# THE IMPACT OF JAPANESE FOREIGN INVESTMENT AND MANAGEMENT STYLE ON FEMALE INDUSTRIAL WORKERS IN MALAYSIA \*

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# Sinopsis

Semenjak pelaksanaan Dasar Ekonomi Baru, pelaburan Jepun di Malaysia telah berperanan penting mewujudkan suatu kelompok besar pekerja wanita, untuk kali pertamanya, di bidang industri. Oleh itu, tujuan tulisan ini ialah untuk meneliti dasar pengurusan Jepun terhadap wanita secara am dan signifikannya terhadap pekerja wanita di Malaysia.

Dengan mengambilkira keadaan pekerja wanita di Jepun, tulisan ini menghujahkan bahawa apa yang dikenal sebagai 'sistem pekerjaaan Jepun' terus dilaksanakan dengan membawa kerugian kepada golongan pekerja wanita dan pekerja sementara. Malah sistem ini adalah cocok dengan dasar pengurusan amalan firma-firma besar yang terdapat dalam kapitalisme monopoli.

Tulisan ini menyusurgalur asas-asas ideologikal penindasan wanita yang terdapat dalam sejarah Jepun guna menunjukkan bahawa, seperti dalam masyarakat lain, nilai yang diberikan terhadap kedudukan wanita dalam famili telah menjadi suatu ideologi penting menyekat kemajuan wanita dalam pekerjaan mereka.

Dengan menggunakan bahan tinjauan di Malaysia, tulisan ini selanjutnya meneliti cara-cara bagaimana pengurus-pengurus Jepun, dengan berasaskan ideologi yang sama dan menggunakan dasar personel bercorak diskriminasi, telah cuba mewujudkan di Malaysia suatu pasaran buruh longgar, khasnya terhadap wanita, seperti yang terdapat di Jepun.

### **Synopsis**

Since the New Economic Policy, Japanese investment in Malaysia has contributed substantially to the creation of a large labour force of women workers who are employed in industry for the first time. The aim of this paper, therefore, is to examine Japanese management policy towards women and its significance for Malaysian women workers.

Taking the situation of women workers in Japan as a background, the paper argues that the so-called 'Japanese employment system' is maintained at the expense of women and other temporary workers and is, in fact, consistent with

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managerial policies within the large firm structures typical of monopoly capitalism in general.

The paper traces the specific ideological bases of women's oppression in Japanese history to show that, as in other cultures, the value place on women's role within the family is a powerful ideology for inhibiting the advancement of women in employment.

Using Malaysian survey material the paper examines ways in which Japanese managers, by using similar ideological appeals and discriminatory personnel policies, have attempted to create in Malaysia the same labour market flexibility provided by manpower policies towards women in Japan itself.

#### Introduction

In the period of Japan's modernization following the Meiji Restoration, Japan built her industrial development on the labour of young peasant girls working in the textile industry (Saxonhouse, 1976: 98). Likewise in Malaysia, women workers are required in large numbers for industries being promoted under the New Economic Policy, to "build the economy" (Kerajaan Malaysia, 1971; Shamsul, 1977). The majority of these industrial women workers are from a rural background and experience wage labour for the first time in large multinational firms.

Foreign investment is a vital element in Malaysia's development policy and Japan is a contributor of major importance (Chee Peng Lim and Lee Poh Ping, 1979). It is significant that the manufacturing industries which Japan 'exports' to Malaysia are largely ones like electrical appliance and semi-conductor manufacture which employ a large percentage of female workers. It has been said that today's electronics industry replaces the textile industry of the early days of capitalist production, in terms of wage levels, conditions and labour turnover rates (Kaji, 1973: 380).

Hence it is important to examine the significance of Japanese management practices relating to women and to see how these affect the situation of women workers in Malaysia. Japanese management has been described as 'unique' (Cole, 1979: 1 - 10) in that it features the *nenkō* system of seniority in wage payments and appears to promote a system of 'lifetime employment' security. But this is only true for male workers in large firms. Contract, temporary and part-time labour, and especially the labour of women, who are encouraged ideologically to place home and family before work, act as a buffer in this system and are grossly exploited within it.

In fact, the 'lifetime employment' found in large Japanese firms is not unique to Japan, but is a feature of the internalization of labour

markets which goes hand in hand with the establishment of bureaucratic forms of control under monopoly capitalism.<sup>1</sup>

Hence I will start from the general perspective of the labour process under monopoly capitalism and then situate specific problems of women workers in Japanese firms within this (Whitehead, 1979: 10 - 13). But this is not to deny that monopoly capitalism has incorporated pre-existing social notions of women into the service of capital. My argument, however, is that we can only understand their ideological role by seeking a prior understanding of how capitalism works.

This paper is divided into three sections. In this first I will outline the features of the Japanese management system and relate them to forms of control under monopoly capitalism, with special reference to the position of women as a source of labour power within the segmented labour market. In the second section, I will discuss the exploitation of women as workers in Japan, with reference to general forms of women's oppression in Japanese society. The last section outlines the situation of women workers in Japanes companies in Malaysia.

## The Japanese Management System as a Form of Control under Capitalism

In the light of Japan's post-war economic 'miracle', much attention has been directed to the question of the 'uniqueness' of the Japanese management system, primarily because of its characteristics of 'lifetime employment' and the 'seniority wage' system. The methodology of international comparison (Whitehill & Takezawa, 1966; Dore, 1973; Cole, 1979) has been popular, whereby aspects of 'Japanese' management have been classified and compared with other supposedly 'national' systems. The results of this exercise have been ambiguous; some confirming that the Japanese system is unique, others denying it. The debate is of relevance to us in that the

<sup>1</sup>Monopoly capitalism refers to the stage in which large oligopolistic corporations, which may or may not operate in single seller markets, emerge as the core of the capitalist system. This stage is characterised by the separation of ownership of capital from control, the internationalization of capital, imperialism, the international division of labour. Contrast this with the former stage, the "atomised and competitive model of capitalism, in which the individual owner of capital and the capitalist firm were identical, and production in each industry was distributed among a reasonably large number of firms" (See Braverman, 1974: 251 - 252). employment of women on a short-term basis forms a vital source of flexibility within the rigidity of a 'lifetime employment' system.

Management systems may appear to be different in their combinations of specific features, but in fact, they are all responding to the problem of control of the labour process for the accumulation of capital. To classify these differences without recognizing this fact becomes a mere taxonomic exercise.

