

Japan's sexual apathy is endangering the global economy

By Max Fisher, Washington Post, October 22, 2013



Japanese women walk down a Tokyo shopping street. (Mark Kolbe/Getty Images)

People in Japan are so averse to romantic relationships that the country's media even has a name for it: *sekkusu shinai shokogun*, or "celibacy syndrome," according to a widely circulated Guardian story on the country's low rates of marriage, childbearing and even sex.

But this is more than a story about Japan and its cultural quirks: It's a story about the global economy. Japan is the world's third-largest economy, a crucial link in global trade and a significant factor everyone else's economic well-being. It owns almost as much U.S. debt as does China. It's a top trading partner of the U.S., China and lots of other countries. The Japanese economy is in serious enough trouble that it could set the rest of us back. And the biggest source of that trouble is demographic: Japanese people aren't having enough kids to sustain a healthy economy. One big reason they're having fewer kids is that they're not as interested in dating or marrying one another, in part because they're less interested in sex.

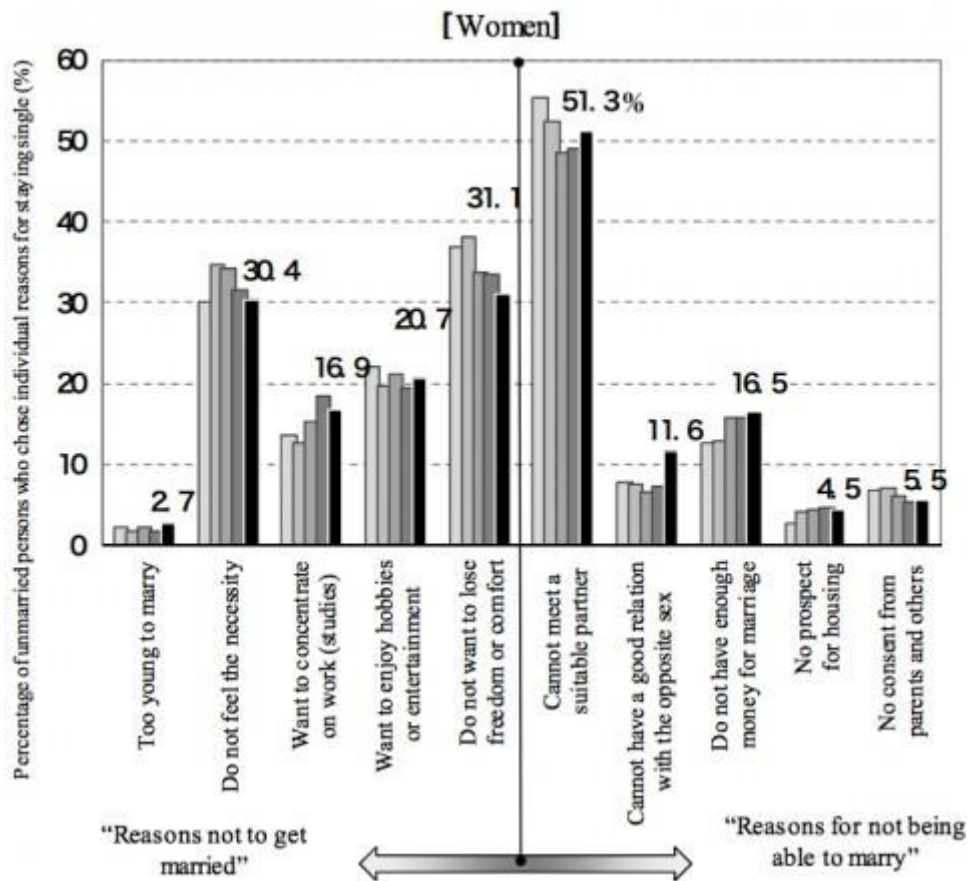
Here are a few of the statistics, some from the Guardian story and others from a 2011 report by Japan's population center:

- Extremely high numbers of Japanese do not find sex appealing. 45 percent of women and 25 percent of men, ages 16 to 24, are "not interested in or despised sexual contact."
- More than half of Japanese are single. 49 percent of unmarried women and 61 of unmarried men, ages 18 to 34, are not in any kind of romantic relationship.
- In every age group, the percentage of Japanese men and women who are not in a romantic relationship has been increasing steadily since the 1990s.
- About a quarter of Japanese don't want a romantic relationship. 23 percent of women and 27 percent of men say they are not interested in any kind of romantic relationship.
- More than a third of childbearing-age Japanese have never had sex: 39 percent of women and 36 percent of men, ages 18 to 34. That number hasn't actually changed much over the last decade, but it is unusually high.
- The Japanese population institute projects that women in their early 20s have a 25 percent chance of never marrying and a 40 percent chance of never having kids.

