as 91 percent. Women's premarital work experience nevertheless converged in the two countries during the late twentieth century. Taiwanese women born in the 1960s, who finished their education roughly in the 1980s, had

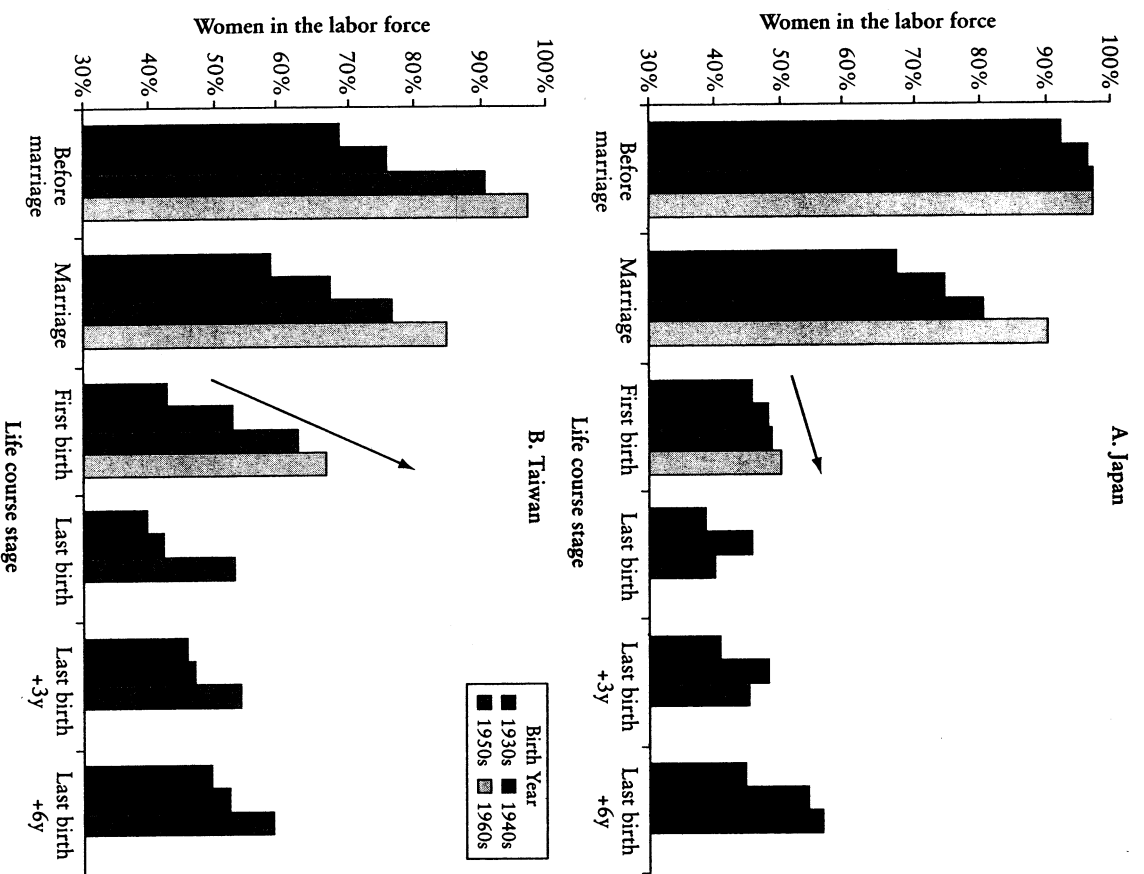


Figure 2.1. (A, B) Trends in female labor force participation during the life course for Japan (A) and Taiwan (B).

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Note: The life course stages included in the figure are before marriage, at first marriage (current marriage for Japanese respondents who had remarried), at first childbirth, at last childbirth, last child 3 years old, and last child 6 years old. Respondents who had not reached the given life course stage by the survey year were censored in the calculation.

a comparable premarital employment rate with that of their Japanese counterparts. In fact, by the 1980s, not only women's rates of premarital employment were similar, but single women in both countries also worked as frequently and as continuously as their male counterparts.

While the work experience of single women in the two countries has converged with economic development, women's employment trajectories since marriage have not. In particular, the growing labor force participation among single women had a lasting effect on their employment throughout their life course in Taiwan, but not in Japan (illustrated by the arrows in Figure 2.1). The employment rates at first marriage and first childbirth for Taiwanese women increased to a similar extent as newer cohorts gained more work experience while single. By contrast, although the proportion of Japanese women who worked through marriage increased across cohorts, there was little change in the labor force participation rates in the year of first childbirth. In other words, Taiwanese women with young children have become increasingly active in the labor market, but this has not been the case in Japan.

Comparing different groups' participation in the labor force through the life course helps me identify the critical time point at which women's employment behaviors diverged between the two countries. Although Taiwanese women born in the 1930s had a slightly lower employment rate around their first childbirth than their Japanese counterparts, those born during the next several decades generally participated in the labor market at a higher rate at that stage. Hence, as early as the 1960s, when women born in the 1940s began to enter motherhood, there emerged a difference in married women's employment behavior between Japan and Taiwan. However, Taiwanese women born in the 1950s were the ones who had higher employment rates than those in Japan throughout their years of rearing young children (i.e., the period from their first childbirth to the time when their last child entered school). This trend suggests that around the mid 1970s, when women born in the 1950s were about to become mothers, the increase in the proportion of married women who continuously participated in the labor market became substantial in Taiwan.

Labor Force Exit and Reentry

In addition to the length of work experience, the frequency of exits from the labor force also characterizes individuals' employment careers throughout their life course. In Japan and Taiwan, most of the labor force exits made by women are related to changes in their family status. Among all the labor force exits experienced by women in the samples before the age of 50, more than 70 percent of such exits occurred around the years of marriage and childbearing for Japan, and more than 60 percent for Taiwan.⁶ Although

women in these countries left their jobs more frequently than men, they tended not to move in and out of the labor force frequently. Among ever-married Japanese women who had left the labor force at least once by the survey time, only 12 percent exited the labor market more than once. By contrast, Taiwanese women had slightly more employment interruptions throughout their working lives. About 17 percent of ever-married Taiwanese women who had ever left the labor market had done so more than once. In short, had it been not for marriage or childbearing, women in these countries would rarely interrupt their employment careers.