Hence I wish to demonstrate that the Japanese employment system is a fully-fledged representative of monopoly capitalism. Its peculiarities can be explained with reference to the history of the development of monopoly capitalism in Japan, but the logic of the total system and the position of women's wage labour within it, remain common to all national contexts within capitalism.

In pursuit of a universally applicable mode of analysis, I take the general theoretical starting point that Japanese society is capitalist, and hence is one in which class relations of production predominate. My aim, therefore, is to situate labour relations in Japanese ventures within a general theory of capitalist wage labour. Hence, I assume that the logic of capitalist production is the 'accumulation of capital' by those who own the means of production, the capitalists. This is achieved by converting the 'labour power' which workers are forced to sell because they own no means of production, into actual 'labour', from which is derived surplus value and hence, profit.

In focussing on the labour process in capitalist societies, the issue of control is central (Braverman, 1974; Edwards, 1979). How do managers, the agents of capital, extract surplus value by converting the labour power, sold by workers in the wage bargain, into actual productive labour, without workers' awareness or resistance to this exploitative process becoming disruptive?

Control is an aspect of every feature of the organization of work, designed to minimise workers' perception of the exploitation inherent in the extraction of surplus value, and of their common class position. In the most successful cases, workers consent to the organization of the labour process and become partners in their own exploition. (The Japanese system may be examined as an extremely good case in point). Even when worker resistance emerges, the system either contains it with existing features, such as collective bargaining, or changes to accomodate it. Hence we see the emergence of various management strategies within national labour histories (Edwards, 1979; Brechter, et al. 1979).

Management 'control' of the labour process should not be interpreted in the narrow sense of regulations and disciplinary measures.

Rather, it is achieved through formal management systems, through the way relations *in* production are structured, that is, relations between management and labour and between the workers themselves. Forms of work organization are not socially neutral categories, nor are they merely products of technological change (Stone, 1974: 136, 165). Instead, we must see such phenomena as the evolution of hierarchical job structures, the development of internal labour markets, autonomous work groups and labour market segmentation as important aspects of this system of subtle control. In that the sexual division of labour is one of the more effective bases on which the labour market is segmented (Kessler-Harris, 1975:217), it is crucial to focus on women's work in any analysis of monopoly capitalism.

An important dimension in supporting systems of bureaucratic control (that is, relations *in* production) and labour market phenomena, whereby workers are divided and fail to see their common class position, is the ideological dimension.

Especially in the case of the Japanese employment system, ideology figures strongly as a resource for co-opting the loyalty of workers. Feudal forms of patron-client style paternalism have been used as subtle ideologies of control, and it is these which have been labelled distinctively 'Japanese' and mistaken as carry-overs from traditional Japanese 'culture'.<sup>2</sup>

As in the West, in Japan too, the general belief that a woman's proper place is within the family explains their particularly poor position in the labour force. Hence, it is only through financial necessity, not self-fulfilment, that a woman is driven to work, and at best, her wage is seen as providing a supplement to the male income which supports the family (Kessler-Harris, 1975:218).

I will briefly outline the development of systems of bureaucratic control and concomitant labour market structures within monopoly capitalism, in order to show, firstly, that the Japanese management system is one variant of this, and secondly, to demonstrate its subtle power to control work behaviour and turnover rates, crucial in the case of women workers, despite the image of paternalistic and welfareoriented Japanese employers.

 $<sup>^{2}</sup>$ Cole (1979) outlines the ideological and 'pragmatic' nature of cultural forms derived from Japanese tradition within Japanese management systems, (pp. 16 — 18), but paradoxically denies the 'power dimension' inherent in management's use of them, (p. 18).

## a. The Origins of Bureaucratic Control and the Rise of Internal Labour Markets with Monopoly Capitalism

As has been outlined by Braverman (1974) and by Stone (1974) in her seminal discussion of job structures in the U.S. steel industry<sup>3</sup>, in the early days of capitalist production, skilled craftsmen 'cooperated' with capitalists on equal footing. The individual craftsmen were in possession of the total skills required for production, and formed associations to protect their position. Wages were determined according to sliding scales which related directly to profits, and a craftsmen-controlled hierarchy of apprentices reflected the control of these skilled workers, within the production process, vis-a-vis capitalists and the unskilled labourers whom they hired directly to assist them. With the advent of technologies which greatly magnified the scale of possible production, it became necessary for capitalists to break the autonomy of skilled craftsmen and their associations within the labour process, by breaking their monopoly on skills. This was done with a variety of both violent and organizational means. Similarly, because of the number of workers involved in large-scale production, it became impossible to control the work force through direct personal contact.

A hierarchy of supervisors and managers was instituted, consolidating the separation of ownership and control which is a key feature of monopoly capitalism. But the most effective and subtle agent of control was embodied in the organization of work itself, whereby the production process was divided or fragmented into a hierarchy of job categories reflecting a progression of skills, with each worker now readily trainable to his particular task. Hence a work force of skilled craftmen and their unskilled assistants was transformed into a relatively homogeneous group of semi-skilled workers, neither 'skilled' in the sense that they understood the total process, nor totally unskilled. As such, they progressed up the job ladder on the basis of acquiring extra skills, but in reality the job responsibilities were so fragmented that each stage could be learned in a matter of weeks. While carrying out technical operations, they were not involved in planning or decision-making at the level of the whole process - a phenomenon which Braverman calls "the separation of conception from execution", and which results in the 'deskilling' or 'degradation' of labour in the monopoly stage of capitalism. Yet, as we have seen, this fragmentation of job structures did not arise from technological imperatives, as is commonly asserted, butfrom a need to organise the labour process to enhance control.

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<sup>&</sup>lt;sup>3</sup>The following account is based upon Stone's (1974) article.

However, this resulted in a pool of semi-skilled labour whose potential homogeneity was a threat in the sense that workers could now readily perceive their common position and come together for class action. Moreover, the separation of ownership and control and the new hierarchy of job grades provided problems for the old-style supervision of direct control by coercive personal relations of power. Hence further refinements were built into the employment system to effectively oversee work and to fragment the interests of individual workers into the goals of personal success and career advancement. It is at this point that we see the function of new systems of supervision and of personal evaluation for promotion. The system may be described as 'bureaucratic control' (Edwards, 1975). Work was supervised within a hierarchy of supervisory grades with pre-determined responsibilities. As a supervisor evaluated the performance of those workers below him, his own performance was graded by his superior. Hence the element of personal control or the exercise of arbitrary power was removed from the supervisory role - a supervisor became an evaluator 'only doing his job' — 'following the rules', and power relations came to be embedded in the bureaucratic structure of the firm itself.