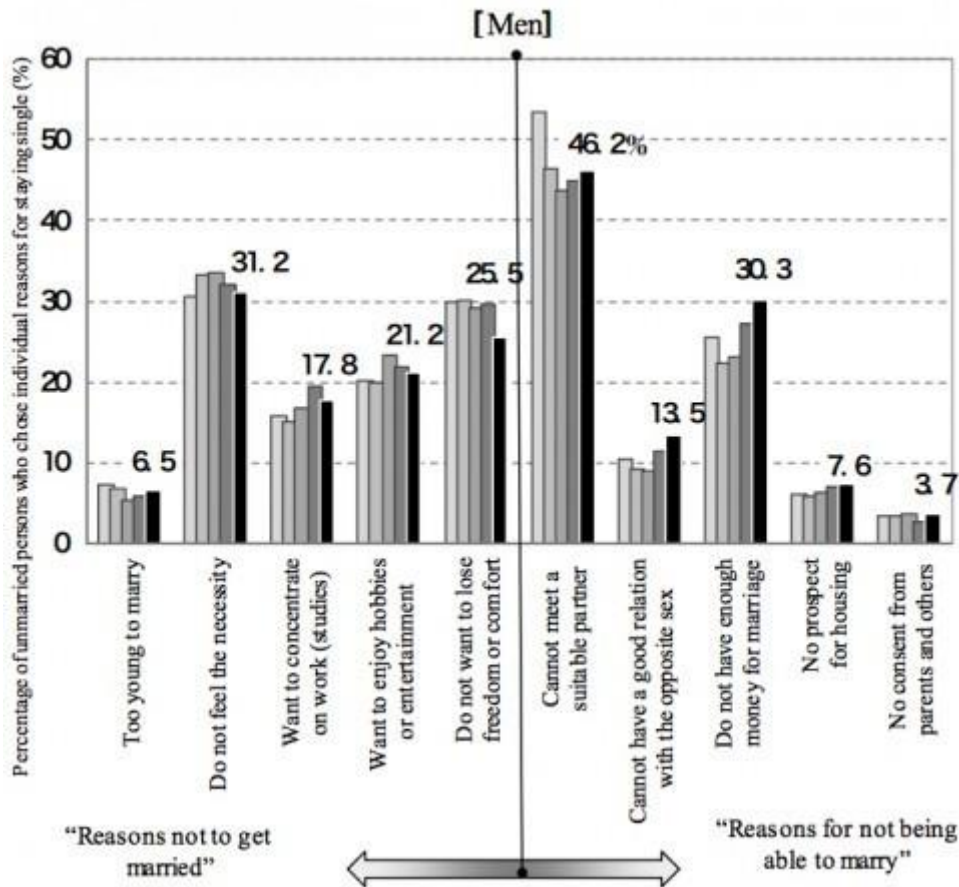
These trends are not new. Since 2006, Japanese women have complained of *soshoku danshi* or "herbivore men," so called for their lack of interest in the opposite sex. There's an entire industry in Japan that helps men who eschew romantic lives cope with loneliness through relationship-simulating video games and even holiday retreats. See Chico Harlan's great 2010 piece on this.

Japanese women, for their part, often avoid romantic relationships because Japanese laws and social norms can make it extremely difficult for women to have both a family and a career. Japan is extremely unusual in that it is highly educated and wealthy but still has some of the worst systemic gender inequality in the world; it has a European-style economy but South Asian social family mores. Professional women are stuck in the middle of that contradiction. It's not just that day-care programs are scarce: Women who become pregnant or even just marry are so expected to quit work that they can come under enormous social pressure to do so and often find that career advancement becomes impossible. There's a word for married working women: *oniyome*, or "devil wives."

Because they're forced to choose, inevitably lots of women who might otherwise have a family and a job are only seeking the latter. That sense of pessimism about marriage appears to be partially driving the lack of interest in romantic relationships, and thus in sex. This chart shows common reasons expressed for staying single, by Japanese men and women ages 25 to 34. The shaded bars represent the subsequent national surveys, from 1987 through 2011:



Reasons Japanese women give for staying single. (National Institute of Population and Social Security Research)



Reasons Japanese men give for staying single. (National Institute of Population and Social Security Research)

This all has major and potentially catastrophic implications for the economy. Because Japanese people aren't having kids – which is both partially a product of, and perhaps driven by some of the same factors as, their relative disinterest in sex or sexual relationships – the population is shrinking. It's shrinking very, very fast. The Japanese population dropped by 212,000 people last year, the largest decrease on record. The birth rate is still falling, with only 1.03 million live births last year, a record low and dramatic decrease from 1.21 million the year before.