A sizable proportion of Japanese and Taiwanese women who left the labor force at one point returned. Based on their experiences of labor force exits and returns, I divide women in the two countries into three groups: (1) those with continuous careers that involve no interruption, (2) those with interrupted careers that contain both labor exit and reentry, and (3) those with short-lived careers that end with a labor exit at a relatively early time point in their lives. Figure 2.2 presents the distribution of these three types of careers among women by age group. Because this characterization is based on events of labor force exit and reentry that occurred by the current age, the frequency distribution for the younger groups is less accurate. Specifically, women of younger age could potentially return to the labor force after the survey was conducted. Hence, the percentages presented in Figure 2.2 underestimate the proportion of those women who will eventually have intermittent careers. It is also likely that, within the youngest age group (25–34 years), the proportion of women with continuous careers is overestimated, because not all of them have experienced marriage and motherhood. I therefore include the distribution of the three types of careers among women age 25 to 34 who were mothers. Their patterns of careers might be closer to those of all members of this birth cohort had they all undergone marriage and childbirth.

Interestingly, the differences in the distribution of careers between the two older age groups are similar in both countries. Japanese and Taiwanese women born in the 1940s (i.e., age group 45–55) were more likely to have continuous or interrupted careers, rather than early retirements, than those born in the 1930s (i.e., age group 55–60). The distribution of continuous, interrupted, and short-lived careers among Taiwanese women born in the succeeding decade (i.e., age group 35–44) was nearly identical. The distribution for the next birth cohort of women, however, suggests a substantial increase in women's tendency to have continuous employment careers. Almost 50 percent of Taiwanese mothers between 25 and 34 years of age had been working continuously as of 1996. By contrast, in Japan, the increase in women's likelihood to work continuously reversed for those born since 1950 (i.e., age groups 25–34 and 35–44). A smaller proportion of

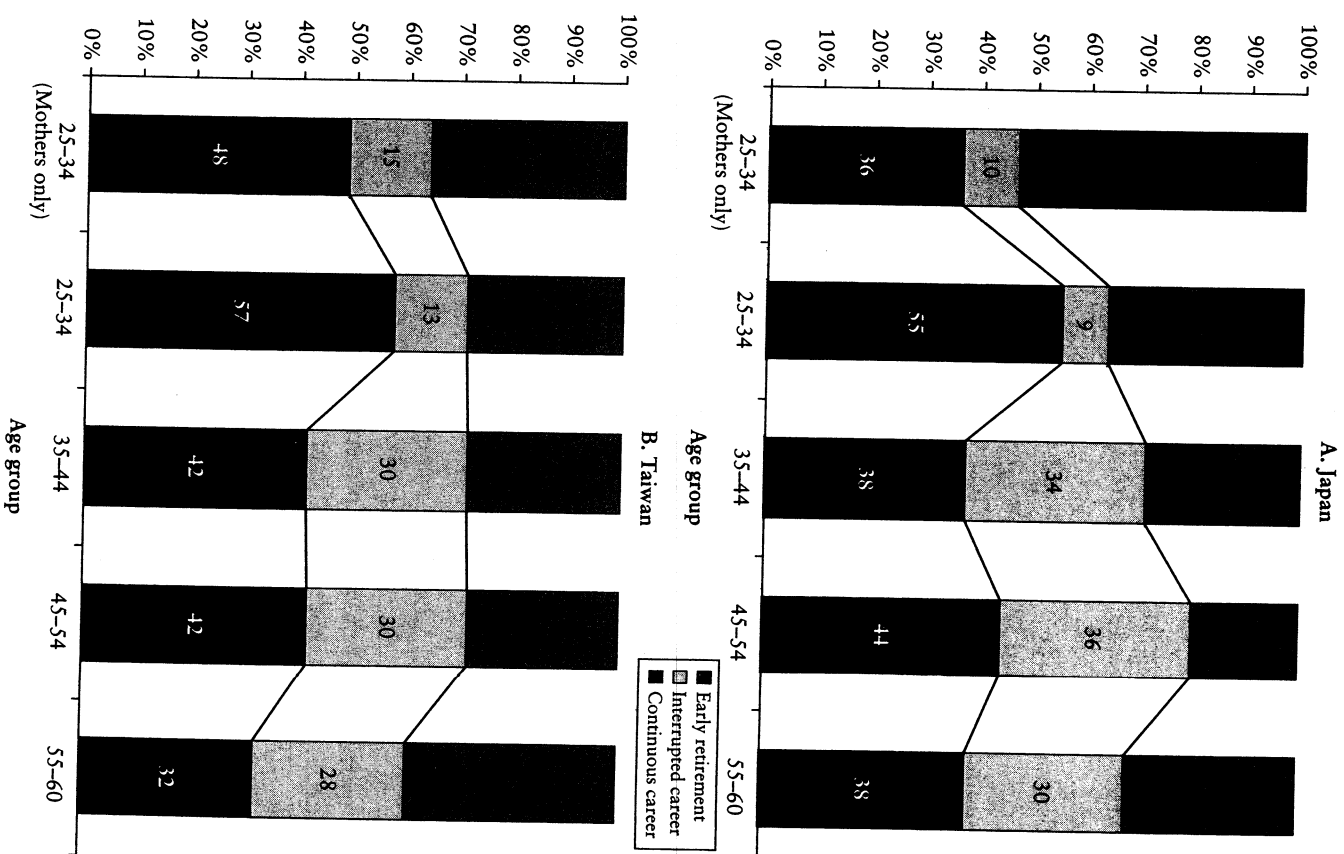


Figure 2.2. (A, B) Distributions of women's careers in Japan (A) and Taiwan (B).

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Japanese women born in the 1950s experienced continuous careers compared with those born a decade earlier. Only 36 percent of Japanese women born in the 1960s had worked continuously, if nonmothers from this group are excluded. This percentage was even smaller than those among members of previous cohorts who had been in the labor force for longer.

The reversal of Japanese women's tendency toward continuous employment, as revealed in Figure 2.2, coincided with two broader economic changes. One has to do with Japan's overall economic growth. Born in the 1940s, women in the 45- to 54-year age group faced Japan's high growth period (from the mid 1950s to the early 1970s) as they stepped into marriage and motherhood. The rapidly increasing demand for labor during this period made women born in the 1940s exceptional in terms of their likelihood of continuous employment. Second, the late 1960s was when women's participation in wage employment surpassed that in family enterprise employment and self-employment (Brinton 2001; Yu 1999). Soon afterward, when those born in the 1950s began to enter marriage, the reversal of women's continuous employment occurred. An increase in wage employment appears to be associated with Japanese women's declining tendency to work continuously.