An elaborate point score system of annual evaluation was instituted which graded not only attendance and actual job performance, but also criteria such as 'attitude to work' and 'personal relations'. The rewards of good annual evaluations took the form of promotion or specialwage increments. This promoted a 'rules orientation' among workers, rewarding those whose behaviour was 'reliable' or 'predictable' and fostered an overall orientation towards enterprise goals and values. This system of bureaucratic control persists, with increasing refinement, to the present day.

Such a system effectively creates an 'internal labour market' situation, in which workers are taken in at the lowest point in the job hierarchy, then receive increased rewards for stability in everyday behaviour and for continuous job tenure, that is, it enhances management's ability to predict workers' behaviour, and it reduces replacement costs, if workers stay with the company for their whole career.

Hence screening of workers is strict at the entry points to the internal labour market, usually the lowest rungs of the job ladder, but thereafter higher vacancies are filled by promotion from within. A seniority wage system evolves based on workers' personal attributes, such as educational qualifications, age, length of service, rather than on the actual job performed.

Moreover, constant personal evaluations for determining wage increments and promotions foster personal competition among workers. Workers see their interests as individually defined within the firm's organization. Hence, they are pitted against one another in competition for promotion, and no longer see their common class position.

Unionism, although institutionalised to represent the workers' class interests vis-a-vis management, by its very formalization as a grievance mechanism, obscures from the workers the fundamental weakness of their postition through their organization into elaborate job structures. The 'grievances', or issues raised, centre on raising the level of wages and improving conditions, rather than on altering the nature of work organization itself.

But a system which encourages workers to stay with one firm for their entire career by guaranteeing security, would seem to lack flexibility in times of recession. At this point we see the link between the segmented labour market structure and the function of internal labour markets in monopoly capitalism. Large firms with internal labour markets of regular employees depend on buffer groups of secondary workers who are classified separately, often on ideological grounds, and hence can be dismissed more easily. Alternatively they may put out certain areas of production to smaller firms whose contracts can be readily cancelled. The workers in these firms are disadvantaged in terms of wages, security of tenure and union representation.

This perspective is readily applicable in the Japanese case, with male regular employees of large companies in a primary, or internal labour market situation, and women or temporary workers in large firms, contract labourers, day labourers and those employed in small to medium industry constituting the secondary labour market.<sup>4</sup>

#### b. The Japanese Management System

I will now outline briefly the features of the Japanese employment system, situate them within a historic perspective and show that they demonstrate marked similarity with structures of employment in monopoly capitalism in general. In listing these 'elements' of the Japanese model it is not my intention to conform to mere classifica-

<sup>&</sup>lt;sup>4</sup>See the discussion of segmentation in the Japanese labour market by Levine, S. B. & Kawada, (1980: 115 - 120) and Sano (1977: 54 - 55), where she states:

<sup>&</sup>quot;...the presence of workers placed outside of the nenkō system is indispensible to keep the system going. The system is a shrewdly devised scheme of exploitation which can function only at the sacrifice of employees of subcontractors, women workers, and part-time and temporary workers, who can be regulated easily over business cycles..."

tion as a methodology. Rather I wish to start from the point established in the general literature on this topic.

The ideal model of the Japanese management system may be described as follows: The company is staffed according to a system of 'lifetime employment', shushinkoyo, in which both blue- and white-collar employees are recruited directly from school or university. This managerial policy is based on the assumption that it will be easier to train and instill a sense of company loyalty in employees who have had no previous work experience. In return for their loyalty, as expressed by devoted and productive service to the company in a way which often forces them to put personal life in second place, the employees. honko/shain, are assured of lifetime job security. The company will never retrench them, but will manipulate systems of contract and temporary labour to cope with economic recession. The generalized, as opposed to specialised, job function of the worker and the common use of horizontal transferring complement this system. Wage payments and promotion are based on a 'seniority system', nenkojoretsu, in which selection of individuals for higher positions takes place within the cohort of all those who entered the company in a particular year. Although not strictly classified as promotion, annual wage revisions based on merit and incentive schemes re-assure the employee that he is making progress within the organization and pit him against fellow workers. Hence thay form a basis for career building. In a situation of relative homogeneity of job-function among workers, it is significant that 'attitudes to work' and 'human relations' are key factors in the annual evaluation of workers' performance.

The company operates a comprehensive system of benefits which includes a substantial annual bonus. Other benefits include free housing, recreation facilities, both within the company grounds and at country resorts, and subsidised meal and transport costs. These all demonstrate to the worker that he has access to the company profits.

Perhaps the most striking feature of the Japanese model is the enterprise union, which operates on the principle that its bargaining power depends on the prosperity of the company, hence encouraging cooperation between workers and management. This is further reinforced by forces promoting an egalitarian perception of the relationship between superior and subordinate on the shop floor. There is willingness for managers to get their hands dirty fixing machinery, which again reflects the principle of flexibility in job-function and the ultimate goal of group advancement.

Finally, Japanese oraganizations are characterised by the low status of women, who are expected traditionally to retire on marriage, or first pregnancy at the very latest. Here discrimination against women is used as yet another criterion to produce flexibility in the company organization. Given the high resignation rate of young female employees, the intake of female labour can be regulated to suit economic conditions and hence make up for the rigidity of the commitment to 'lifetime' employees, who are are usually men. Hence the female labour force functions in the same way as male contract or temporary labour.

Older, married women returning to work in their thirties are a source of even greater flexibility. Since the demand for unskilled labour grew in the mid-1960's these women have come to occupy a significant percentage (55%) (Cook and Hayashi, 1980: 98, 111) of the female labour force. They are usually recruited as 'part-time' workers under a renewable contract system, with low wages, no job security, no wage increase or promotion opportunities, no benefits or possibility of union representation, even though they may work the same hours and perform the same tasks as 'regular employees' for year after year. (Kaji, 1973: 382).

It is important to note, however, that these features are not a hangover from a more traditional era, but are a procuct of specific circumstances in the history of the development of Japanes capitalism. Historical accounts (Sumiya, 1963; Crawcour, 1978; Shirai and Shimada, 1978: Dore, 1973; Cole, 1979) show that the lifetime employment system and the welfare benefits enjoyed by Japanese workers in large enterprise arose in the context of competition for skilled labour during Japan's early industrial development and as a direct response by employers to challenges made to their control of the labour process either by labour, for instance, in the 1950's, or by proposed government legislation in the inter-war period.<sup>5</sup>

In analysing the historical development of the Japanese system, it is important to note that the seniority system of wages and promotions was the initial development and other features are largely an outcome of this (Crawcour, 1978; Sumiya, 1977).