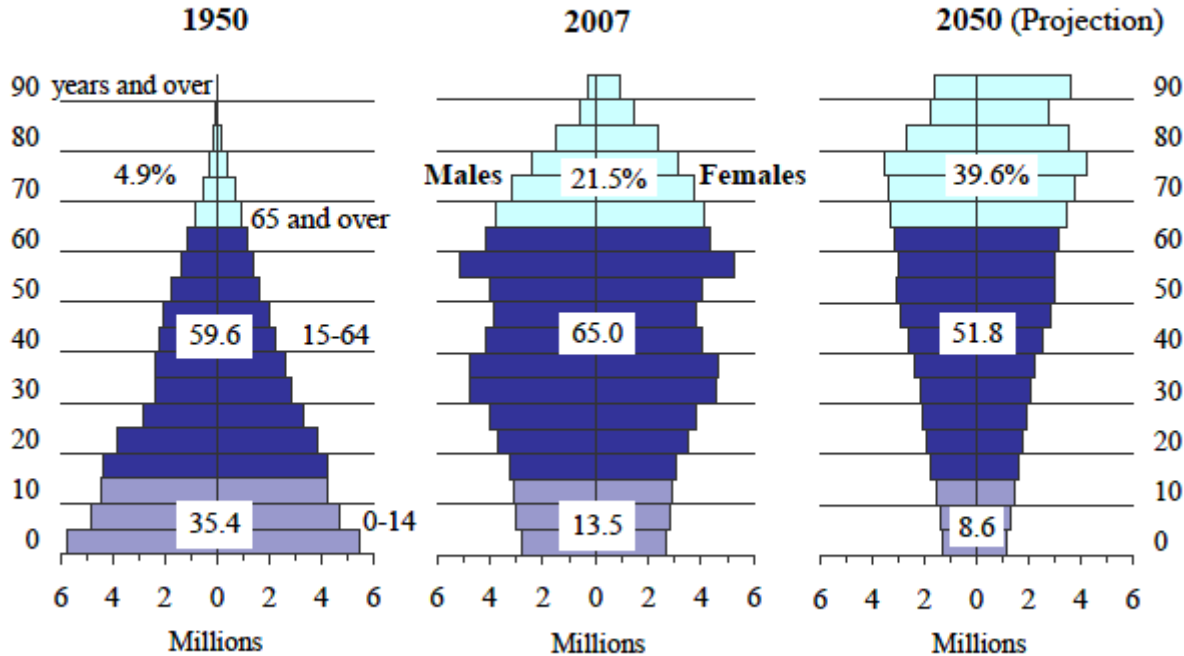
Here are two charts showing Japan's shrinking population. The first shows you the projected population over time and the second shows you the rate of change, which is just getting into negative territory:

This isn't just bad because it means the Japanese economy will have fewer workers and thus be less productive. It's setting up an economic time bomb that *will* go off before long. People in Japan tend to live a long time; elderly Japanese are expensive to care for because they spend so many years in retirement and because they're accustomed to a high standard of living and medical care. For any economy to stay healthy, there need to be enough taxpayers to support all the retirees. But Japan's population is shrinking and aging simultaneously, which means that the number of old people is skyrocketing just as the base of taxpayers shrinks.

Here's a famous chart showing the age distribution of Japan's population in 1950, 2007 and projected for 2050. The 1950 chart shows a baby boom, lots of young

people. The 2007 chart shows a healthy-ish economy, with lots of retirees but also lots of working-age people to support it. The right-most chart is a catastrophe. With almost one retiree for every working-age person, that's hardly sustainable.

Figure 2.3
Changes in the Population Pyramid



Source: Statistics Bureau, MIC; Ministry of Health, Labour and Welfare.

Japan's population distribution by age. So far, this all might look like a big problem for the Japanese economy and for regular Japanese people, but not a story with major implications for those of us in the United States or elsewhere in the global economy. But here's the big problem: Japan is one of the most indebted governments in the world. Right now, Japanese public debt is 200 percent of its GDP – more even than Greece. Japan will be okay as long as it can keep growing but, with its demographic time-bomb, it's hard to see how that's possible in the long term.

Last year, economists Peter Boone and Simon Johnson warned in *The Atlantic* that Japan "could face a wave of insolvencies, triggering a broader loss of confidence" and setting off a financial crisis greater than even the Euro's. Investors could one day look at the country's aging and shrinking tax base and decide that Japan's public debt might not actually be such a safe investment, triggering a loss of confidence and possible insolvency. Given that Japan owns \$1.1 trillion in United States debt, a Japanese financial collapse could be very scary for us as well. Perhaps worst of all, that could endanger China's already tenuous economic slow-down; China is Japan's largest trading partner and the two economies are closely linked.

Officials in Japan are keenly aware of how endangered they are by the country's low birth rate. National programs encourage young men and women to get together

and politicians often debate how to create more Japanese babies. One prominent legislator, Seiko Noda, has worked on the issue since soon after taking office in 1993. In February, Noda proposed that Japan lift the birth rate by simply banning abortion. The proposal may have been facetious, but it was certainly desperate – and maybe appropriately.

Correction: This post originally stated that Japan owns \$1.1 billion in U.S. debt. In fact, it own \$1.1 trillion.