Although the proportion of Japanese women with continuous careers hardly increased, they extended their working lives by returning to the labor force more frequently and at a faster rate. Figure 2.3 compares the percentages of women who had returned to the labor force by ages 35, 40, and 45 years. A relatively high percentage of ever-married women returned to market work in Japan. For example, more than 50 percent of Japanese women born in 1946 to 1950 had returned to the labor market by age 40. More than 60 percent of this same cohort of women had reentered the labor force by 45 years of age. Moreover, not only were Japanese women increasingly likely to return to the labor market, but their age of employment reentry had become younger. A greater percentage of women born in 1951 to 1955 had reentered the labor market by age 40 than that of women born a decade earlier who had returned by age 45. For the youngest group shown in Figure 2.3 (women born 1956–1960), more than 40 percent had returned by the time they turned thirty-five years old in Japan. Thus, nearly every cohort of women returned to the labor force at a higher and faster rate than the previous one in postwar Japan.

Figure 2.3 also indicates that, at least for those born before 1956, Taiwanese women who had once left the labor force were less likely to return than Japanese women. Although the percentage of Taiwanese women who had reentered the labor market by age 35 was similar to that of their Japanese counterparts, the proportion of women who returned to the labor force after age 35 was much smaller in Taiwan. Nevertheless, Taiwanese women did return to the labor market at higher and faster rates over time.

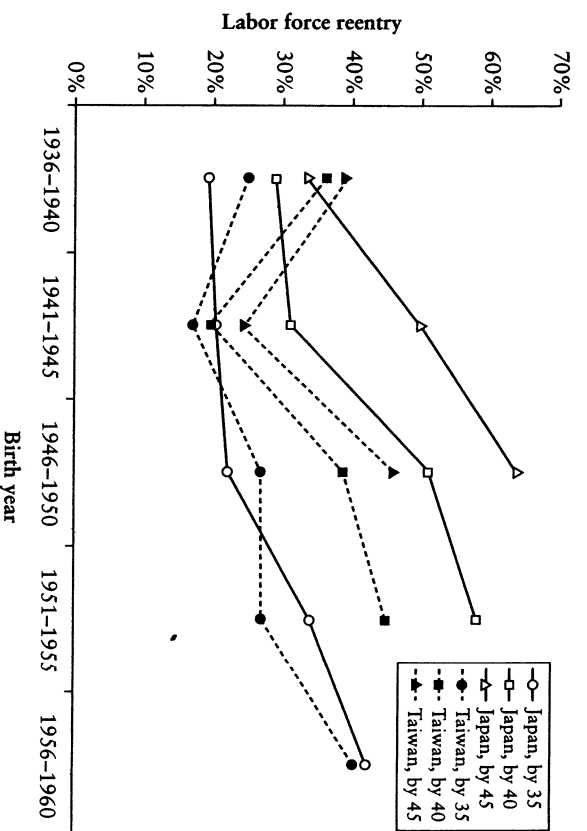


Figure 2.3. Proportion of ever-married women returning to the labor force by various ages.

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Note: The percentages of labor force returns are calculated only among those who had left the labor force. Women who worked continuously are not included in the figure. Also, those born after 1960 are not included in the figure because many of them were less than 35 years old when the surveys were conducted.

The increase in the proportion of women who returned to the labor force somewhat coincided with Taiwan's drastically declining fertility rates in the 1960s and 1970s. As the average number of children in Taiwanese families decreased to less than three during the late 1970s (Chang, Freedman, and Sun 1987), women born in the 1950s, who were likely to enter motherhood around this time, displayed a significant increase in the rate of labor force reentry.

To summarize, the postwar changes in female employment patterns in the two countries had shortened the gap in the length of work experience between men and women throughout their lifetimes, especially for Taiwan. The evolution of Japanese women's employment trajectories featured relatively constant rates of work interruptions, but increases in labor force returns. Despite a rise in women's employment continuity during Japan's period of rapid economic growth, women of the succeeding cohorts failed to continue increasing their participation in the labor market after marriage and childbearing.⁷ In fact, they became more likely to withdraw from the labor force. This trend is consistent with aggregate statistics that show a steady decline

of women ages 25 to 34 in the labor force from the 1960s to the late 1970s in Japan (International Labour Office 1990). Thus, the change in the employment behavior of Japanese women born in the 1940s was exceptional and had to do with that country's unprecedented economic growth in the 1960s. Japanese women, however, had extended their working lives during the second half of the twentieth century by increasing their rates of reentering the labor market. Not only were Japanese women more likely to return to work, but they also reentered the labor force more promptly.

Taiwanese women's work trajectories transformed roughly at the same time that their Japanese counterparts increased their rate of employment interruptions—around the late 1970s.⁸ I have shown that Taiwanese women born since 1950 generally have had longer and more continuous working lives. In particular, these women were more likely to remain in their jobs upon marriage and childbearing. Taiwanese women's rates of labor force re-entries also increased over time, even though the amount of increase was not as high as that in Japan. It is noteworthy that a steady rise in female participation in wage employment accompanied these changes in women's work experience. Taiwan's proportion of the female labor force in wage employment surpassed that in family enterprise employment and self-employment during the early 1970s (Brinton 2001; Yu 1999). Interestingly, although the increase in women's wage employment was associated with their greater tendency to interrupt work for child rearing in Japan, it appears to have coincided with the growth of working mothers in Taiwan.

GENDER DIFFERENCES IN CAREER PROCESSES

The length of work experience is not the only aspect that distinguishes men's employment careers from women's. Men and women often differ in their occupation, employment status, job tenure, frequency of employer changes, and the timing of job turnover, among other variables (Padavic and Reskin 2003; Reskin 1993; Yamagata, Yeh, Stewman, and Dodge 1997; Yu 2004). These gender differences, taken together, shape the gap in economic well-being between men and women throughout their lifetime (Rosenfeld 1992). Thus, whereas examining work experience helps determine the gender gap in the quantity of work, comparing women's and men's career processes informs the gap in the quality of work. In the following, I examine gender differences in employment trajectories, as well as the economic consequences associated with these differences in Japan and Taiwan.

Job Mobility and Labor Market Outcomes

I begin the analysis of women's and men's career processes by revealing their respective job mobility, measured by the number of employers they have

TABLE 2.1
Average number of jobs experienced throughout men's and women's employment careers.

	JAPAN				TAIWAN			
	Men	Women	Employed men	Employed women	Men	Women	Employed men	Employed women
No. of job spells	2.20 (1.52)	2.16 (1.35)	2.22 (1.52)	2.49* (1.34)	2.90 (1.77)	2.47* (1.67)	2.94 (1.75)	2.87 (1.65)
N	891	1016	864	634	1377	1452	1313	837

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Numbers in parentheses are standard deviations.