In the early stages of the development of monopoly capitalism, that is, of large-scale modern industry, in the late Meiji era, Japanese employers were hampered by a dearth of skilled labour and a high degree of labour mobility. In order to create a supply of skilled and efficient labour, schemes were implemented to employ young and

<sup>&</sup>lt;sup>5</sup>At this time, the Japanese government planned to set up state welfare schemes for workers, thereby taking the prerogative of 'paternalism' out of the hands of employers: welfare benefits are a vital part of the logic of seniority wages.

educated, but unskilled workers, then train them within the firm. To assure their subsequent commitment and loyalty to the firm in the face of a very mobile labour market, a system of wage-payment was instituted, which related to length of service to the firm, or *nenko*, rather than to skill per se, although it can be argued that levels of skill attained can be roughly correlated with workers' length of service in the enterprise. This system was backed up with non-wage welfare benefits and embodied a principle of deferred payment — not only in the direct sense of retirement benefits, but also in that workers were 'underpaid' in terms of their skill in the early years, but received comparatively greater returns as their seniority increased, again disproportional to their skill, but this time in the sense that they were overpaid. The *nenko* system smoothly fulfilled the reproduction of labour function, as workers received steady wage increases as they aged and assumed greater family responsibilities (Sumiya, 1977: 6).

This ensured workers' continued employment in the firm, as under the seniority wage system thay would sacrifice much by leaving in mid-career. In this way, a lifetime employment system, *shūshinkoyō*, arose 'as a natural corollary of wage and employment policies' (Crawcour, 1978: 234), and the commitment and loyalty of workers to the firm was assured not merely by the provision of welfare benefits but by the very employment system itself, that is, in terms of its recruitment, training and promotion policies and its system of motivation and reward.

In this way the firm's work force was insulated from the external labour market. An internal labour market was set up in which the training of the labour force, wage determination and allocation for their skills was conducted independently of external market forces. Hence a system of lifetime employment security was instituted for male workers in large firms.

Small-scale industry also competed for skilled labour but did not have the resources to institute training programmes, nor the productivity to offer wage levels that would compete with modern industry. Yet this sector played a valuable role in providing subcontracting and temporary labour which larger firms could use as a source of flexibility over and above the lifetime employment system, to cope with business fluctuations. Their labour force was less trained and had less job security than that of large-scale industry. Workers in this sector participated in the external labour market in the classic sense.

Hence we see the emergence of a segmented or dual labour market structure: the 'primary market', with its high wages, stable employment, ample career opportunities, good working conditions and 'fair' management practises, aptly describes the internal labour market situation for males workers in large-scale industries, while the 'secondary market' is a market of the poor, the disadvantaged, women, and often ethnic minorities, workers whose job tenure is brief, who receive no on-the-job training, who have no specific skills and who are highly mobile (Gordon, 1972; Doeringer and Piore, 1972; Edwards, 1975). The establishment of the internal labour market characteristics of the Japanese system was not merely a response to the need for skilled labour. They were also instituted in the context of strong worker resistance, that is, as historic responses to the need to control labour.<sup>6</sup> The system of control institutionalised in the employment system was backed-up by a high degree of employer solidarity<sup>7</sup> and the diffusion of a strong ideology of management, that of 'corporate paternalism' (Smith, 1981).

Doeringer and Piore (1971) developed the theory of the internal labour market in the context of 'human capital' theory (Becker, 1964) by focusing on training processes and their effects on internal relations in the firm; that is, the implication of on-the-job training in firm specific skills for length of service and promotion. Hence a picture emerges of a finely graded hierarchy of job structures and corresponding wage grades up which the workers move through promotion, as they acquire skills through on-the-job training and experience based on seniority. Above all, it is easy to see commitment to the goals of the enterprise as an outcome of a system which provides such a predictable and secure career pattern.

In the case of women workers in Japanese industry, training and career opportunities are rare and job security is not forthcoming, as they serve as buffers to the more priviledged group of regular male employees in the internal labour market. Yet management works very hard to extract loyal and dedicated service from women workers during their span of employment.

<sup>&</sup>lt;sup>6</sup>The periods after the Russo-Japanese War, World War I and World War II were marked by strikes and turmoil in labour relations. The interval between the two world wars saw the consolidation of the *nenko* system. After the 1920's when labour come close to establishing a movement based on class principles, the government, under international pressure, proposed to legalize unions in 1931. At this point employers formed a federation specifically to oppose the legislation and re-assert a model of industrial relations based upon 'traditional' Japanese values — the firm as a community. Around this strong ideology, the *nenko* system crystallized.

<sup>&</sup>lt;sup>7</sup>The mutual agreement between employers that they will not pilfer each other's workers is an important pre-requisite for the establishment of internal labour markets. I am indebted to Professor Grawcour for emphasizing this point. (See Grawcour, 1978: 234).

Hence there is a delicate balance between the ideology of 'my-home-ism' (Kaji, 1973: 384), which is the ultimate source of flexibility in women's tenure expectations, and the ideology which produces loyalty to the firm and dedication to its production targets.

In the following section, I will analyse the ideological bases and the actual circumstances of Japanese womens' participation in the industrial labour market, with an aim to show how Japanese managers' expectations of women workers in Japan affect their employment policies in Malaysia.

## Women Workers in Japan

Working women have made an extremely important contribution to the advancement of Japanese capitalism. Women make up one third of the total labour force; in fact one half of all women over 15 years work for wages (Kaji, 1973: 384). This is a higher proportion than in other capitalist economies, rivalled only by Sweden and Finland (Cook and Hayashi, 1980: 1). Yet in terms of women's wage levels and career opportunities, few systems are more emploitative than that of Japan.

Women workers in general are located in the disadvantaged sector of the segmented labour market in all capitalist societies, but under Japan's particular version of the lifetime employment system, backed up by ideologies of the family within Japanese society, their oppression is assured. In this section I will give a picture of the concrete conditions of women's employment, in order to show how they are effectively excluded from the *nenkö* system, that is, from the internal labour market of the firm. This discrimination against women is a necessary condition for the success of the lifetime employment system, in that women act as a buffer, or 'reserve army' of labour, constituting a major part of the disadvantaged sector of the segmented labour market. I will explore the development of this state of affairs by examining Japanese law, custom and ideological factors.