*The difference between the female group and its corresponding male group is statistically significant at the 0.05 level based on a two-tailed *t*-test.

had. In labor markets in which employers generally prefer stable workers, high job mobility across organizations may send a negative signal about workers and may lead to diminished career outcomes. At the same time, frequent employer changes can be an indicator of individuals' desirability in the labor market in societies in which cross-organizational job mobility is common. In either case, job mobility may be associated with individuals' economic conditions over the long run.

Table 2.1 reports, by gender, the total number of job episodes respondents experienced in the Japanese and Taiwanese samples. Here, a job episode refers to a period of time when an individual works for the same employer, and the average number of job spells is an indicator of interfirm job mobility. I also present in Table 2.1 the job mobility of men and women currently in the labor force (i.e., "employed men" and "employed women"), because nonemployed women are likely to have particularly short work experiences and thus unusually few employer changes. Taiwanese adults, on average, experienced more job episodes than their Japanese counterparts. The average number of jobs for men and women, however, is small in both countries. About 87 percent and 76 percent of Japanese and Taiwanese respondents, respectively, had worked for three or fewer employers. Such levels of job mobility are low compared with that in the United States, where the majority of adults hold more than five jobs throughout their lifetime (Allmendinger 1989). The similarity in the level of job mobility in Japan and Taiwan is particularly interesting given Taiwan's lack of a "permanent employment" system, in which employers are expected to retain workers throughout their working lives (Cole 1971; Crawcour 1978; Taira 1970). Thus, while Taiwanese employers made no explicit promise of long-term employment, workers generally experienced nearly the same level of job stability as in Japan. Perhaps Taiwan's rapid economic growth has contributed to this high level of job stability.

Despite their similarity in the overall level of employment stability, Japan and Taiwan differ in gender differences in job mobility. On average, Japanese men had a nearly equivalent level of job mobility as women, whereas Taiwanese men experienced greater interfirm mobility than women. However, after excluding those who were not currently in the labor force, Japanese men generally had fewer employers than women. Conversely, there was no difference in job mobility between working men and women in Taiwan. One reason why Japanese working women had more job spells throughout their lives is that they were more likely than men to interrupt their employment careers during their early child-rearing years. Although Taiwanese women were also more likely than men to withdraw from the labor force, it appears that Taiwanese men moved between organizations frequently enough to offset this gender difference.

Do frequent employer changes result in better or worse jobs for individuals? Are Japan and Taiwan different in this regard? To answer these questions, I explored how the frequency of employer changes is associated with occupational status in each country. I found no clear relation between employer changes and occupational status.⁹ The experience of job shifting within the same organization, however, connects closely with occupational attainment. Figure 2.4 shows the distribution of current occupations

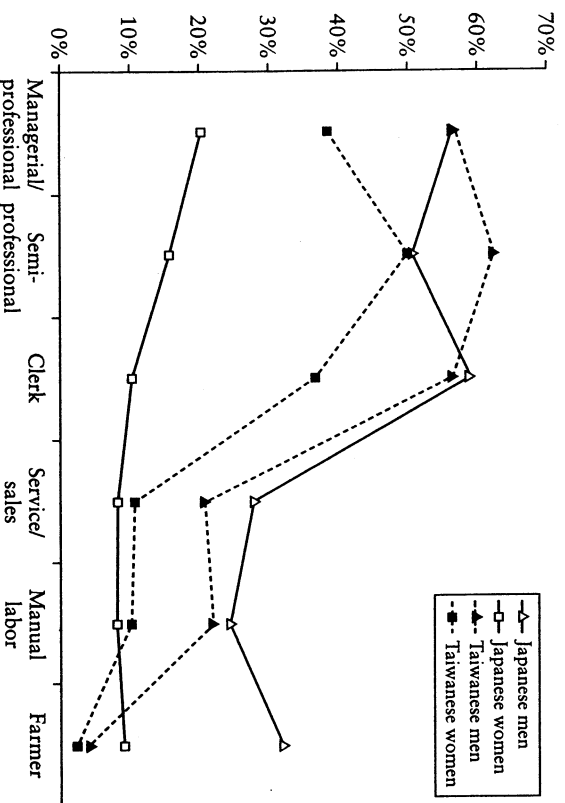


Figure 2.4. Percentage of workers with experience of within-organization job shifting by current occupation.

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

by workers who experienced within-organization job changes, regardless of whether such changes were promotions. White-collar workers, particularly those in managerial and professional occupations, were much more likely than blue-collar or service and sales workers to report having had this experience. In other words, intrafirm job mobility is positively associated with occupational attainment. Moreover, women in every occupation were less likely than men to report any experience of intrafirm job changes, suggesting that they were less likely to move up job ladders within firms. The gender gap in intrafirm job mobility is particularly wide for Japan.

Occupational status is not the only measure for labor market outcomes. Frequent employer changes may also affect one's chance of obtaining certain types of jobs. I categorize five groups of workers based on firm size and employment status: (1) self-employed and family enterprise workers, (2) part-time or temporary workers, (3) "regular" full-time employees in small firms (<30 employees), (4) regular employees in medium-size firms (30–499 employees), and (5) regular employees in large firms (≥500 employees). The labor market positions each of these groups occupies imply different levels of job stability and overall welfare for individuals. Table 2.2 reports the distribution of the five worker groups by interfirm job mobility. I consider individuals with only one job as having no job mobility, those who had two or three jobs as having medium job mobility, and those who had more than three jobs as having high job mobility.

As Table 2.2 indicates, employees' levels of job mobility reduced considerably as firm size increased in Japan. It was extremely rare for those with high job mobility to work in medium to large firms. The relation between job mobility and firm size was particularly apparent among Japanese women. Fifty-nine percent of women in medium and large Japanese firms were in their first jobs. This finding suggests that women who interrupted their employment careers would be unlikely to work as regular employees in sizable firms later in their lives. By contrast, 30 percent of men and 27 percent of women employed by large Taiwanese firms had never changed employers. About one fifth to one fourth of Taiwanese men and women with high job mobility were working at large firms as regular full-time employees. Taken together, these results indicate that job mobility was more strongly associated with individuals' chances of obtaining standard full-time jobs in medium to large firms in Japan than in Taiwan.

It is possible that regular employees in large Japanese firms have particularly low interfirm mobility because there is little incentive to leave their "good" jobs—that is, jobs with high stability and potential for upward mobility. The fact that it is much rarer to find workers with high job mobility in large firms in Japan than in Taiwan, however, suggests that large Japanese firms are more strongly against hiring workers with a history of frequent

TABLE 2.2
Distribution of current labor market position by gender and frequency
of employer changes.

	JAPAN						TAIWAN					
	Men			Women			Men			Women		
	None [‡]	Medium [§]	High [¶]	None	Medium	High	None	Medium	High	None	Medium	High
Family/self-emp.*	18.4	69.5	12.1	26.2	56.0	17.8	10.5	63.7	25.8	18.5	58.2	23.3
Part time, temp. [†]	5.7	68.9	25.4	18.2	45.5	36.4	20.0	50.0	30.0	37.1	51.4	11.4
Regular, <30 employees	19.2	64.1	16.7	22.7	52.6	24.7	12.7	47.5	39.8	12.2	51.2	36.6
Regular, 30–499 employees	33.3	42.3	24.4	29.3	53.8	17.0	17.7	58.4	23.9	19.9	48.9	31.3
Regular, ≥500 employees	49.4	47.2	3.4	59.3	36.3	4.4	29.9	49.6	20.5	27.1	46.4	26.4

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

*Family employment or self-employment.

[†]Employed as part-time or temporary workers.

[‡]Never had any employer change.

[§]Changed employers once or twice.

[¶]Changed employers more than twice.

employer changes. Women with such a history appear to be particularly unlikely to be hired as regular workers by large firms in Japan.

Shifting between Standard and Nonstandard Employment

I have shown that regular full-time employees generally had a history of fewer employer changes than workers with “nonstandard” jobs, such as temporary and part-time jobs, self-employed work, and jobs at family enterprises, especially for Japan (Table 2.2). Do workers in nonstandard types of employment relations change jobs more often? Or are they likely to hold these types of jobs because their employer change histories make it difficult for them to find regular full-time jobs in firms that prioritize low turnover rates? To answer these questions, I examined the work histories of respondents in the Japanese and Taiwanese samples, with an emphasis on individuals’ shifts to nonstandard employment. The results indicate that Japanese men were much less likely than their female counterparts to move from standard to nonstandard jobs. For instance, about 45 percent of the Japanese women between 35 and 54 years old reported that they began their working lives as regular full-time employees and shifted to nonstandard jobs later on, whereas less than 20 percent of their male counterparts reported this.¹⁰ Interestingly, moving from nonstandard to standard forms of employment is not nearly as common as transitioning in the opposite direction in Japan, particularly for women. For example, among Japanese women age 35 to 44 years, only 8 percent engaged in nonstandard types of employment first and then became full-time employees. This unidirectional movement suggests that, in Japan, the nonstandard employment sector is likely to absorb workers rejected by the standard employment sector, and women are more likely than men to be among such workers (see Chapter 6 for more details).

The unequal flow between standard and nonstandard employment occurred for Taiwanese men and women as well, but the difference in percentages between these two types of flow is not as great as it is for Japanese women. Taiwanese women age 45 and older actually were almost as likely to have moved from nonstandard to standard jobs as to have shifted in the opposite direction. In addition, unlike in Japan, a greater proportion of men than women shifted from standard to nonstandard employment in Taiwan. What makes the two countries differ in this regard may have to do with whether moving to the nonstandard employment sector is likely to involve greater gain or loss in each country. I examine this issue later in a section concerning the relation between earnings and job mobility.

Not only do women and men differ in the likelihood of shifting between standard and nonstandard jobs, they also experience job shifts at different points during their life course. My earlier work (Yu 2004) shows that, in both countries, changes in family status (such as entry into parenthood) tend

to increase women's likelihood of shifting to nonstandard employment, but not men's. As men move along their life course, however, the proportion of them in full-time employment decreases gradually, whereas self-employment increases. It appears that men are likely to become entrepreneurs after they have accumulated some experience in firms owned by others.

The likelihood of becoming self-employed is generally stronger in Taiwan than in Japan. In addition, Taiwanese men are able to move on to self-employment earlier than Japanese men. To give an example, when looking at the work histories of respondents age 45 to 60 in the samples, I found that by the time of marriage, the percentage of full-time employees among Taiwanese men dropped from 61 percent to 47 percent, whereas the percentage of self-employed Taiwanese men increased from 26 percent to 34 percent. Only 13 percent of Japanese men, by contrast, were self-employed at the time of marriage. Taiwan's smaller scale of businesses is likely to account for men's stronger tendency and earlier age of moving into self-employment in that country than in Japan. Because it requires less capital and fewer skills to start a small-scale enterprise, Taiwanese men are more able to move into self-employment than Japanese men (Yu 2004; Yu and Su 2004; also see Chapter 3).

Although men who leave standard employment generally move to self-employment, women increasingly participate in various types of nonstandard employment, including self-employment, family enterprise employment, and part-time and temporary employment, as they move through the stages of marriage, childbearing, and child rearing. In particular, women in Japan are highly likely to hold part-time or temporary jobs during later stages of their lives. Among women age 45 to 60 in the Japanese sample, the percentage of them in temporary or part-time employment increased nearly twice as much when their children were out of preschool. The percentage increased to 18 percent, which is 28 percent of the women in the labor force, by the time their last child went to middle school. Among the rest of the female workers at this family stage, 38 percent of them held standard full-time jobs, whereas 34 percent of them were in family enterprise employment or self-employment. The finding that many Japanese women with school-age children held part-time jobs is distinctively different from what is usually observed in Western countries, where women shift to part-time or temporary work when their children are in preschool (Drobinič, Blossfeld, and Rohwer 1999; Mincer 1985; Moen 1985; Walsh 1999).

Compared with their Japanese counterparts, Taiwanese women's participation in nonstandard types of employment increase less as they go through the family cycle. Based on the work histories of women in the Taiwanese sample, the percentage of female workers with standard full-time jobs did become smaller after they had their first child, but it increased again at later family stages. Furthermore, more than 50 percent of the female labor force in

Taiwan had full-time jobs, and only a small proportion was in part-time and temporary employment, regardless of family stage. Women in Taiwan, however, are found to be far more likely than men to become family enterprise workers, especially after marriage (Yu 1999, 2001b). Despite some positive effects of marriage and child rearing on Taiwanese women's likelihood of holding nonstandard jobs, my earlier work (Yu 2004) shows that family status is a less powerful predictor of women's participation in standard and nonstandard employment, as well as nonemployment, in Taiwan than in Japan. This finding is consistent with previous research arguing that Taiwanese women's shifting to nonstandard work is associated with their social ties and economic opportunities in the nonstandard employment sector, rather than family concerns alone (Lu 2001; Yu 2001b; Yu and Su 2004).