The discussion will focus on women workers within the large companies in which the *nenko* system operates. Some reference must also be made to women workers in agriculture, the service industries, teaching, and so on. But the situation of women in large firms is most relevant to an examination of the Malaysian case, as it is mainly in the context of large manufacturing firms that the majority of Malaysian women workers participate in industrial wage labour. Japanese manufacturing firms employing Malaysian women are exclusively of this type.

## a. A Historical Sketch

Traditionally, Japanese women worked in the rice fields side by side with men, although under male supervision. They were responsible for all household tasks and child-care and, in addition, the handcrafts they practised, such as weaving, and the cottage industries, such as seri-culture, were a valuable supplement to the family income (Lebra, Paulson and Power, 1976, Chapter 3).

After the *Meiji* Restoration in 1868, Japan set a course of rapid industrialization. As in the case of other newly industrializing nations, the textile industry functioned as the spearhead of development, because of the ready market for textiles and the fact that production could be achieved with basic machinery and intensive inputs of labour. In Japan especially, textile production in the 1870's was boosted by an enchanced European demand for silk, due to the failure of their own supplies.

Hence an immediate demand arose for large numbers of unskilled workers, preferable those who could be easily controlled and paid at minimum rates. The ideal source was the group of young women from poor peasant families or from *samurai* families who were newly empoverished by the abolition of the rice stipend. As the labour shortage was extreme, recruiting methods were often unscrupulous. Young unmarried girls with litte education were rounded up and their families paid an advance on their wages. Working conditions were such that the labour turnover was very high and employers kept the girls virtually imprisoned in very overcrowded dormitories within the factory compound. Girls worked 12 to 16 hours a day, yet 12 hours' wages could buy them little more than one extra cup of rice. With poor food and living conditions, diseases such as tuberculosis flourished and the suicide rate was high (Matsuoka, 1931; Hosoi, 1925).

As the first generation of female workers in industry, the girls were discriminated against in the communities surrounding the factories. They were labelled, 'dirty factory flea' or 'textile snake' (Lebra, Paulson and Power, 1976: 53). Yet despite the desperate conditions, many girls preferred the factory work, which was no harder than agricultural labour and gave them a chance to see the outside world and escape the drudgery of farm life. More importantly, perhaps, they knew that their families depended on the remittances which they were able to send home.

The contribution of these women textile workers to Japan's early industrialization was of great significance. Japan became the world leader in silk production; textiles made up one-third of Japan's exports, supplying Japan with foreign currency for the purchase of machinery, for the wages of foreign technical advisors, and for military expansion. Until 1930 women factory workers outnumbered men, although their wage was approximately one third of what their male counterparts received (Kaji, 1973: 376).

Again in the 1930's and 40's during the era of Japanese imperialist expansion in Manchuria, China and Southeast Asia, women were taken out of school to replace the men who left the factories for military service. This time, their labour force participation could be strongly justified as 'for the good of the nation'. Yet when the soldiers returned, ideologies of 'a women's place within the family' were used to remove them from the positions now required by men again.

In the modern era this flexibility of women's labour force participation has been preserved.

## b. The Contemporary State of Women's Labour Force Participation

As we have seen, large companies within Japanese monopoly capitalism, as in the case of large companies in the West, operate according to a system of bureacratic control, and have established an internal labour market<sup>8</sup> of regular male employees; within the *nenko* or lifetime employment system.<sup>9</sup>

This permanent, predictable labour force, who have over the years received much on-the-job training in firm-specific skills, functions in the interests of the company only so long as there is a cheaper and more retrenchable 'buffer' labour supply which the company can manipulate according to business conditions. In Japan, women workers function as this 'buffer' or reserve labour supply (Matsuura, 1981: 319). In employment policies, they are almost totally excluded from the *nenkō* system, and hence make up a large proportion of the under-priviledged secondary or external labour market.

One of the greatest problems women factory workers face is their dispensibility. They are the cheap marginal labour — the last to be hired and the first to be laid off. Their destiny depends on the unpredictable world economy (Lebra, Paulson and Power, 1976: 71).

<sup>&</sup>lt;sup>8</sup>The theory of the ' internal labour market' may also be explained in terms of the concept of a 'labour aristocracy'. An example of this, applied to the Japanese case, is Rob Steven, 1980: 39.

<sup>&</sup>lt;sup>9</sup>Nenkō Joretsu strictly refers to a seniority rather than a job-based system of wage payments. As we have seen, this promotes a 'lifetime' commitment to the firm. Hence I use nenkō as shorthand word for the total Japanese system, most characteristically referred to in English as a 'lifetime' employment system'.

Let us examine the concrete conditions of women's labour force participation in large firms: firstly, the issue of wages. Japanese firms recruit young workers straight from school or university, and, ostensibly, men and women with the same educational qualifications receive the same starting wage. This concurs with Article 4 of the Labour Standards Law which prohibits discrimination based on sex in regard to wages (Takahashi, 1975: 52 - 54; Akamatsu, 1978: 261). However, the gap between male and female wage levels widens rapidly. Women's wages, on average, peak in the 25 - 29 year old cohort, after which they decline. The average women's wage increases by 40 per cent from the 'new recruit', 17-year old group to the highest wage group in their late twenties. Male wages on the other hand, peak in the years between 40 to 49, when the average wage increases 300 per cent over that of the youngest group (Kaji, 1973; 378). As a general average, women earn roughly 50 per cent of the male wage. Although this has been rising slowly over the years, in 1978 women still earned only 56.2 percent of the male level (Sangyo Rodo Chosasho, 1979: 9).

This situation has arisen, despite a legal guarantee of equal pay for equal work, because there is no parallel guarantee that women will be given equal opportunities in terms of job content and responsibility. The new male recruits immediately go into training, and because of this, may receive their first increment after six months, instead of one year. Women recruits with the same qualifications are slotted into routine, repetitive tasks which can be mastered quickly and which provide no opportunity for career advancement.

Industries which employ a majority of women workers, such as the electrical, textile, service and sales industries, have the lowest pay levels. In that they are seen as the province of women, even the specialized professions such as nursing, kindergarten and primary school teaching are lowly paid (Kaji, 1973: 378).

When men and women do the same job, for instance on an assembly line, the women's wage will be lower. This is because of the nature of the wage components in the Japanese *nenko* system. An individual worker's wage is determined on the basis of many factors, primarily length of service, age, educational qualifications, family responsibilities, permanent or temporary status and future potential. It was estimated in 1972 that the elements of the wage composition which were based upon objective job performance and which were free from personal factors made up only 26 per cent of the total components contributing to average monthly cash earnings (Matsuura, 1981: 315 — 316). This complex composition in wage calculations is the mechanism whereby employers grant women fewer allowances based on 'personal factors', and hence, lower wages in general.