Earnings and Job Mobility

I have shown a few differences between women's and men's employment careers in Japan and Taiwan. To shed light on the implications of these differences, I turn my attention to earnings. I first investigate how earnings are associated with the frequency of job mobility. Figure 2.5 shows the percent

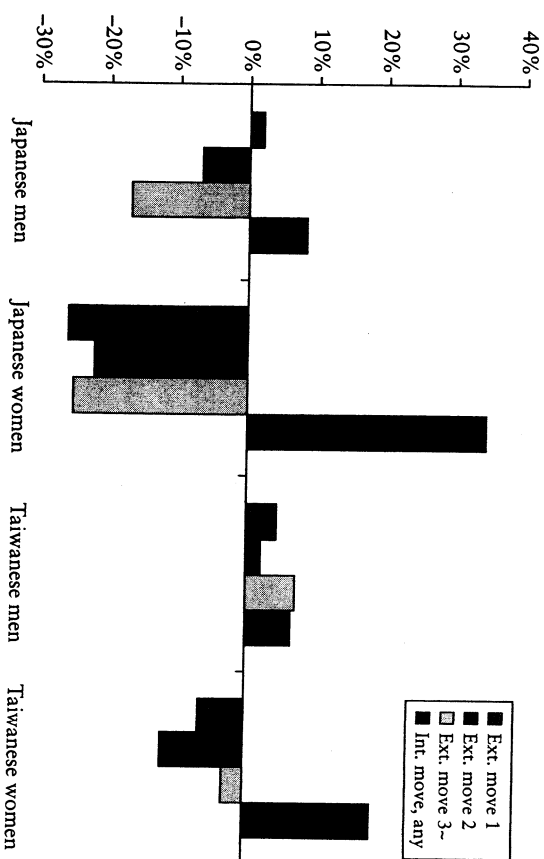


Figure 2.5. Job mobility and percent changes in annual earnings.

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Note: The baseline is the annual earnings of a hypothetical person who never experienced an employer change ("Ext. move") or within-organization job shift ("Int. move"). Each bar indicates the percent change in this same person's annual earnings with each type of job movement experienced.

changes in annual earnings for a "baseline" person who is married and has a high school education, fourteen years of work experience, no job change experience either within or between organizations, and a full-time clerical job in a medium-size firm (with 30-99 employees), if this person begins to change employers or moves to a different job within the firm. These earnings changes are calculated from the annual incomes predicted for men and women with the designated characteristics in Japan and Taiwan, using coefficients from a regression analysis of earnings for each of the gender and national groups separately (see Appendix B, Table B.2 for the regression results).

In Japan, employer changes generally lead to earnings decreases. Compared with the baseline person, a Japanese man who changes employers once would make similar earnings, all else being equal. Changing employers more than once, however, is associated with a wage penalty. The more external job shifts he undergoes, the lower his earnings would be. A Japanese woman's earnings are likely to be penalized as soon as she begins to change jobs between organizations, and the penalties are greater than those for men. In other words, the cost of a job exit is much higher for women than men in Japan. What is also interesting is that the association between the frequency of job changes and Japanese women's earnings is nonlinear. A woman who has the same characteristics as the baseline person faces a 26 percent earnings loss as soon as she leaves her first job. However, changing employers any more frequently would have only a small effect on her earnings. Thus, whereas the Japanese labor market penalizes men based on how frequently they change employers, it penalizes women based on *whether* they ever exit their first job. Apparently, as far as Japanese employers are concerned, any experience of employer change demonstrates that a woman is not a stable worker.

In contrast, moving between organizations might actually help Taiwanese men, although their percent increases in annual earnings with job mobility are small and statistically nonsignificant. Similar to Japan, employer changes are more harmful for women's economic well-being, but the percent decreases in earnings with women's increasing job mobility are smaller in Taiwan than in Japan. Interestingly, for both men and women in Taiwan, having high levels of job mobility is just as good as having no job mobility at all. For both genders, the differences in earnings between a baseline person and one with the same characteristics who changed employers three times or more are small and statistically nonsignificant at the 0.05 level. Therefore, although Taiwanese workers on average do not change employers often, those who do are unlikely to be penalized in terms of earnings. This finding suggests that an individual can possibly move up internal job ladders within organizations or seek better jobs in the open market for upward mobility in

Taiwan. Thus, compared with Japan, employer turnover is more acceptable in the Taiwanese labor market.

Also notable is that the experience of internal job movement is associated with earnings gains for both genders across countries. Although it was more common for men than women to change jobs within an organization (Figure 2.4), the benefit of internal job mobility on earnings was greater for women in both countries. A Japanese woman with the same characteristics as the baseline person would earn 34 percent more if she had ever been transferred or promoted to a different job within the organization. The same experience leads to an 18 percent earnings increase among Taiwanese women.

The reason why women with the experience of internal job mobility make particularly high earnings compared with other women may have to do with how rare it is for women to be placed in the "internal labor markets" in these two countries (Doeringer and Piore 1971; Kalleberg and Sørensen 1979). Labor market researchers have long argued that not all workers compete equally in an open labor market. Employers may select workers into internal labor markets and offer additional training and promotion opportunities for the chosen ones. As a result, those selected early on into internal labor markets tend to have higher occupational attainment in the long run. The internal labor market perspective also contends that women are less likely than men to be selected into the internal labor market because employers tend to view men as more suitable workers and consider them more worthy of investment (Brinton 1989; Kalleberg and Lincoln 1988). Opportunities for internal job changes are often provided to employees in the internal labor market within the firm, especially in Japan (Brinton 1993; Koike 1983). Because women are often excluded from internal labor markets, those who are able to enter such markets may be exceptionally outstanding and thus rewarded more substantially.

The increase in earnings associated with internal job mobility is greater in Japan than in Taiwan for both gender groups. This cross-national difference can be explained by the greater importance of entering firms' internal labor markets for an individual's long-term occupational achievement in Japan than in Taiwan. Unlike their Taiwanese counterparts, Japanese workers were unlikely to move up by changing jobs frequently across firms. Because climbing up the firm's job ladders is almost key to upward mobility, those who are assigned to the "fast track" with the firm are likely to have a particularly greater advantage over others.

In addition to the associations between the frequency of job changes and earnings, I also examine the effects on earnings of moving into different types of employment. As stated earlier, in both countries, individuals' likelihood of taking a nonstandard job increases with age. I focus now on how such career paths affect their economic well-being. Figure 2.6 shows

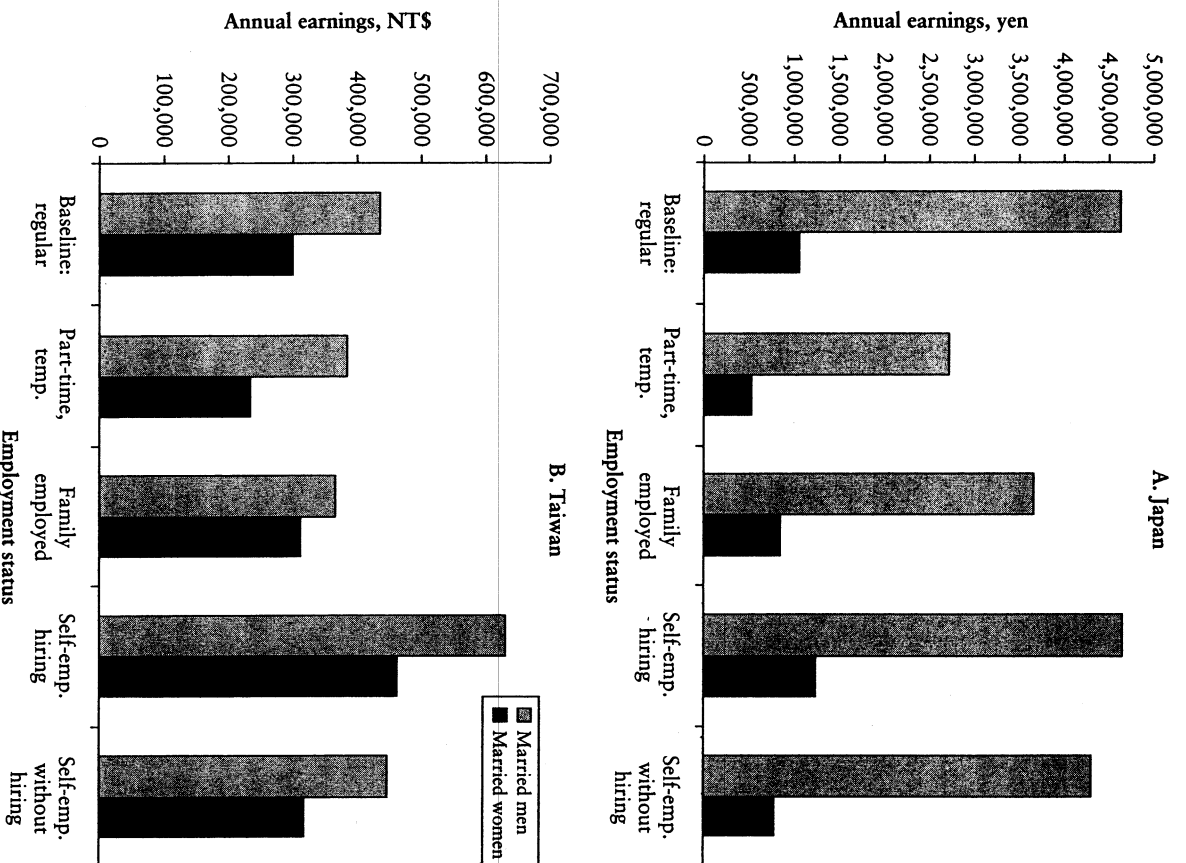


Figure 2.6. (A, B) Predicted annual earnings by gender and employment status for Japan (A) and Taiwan (B).

SOURCE: Japan, 1995 SSM, part A; Taiwan, 1996 TSC, part II.

Note: The status of self-employment is divided into two types based on whether a self-employed person hires others to work in the same establishment.

the predicted earnings for a hypothetical person in different types of employment.¹¹ This person is assumed to be married and to have a high school education, fourteen years of work experience, no job change experience either within or between organizations, and to hold a clerical occupation in a small firm (with 1–29 employees). In Japan, this worker is likely to fare better economically as a full-time regular employee, rather than as any type of nonstandard worker (i.e., family enterprise worker, self-employed worker, part-time temporary worker).¹² Although there is a large gap in earnings between Japanese men and women, the general pattern with regard to how employment status is associated with earnings is similar for both groups.

By contrast, standard wage employment is not always the best option for Taiwanese workers. The hypothetical person would make the most earnings as an entrepreneur who employs others. Although other nonstandard employment options do not necessarily lead to higher earnings than standard full-time employment, taking these nonstandard jobs rather than standard full-time jobs is not as detrimental to one's income in Taiwan as in Japan. This cross-national difference is particularly pronounced for women. In Taiwan, other than taking a part-time or temporary job, which usually involves fewer hours of work, a woman with the same characteristics as the hypothetical person would make as much or even more earnings holding a nonstandard job compared with holding a standard job. In Japan, however, this same woman would fare much worse if she were to take almost any nonstandard rather than standard job. In particular, a Japanese woman with a part-time or temporary job would receive no more than half the annual earnings of one who has the same individual characteristics and a full-time regular job. Although part-time workers generally spend fewer hours at work than full-time employees, aggregate statistics indicate that the average working hours of part-time and temporary employees were close to three fourths of those of full-time employees (Ministry of Labour, Japan 1996).¹³ Thus, the number of working hours cannot fully account for the extremely low earnings of Japanese women with part-time and temporary jobs.

I stated earlier that women were more likely than men to move to the nonstandard employment sector over their life cycles, and that this tendency was stronger in Japan. An analysis of the effect of employment types on earnings indicates that such job movement is associated with particularly substantial income loss in Japan. Taken together, these findings suggest that the gap in economic well-being between Japanese men and women widens over their life course, as women increasingly shift to nonstandard jobs. Women's decreasing likelihood of holding full-time regular jobs throughout their life course affects their well-being to a relatively small extent in Taiwan, since a nonstandard job is not necessarily associated with lower earnings. Perhaps because shifting to nonstandard employment, particularly self-employment,

may actually enable financial gain, Taiwanese men are almost as likely to do so as their female counterparts.

Another notable finding from the two-country comparison in Figure 2.6 is that the gap in the predicted earnings between a man and a woman with the same individual characteristics is much larger in Japan than in Taiwan, regardless of employment status. Part of the reason for Japan's greater gender gap in earnings is that the hypothetical person is assumed to be married, and the marriage penalty is particularly great for Japanese women.¹⁴ Estimates from the regression analyses of earnings (Appendix B, Table B.2) indicate that Japanese men's earnings were likely to increase by 26 percent when they became married, after controlling for various individual and job characteristics. Conversely, Japanese women's earnings decreased by about 25 percent when they married. In contrast, both Taiwanese men and women had higher earnings if they were married, rather than single, but the benefit of marriage for male workers was twice that for female workers (18% vs. 8% increases). Hence, not only were Japanese women more likely than Taiwanese women to be harmed financially by shifting to the nonstandard employment sector, they were also penalized more substantially for being married. As a result, the gender gap in earnings widens over women's life cycles to a greater extent in Japan than in Taiwan.