In line with the discrimination inherent in women's wage structures is the issue of early retirement. If companies are using women as unskilled 'factory fodder', it is in their interests to have them retire as soon as possible and be replaced by younger, cheaper workers. The law rules against compulsory retirement of women, but some firms still demand retirement at an arbitrary young age (thirty is common), at marriage, or at the birth of the first child.

These provisions may be written into individual employment contracts, or into a collective agreement with the union. Also women marrying fellow employees are 'expected' to retire as a matter of custom. Hence, by far the most common method of 'enforcement' of women's early retirement is 'customary practice' (see the table in Cook and Hayashi, 1980: 26). Pressure is put on the woman by both her employer and her colleagues. A woman will feel ashamed in front of her workmates to keep appearing for work long after the customary limit. More importantly, home and child-care responsibilities will make it difficult for her to fulfil her responsibilities: process workers would still be expected to cope with night-shift allocations. The lack of adequate child care facilities creates a higher absenteeism rate among married women with children. Out of a feeling or responsibility to the work group, they are ashamed to load greater burdens on to their colleagues because of their absence.<sup>10</sup>

In the case of process work, the pace of the repetitive production line creates occupational diseases such as weakened eyesight, tendonitis and the cervical syndrome, which cause women to give up working of their own volition. They are 'burnt out' in three to four years anyway, and many would see marriage and housework as a welcome alternative.

However, we have seen that older married women form a very important component of the Japanese labour force. Having once left regular employment, they return to work on a 'part-time' (or 'temporary') basis, often because of a need to supplement their husband's income

<sup>&</sup>lt;sup>10</sup>This feeling of loyalty to the work group is a powerful ideological tool whereby the worker comes to feel that she or he, and not management, is to blame for failing to cope with the taxing work loads and schedules which are set up at the convenience of management. This phenomenon is vividly described by Kamata (1983: 48, 61, 109) who worked as a temporary contract labourer in a Toyota car assembly plant. It is significant to note that male temporary workers and women workers in large firms are in a similar structural position in the labour market.

'Part-time' work is defined as employment for 'less than eight hours per day'. In Japan, it began in the retail sector in the 1960's and was designed as a scheme whereby women could leave work early to collect children from school and prepare the evening meal. Hence, part-timers are usually married women with children, from their late thirties onwards. Despite the 'part-time' designation it has been estimated that 33 per cent of part-time women work only one hour less than fulltime workers. Hence 'part-time' means not so much 'shorter hours', but 'outside the regular labour force'.

Women workers in this category are definitely 'outside' in all aspects of the employment experience. They receive none of the benefits of regular workers, and their hourly wage rates are less than those of full-time employees even though they perform the same work. Although they may be able to renew their short term labour contracts for year after year, they receive no wage increments and no promotion opportunities. They work in the face of job insecurity, conflict with full-time workers, job dissatisfaction and occupational disease (Cook and Hayashi, 1980: 10 - 13; Kaji, 1973: 381 - 384; Lebra, Paulson and Power, 1976: Chapter 3).

The 'part-time' phenomenon is a product of Japan's rapid economic growth since the early 1960's. From 1955 to 1970, the employment rate for women over 35 increased by 200 per cent (Kaji, 1973: 381). Housewives were actively courted by industry and government 'women-power' policies, and have served as a ready reserve of unskilled labour, being the first to be retrenched in the post-oil-shock recession of 1974. Although the statistics on women's labour force participation show that both the average age and the length of work experience are rising, for the older women, the quality of their work experience is of the lowest rank. Young high-school graduates prefer clerical jobs, so factory work is increasingly performed by middleaged women. The older they become, the more the likelihood that they can only find work in the smaller companies, which depend for their survival on contracts from big business. Here wage and labour conditions are far worse, and these women experience even further exploitation under the system of monopoly capitalism.

Even within the labour movement, women's problems are poorly represented. A key element of the Japanese employment system is 'enterprise unionism' which organizes white and blue-collar workers within the boundaries of the enterprise, regardless of their job-function. The enterprise union membership is made up of regular employees only and it operates on the principle that its bargaining power depends on the prosperity of the company. This encourages cooperation, rather than overt class conflict, between workers and management and is thus the ultimate expression of the interests of those in the internal labour market. As we have seen, even regular women employees are effectively excluded from the internal labour market, and as may be expected, their interests and problems are largely overlooked within the enterprise unions and within the Japanese labour movement in general.

Only one fifth of factory women are union members (half of these are in the textile industry), union leadership is male and, on the whole, women are unaware of their rights. Efforts have been made to set up worker education centers, but the women workers who are most in need of representation, that is, the part-time housewives, are generally too busy with family reponsibilities to attend meetings.

Hence, unions do not take issue with discrimination against women in terms of wages, early retirement or lack of promotion opportunities. They exclude part-timers from membership, despite the fact that they work side-by-side with members for year after year.

In the same way that union members in Japanese multinationals have no concern for workers in their companies' overseas subsidiaries,<sup>11</sup> it follows that their interests as privileged members of the internal labour market would be threatened if they were to extend solidarity to those in the 'buffer' zone, such as women, both regular and part-time, and other non-regular male workers.

This then is the status quo for women workers in Japan. How is it maintained? What makes women acquiesce to their gross exploitation within the labour process and to their general state of social oppression? I will briefly describe the role of law and ideology in maintaining the low status of women in Japanese society.

### c. Ideology, Law and Custom

Women have not always been the underdogs in Japanese society.<sup>12</sup> As in the creation myths of many societies, cosmogenesis was a female

<sup>&</sup>lt;sup>11</sup>During my period of fieldwork in a Japanese joint venture in Malaysia, there was a visit by union members from the parent company in Japan. I expected that they would be eager to meet the Malaysian company's Works Committee who represented their national union for that industry. But no such meeting took place. Instead the Japanese delegates came to survey the working and living conditions of two Japanese expatriate staff, who had managerial status in the Malaysian company, but who were union members back home.

<sup>&</sup>lt;sup>12</sup>The following account draws heavily upon Lebra, Paulson and Power, 1976, Chapter 1.

affair: Izanami, the creator goddess gave birth to Amaterasu, the sun goddess and it was the descent line from Amaterasu which legitimized members of the Yamato clan as rulers of Japan. Both Emperors and Empresses ruled Japan throughout the 7th and 8th centuries, although women's high status was constantly under threat from Chinese Confucian influences. The Taiho code, a product of this, abolished clan matriarchy in 645 AD. However, women continued to rule in the event of unsuitable male heirs and, as rulers, they functioned as great stabilizers, until they were forbidden to rule at the end of the reign of Empress Köken. During the Heian (794 - 1185) and Kamakura (1185 - 1333) periods, women continued to own and control property and could leave it to their daughters. However, these rights, which were vested in indigenous clan laws, were eroded by the influence of Confucian patriarchy and the variety of Buddhism which reached Japan, which defined women as 'inherently evil' and the locus of 'original sin'. In the centuries which followed, feudalism was established and women's rights declined further. During the century of civil wars preceding the Tokugawa era, women became instruments of political expediency and were often given in marriage as hostages to the potential enemies of their male relatives.

During the *Tokugawa* era (1600 - 1868), during which time Japan was isolated from outside contact, the society was rigidly stratified into a hierarchy of status groups, proceeding from samurai, at the top, to farmer, to artisan and finally to merchant at the bottom. The whole society revolved around Confucian notions of knowing one's place, and within this system, female social roles were codified too. Rigid rules separating the sexes meant that women were isolated from public appearances, denied access to education and effectively prevented from meeting each other. Marriage remained essentially a political matter, with men manipulating the marriages of their female relatives to demonstrate loyalty and allegiance to other males. An influential text of the seventeenth century, Onna Daigaku (Great Learning for Women) by Kaibara Ekken, a neo-Confucian scholar, was kept in every household and became a primary text for women. Its prescriptions consolidated women's position within the feudal family system. A woman's fate was controlled by her husband's family even after his death and, to a woman, her husband was her lord. Women were characterized as shallow-thinking and 'silly', so much so that they should not trust their own judgement, but must rely on their husbands. Their essential nature was one of passivity.<sup>13</sup>

<sup>&</sup>lt;sup>13</sup>Extractions from the Onna Daigaku, translated in H. Passin (1965: 176).

Women's position within the family was further codified after the *Meiji* Restoration of 1868. The *Meiji* Civil Code of 1898 reinforced the importance of the family unit (*ie*) as the basis of Japanese morality: of loyalty, filial peity and national polity. More and more the Japanese nation came to be represented as one 'family' with the Emperor as household head.

Within the context of the real family, a woman was always-subject to the authority of the household head; initially her father, later her husband and finally her own eldest son after he succeeded his father to the headship. During the *Taishō* era (1912 — 1926), this ideology of the *ie* was further intensified as a national ideology in the service of fascism, and this only served to consolidate the oppressed status of woman.

The legal reforms of the post-war Occupation brought changes to the family system - all members now had equal rights. Women could make their own decisions concerning marriage and divorce and they regained the right to inherit property. But despite these legal prescriptions, the ideology of male authority and of women's rightful place within the home still persists, and is one of the most powerful pillars which condition women's perceptions of their role as wage earners. What the Japanese themselves have characterized as 'my-home-ism' serves a triple function in the service of capitalism.

Firstly, it creates an illusion of happiness in home life, making it easier for girls to leave wage labour without regret, in order to get married. Once they are married, it reinforces their perception that their rightful place is at home, rearing children. Hence, the responsibility for the reproduction of the labour power needed by capital is privatized into an individual responsibility, as opposed to a social one. Finally, the household in capitalist society is the main locus of consumption. Housewives go back to work to earn 'that little extra', usually to spend on consumer commodities. They are content to enter the extremely emploitative system of part-time labour, which is legitimated ideologically in that it allows them to ''still be wives and mothers, yet help with family expenses''. Hence, the ideology of the family is the ultimate source of flexibility used by employers to move women in and out of wage labour according to their convenience.

But the primacy of women's family role pervades all aspects of her employment experience.<sup>14</sup> In education, women are not encouraged

<sup>&</sup>lt;sup>14</sup>This is by no means a phenomenon unique to Japanese society. It pervades all capitalist societies. See the discussion in Juliet Mitchell (1971) and Ely Zaretsky, (1976) among many others.

to acquire marketable skills which would fit them for a professional career. Instead, they are streamed into 'Home Economics', a most popular course even in women's tertiary institutions in Japan, and so, when they need extra income after children are born, they are forced to take whatever work they can get in nearby factories.

On the subject of higher wages, a typical woman worker's view (Lebra, Paulson and Power, 1976: 66) would be that higher wages are desirable but they should not be as high as those of men. Firstly, a higher wage would mean greater responsibility and this would conflict with home responsibilities. Also men are superior under pressure; women are too 'emotional'<sup>15</sup>. For most people it is easy to believe that wage increases for women can only be achieved by cutting men's wages and that this would not be fair, as men have to support their families. Few women see clearly that they have a 'right' to work, and that this right should be defended at the expense of capitalist profits, rather than of other (male) workers' wages.

Finally, women whose work forces them to put young children into day-care are labelled 'bad mothers'. Japan is notoriously short of institutionalized child-mending services and women who must work have often to resort to unlicensed and inadequately-staffed nursery centres. Any mishaps which occur in these, such as the death of a badly-supervised child, are sensationalized by the media, further reinforcing the sense of guilt in working mothers.

The legal provisions granting women 'equality' in the post-war constitutional reforms have been rendered powerless in the face of custom. TheConstitutionof 1946 established "the principle of equality for men and women, the right and obligation of people to work, and the right of workers to organize and to bargain and act collectively" (Akamatsu, 1978: 259). In accordance with this, the 1947 Labour Standards Law established the principle of equal wages for men and women. However, in relation to discrimination in working conditions other than wages, there was no provision prohibiting discrimination based on sex (Akamatsu 1978: 261). It must be emphasized that the issue of 'equal pay' is meaningless where women are excluded from the primary labour market and lack equal job opportunities.

The Japanese Labour Standards Act also protects women against late working hours and dangerous work, and makes provision for maternity leave and menstruation leave. However, as has been discuss-

<sup>&</sup>lt;sup>15</sup>This can be compared with the importance given to 'hysteria' and other supposedly exclusive female personality traits, used to codify the social position of women in European society. See Juliet Mitchell (1974).

ed, it is very unusual for women to return to work after the birth of a child. In practice, too, most women are too embarrassed to take menstruation leave, which they must request from male supervisors. For the bolder ones, if their cycle is irregular, they may be accused of cheating. Also, under the ideology of individual loyalty to the work group, women feel that the burden caused by their absence will fall upon others. They do not see this as a problem which management must solve.