SUMMARY

This chapter provides a detailed picture of the development of men's and women's career trajectories during the second half of the twentieth century in Japan and Taiwan. Overall, women exhibited a stronger attachment to the labor force during this period. By the end of the past century, not only was it nearly universal for women to participate in the labor market at some point in their lives, there was virtually no difference in the rate of employment between men and women before marriage. Married women's participation in the labor market has also increased over time. Consequently, the total length of women's employment careers has extended in both countries. In this regard, women's labor market experiences have become more similar to men's during these decades.

Despite the similarity in women's increasing labor force attachment, married women's career trajectories differed considerably in Taiwan and Japan. In Taiwan, the increase in single women's labor force participation has led to fundamental changes in female employment behavior. Taiwanese women began to increase employment rates upon marriage and childbearing in the 1970s and, since then, their frequency of having continuous employment careers has increased constantly. By contrast, there has been little change in Japanese women's tendency to continue their jobs after marriage

and childbearing. The proportion of married women who participate in the labor market during their childbearing and early child-rearing years rose somewhat during Japan's period of rapid economic growth in the 1960s, but this trend did not last. Japanese women's rates of continuous employment decreased after the high growth period and have become stagnant since the beginning of the recessionary period in the early 1970s. Nevertheless, this decrease did not reduce Japanese women's postmarital work experience dramatically, because those of later cohorts returned to the labor force more frequently and at a younger age.

The two countries' divergent development of women's career trajectories, starting from the 1970s, eventually led to Taiwan's higher rate of women's employment during their prime working age—in their thirties and forties—despite Japanese women's longer history of industrial employment. The gender differences in employment continuity became smaller in Taiwan than in Japan, because Taiwanese women were more likely to continue their jobs upon marriage and childbirth. Although Japanese women's labor market experience was likely to grow considerably later in their lives, after labor force reentry, they fell behind men in the length of work experience during their prime working age to a greater degree than their Taiwanese counterparts.

In addition to women's more frequent employment interruptions, there are a few key differences in career processes between men and women in the two countries. First, Japanese women have experienced more jobs than men in their lifetimes, partly because they are more likely to interrupt their employment careers. While greater job mobility is generally associated with worse career outcomes for both Japanese men and women, the penalty of leaving an organization is far greater for women. For this reason, an interruption of an employment career is particularly harmful for Japanese women's long-term occupational attainment and economic status. In comparison, Taiwan's difference in job mobility between men and women has been smaller. Moreover, the association between job mobility and labor market outcomes is relatively weak. Taiwanese men who change employers frequently are even likely to have a small economic gain. Thus, although Taiwanese women generally have more continuous careers than Japanese women, they paradoxically would have been penalized less had they decided to exit their jobs and enter different firms at a later time.

Second, Japanese women are more likely to move to nonstandard jobs than men. This gender gap is particularly wide among older adults, because Japanese women frequently enter the nonstandard employment sector after their childbearing and early child-rearing years. In fact, among female Japanese workers with school-age children, those holding regular full-time jobs are the minority. This is not the case for Taiwan. Although the proportion

of nonstandard workers among married women is greater than that among single women, the majority of Taiwan's married female labor force holds regular full-time jobs. Moreover, the gender difference in the rate of shifting to the nonstandard employment sector is relatively small in Taiwan. Nevertheless, men and women tend to move to different types of nonstandard jobs. Taiwanese men are much more likely than women to hold nonstandard jobs that can potentially lead to higher earnings than standard paid jobs, such as self-employed work. Conversely, Taiwanese women are more likely than men to be family enterprise workers if they leave regular full-time jobs. Despite this gender difference, the overall consequences for women who move to the nonstandard employment sector are less negative in Taiwan than in Japan.

In conclusion, the results of this chapter point to the importance of using a life course approach to assess gender inequality in labor markets cross-nationally. More commonly in Japan than in Taiwan, women encounter a growing number of obstacles in the labor market as they age. Not only are Japanese women more prone to leave their premarital jobs than Taiwanese women, but they also tend to move to nonstandard jobs at later life course stages. Because both frequent employer changes and nonstandard employment status are associated with severe financial penalties for Japanese women, their economic status is likely to diminish as they progress through their life course. In contrast, Taiwanese women's career trajectories have been more similar to men's in terms of their tendencies of having continuous careers, changing jobs across organizations, and staying with standard full-time jobs. Interestingly, when Taiwanese women did change organizations or employment sectors, perhaps because such behaviors are not as strongly labeled as "women's behaviors" as in Japan, the penalties associated with these types of movements were smaller in that country.

The findings regarding female employment behaviors and their consequences naturally lead to the following questions: Why do Japanese women interrupt their employment careers more frequently than Taiwanese women, despite the greater penalty in Japan? Similarly, why do Japanese women shift to nonstandard employment more frequently than Taiwanese women? The answers to these questions are essential for elucidating the divergence in women's employment opportunities between Japan and Taiwan. The remainder of this book is devoted to addressing these questions by examining the differences between the two countries in women's employment behaviors over their life course.

CHAPTER THREE

Comparing Labor Market Structures and Workplace Dynamics

The cases of Japan and Taiwan demonstrate two different ways in which women gain work experience in a society. In Japan, women's more frequent and faster returns to the labor force after marriage and childbearing have increased their average years of employment during the past several decades. Despite this change, Japanese women's tendency to interrupt their employment careers during childbearing and the early child-rearing years has remained high. By contrast, the increasing job attachment among younger cohorts of women has largely contributed to the rise in Taiwanese women's work experience. Not only has single women's labor force participation become a norm in postwar Taiwan, but more recent cohorts of women also are more likely to extend their labor market experience by remaining in their jobs after marriage and childbearing.

These two patterns of female labor force participation have different implications for women's economic well-being. In explaining gender discrimination in the United States, Claudia Goldin (1990) argues that an increase in training costs in modern work organizations leads employers to prefer those who are likely to stay at one organization for a long period of time. The history of women's lower labor force attachment in comparison with men's provides the foundation for managers to use gender as a predictor for a worker's probability of job turnover. Women, therefore, are less preferred than men for relatively promising jobs. Such "statistical discrimination" can be expected to decline as women's work experience increases. Nevertheless, managers' prejudice against female workers is often based on not only their total years of participation in the labor force, but also their likelihood of work interruptions. Married women's propensity for leaving the labor market, even for a short period of time, makes it difficult for employers to estimate and maximize their productivity, which often depends on workers' age and job tenure. Consequently, the more likely it is for women to work discontinuously in a society, the less incentive there is for employers to abandon differential treatment for men and women in the workplace. Thus, as