In the 1970's the realization of the importance of women's labour force participation for Japan's economic growth gave rise to revisions of the labour law which largely focus on the situation of working housewives. Vocational training, the establishment of enterprise daycare centres and the regulation of the part-time employment system have been mooted. Yet the wording of the law embodies the basic ambivalence in women's roles:

The working woman 'must first play the most important role of building up a new generation and at the same time she must contribute to both economic and social development'. Therefore she is 'to strive to secure harmony between professional and home life' and should be guaranteed as opportunity to work through special consideration of her motherhood.<sup>16</sup>

This, along with other recent 'reformist' laws relating to women workers, only legitimizes the use of flexible female labour for the ultimate good of the monopoly capitalist system.

# Women Workers in Japanese Companies in Malaysia

In Malaysia, as in Japan, the social roles of women and their attitudes to work provide a valuable source of flexibility in job tenure. Hence, in Malaysia, too, we can observe a segmented labour market situation where the sexual division of labour provides a basis of exploitation. (Here 'Malaysia' means Peninsular Malaysia).

The situation of women workers in Japanese manufacturing companies<sup>17</sup> in Malaysia is similar to that of Japanese women at home in that they fill the lowest job classifications, have virtually no

 $^{16}$  From the Working Woman's Welfare Law, 1972 quoted in Kaji (1973: 385). See also Akamatsu (1978: 263 - 264)

<sup>17</sup>Not all the companies referred to below are 'Japanese' in the sense that they are 100 per cent Japanese-owned. They are all incorporated in Malaysia and some are joint-ventures, often with the Japanese side holding a minority share of equity. However, in that the brand-names are Japanese, the techology is imported from Japan, and the top management are all Japanese, I refer to them as 'Japanese companies'.

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career opportunities and are employed because they provide cheap labour with a high 'voluntary' resignation rate. However, there are significant differences in the Malaysian case, due to labour market factors and to Malaysia's particular strategy for, and stage of, industrial development. In this section, I will examine aspects of the transfer of Japanese norms of industrial relations pertaining to women and discuss the significance of their presence or absence.

In its twin aim to overcome poverty and restructure Malaysian society by eliminating the identification of occupation with ethnic group, the New Economic Policy of 1970 embarked on a programme of rapid industrialization. To achieve this, foreign capital and technology inputs were eagerly sought.

Japanese capital was at the time seeking foreign investment opportunities in Southeast Asia to secure markets, local resources, and to take advantage of low wage costs and lax pollution restrictions.

Hence, Japanese capital has made a significant impact within Malaysia's economy and by the end of the 1970's, investment approached the M\$1 billion mark, spread over 368 firms (Chee Peng Lim and Lee Poh Ping, 1979). Of these, 43 per cent were directly involved in manufacturing, predominantly in electronics, chemicals, textiles and wood products, with over 60 per cent of the firms employing a work force of over one hundred employees (Chee Peng Lim and Lee Poh Ping, 1979: 16).

One of the effects of the New Economic Policy which arose as a consequence of the investment strategies of foreign investors was the creation of disproportionate employment opportunities for young women, especially for the large percentage of those in the rural areas (Jamilah, 1982: 412 - 425). This is a striking phenomenon in the emport processing zones which were established to provide attractive incentives for foreign investors. As Japanese firms invested heavily in light labour-intensive industries which employ a majority of women workers, such as textiles and electronics, they have come to provide a major context for the employment of Malaysian women in manufacturing. Hence, it is important to examine the significance of Japanese managerial attitudes to women workers, but to keep in mind that these are tempered by the nature of the industry itself and by the fact that Japanese companies are structures whose organization is determined by the logic of monopoly capitalism.

I have estimated from Jetro figures that Japanese electrical and integrated circuit (electronics) manufacturers employed approximately 11,000 workers in Malaysia in 1979 (JETRO, 1980). This may be compared with the national total of 47,000, in 1976, of whom over 90 per cent were women (Jamilah, 1982: 414). Similarly, Japanese textiles and textile-related firms employed 13,000 workers, of whom 57 percent were said to be women, in a 1976 estimate.

Focusing on electrical appliance and semi-conductor manufacture, I will argue that, especially in the case of the latter, the issue of a 'Japanese system of management' is largely irrelevant, due to the nature of the industry. This industry employs young women almost exclusively on its production lines. Men are only employed for supervisory or technical roles.<sup>18</sup> The girls are young drop-outs from around secondary Form 3 level, which makes it difficult for them to get jobs in government service, and this is usually their first experience of industrial wage labour. The industry employs them precisely because they are young, have no dependents, and hence can be paid the lowest wages. As a matter of policy, married women are not employed. Lack of experience is no problem, as the girls can learn their job in less than two weeks. In fact, there is an agreement among employers in the industry that they will not employ each other's resignees, and even if a worker with prior experience does manage to get a job in another company, she will start on probation at the bottom of the pay scale.

It is always stated that young Asian women are most suited to electronics manufacture because of their small hands, dexterity and patience. The issue of dexterity, although relevant, is a convenient cover for a host of other advantages in employing these girls: primarily, their economically weak and socially subordinate position. Girls are easier to control than male workers and their traditional 'female' traits of passivity, submissiveness and sentimentality are played upon within sophisticated personnel policies (Grossman, 1979: 3; Jamilah, 1982: 414).

These are extremely important as the industry needs to create loyal and dedicated service for the duration of the girls' employment, yet guarantee a high degree of labour force flexibility, as it is very susceptible to economic down-turns (Linda Lim, 1978: 323 - 337). Hence, the creation of loyalty through the 'internal labour market'-type strategy, so typical of the so-called 'Japanese' system, is not a possibility.

A study of one eletronics firm in Penang (Lim P. L, 1981) has shown that there is little commitment to the job on the part of the electronics workers themselves, so it is up to the personnel department to create

 $^{18}$  The following draws heavily from the account by Rachael Grossman (1979: 2 - 17).

'instant dedication' through a mixture of authoritarianism and ideological schemes which cause the girls to identify with the interests of the firm.

One of the key strategies is to create activities which promote competition. Company sports teams compete with outsiders, producing a feeling of loyalty to the company which is reinforced with slogans talking about 'Family Spirit' and 'Togetherness'. Within the company, there are prizes awarded for competitions concerning the output of different production groups. Workers are even encouraged to compete with the rates of workers in other overseas subsidiaries of the parent company. On the other hand, personnel policies attempt to divert attention away from pay and working conditions by setting up programmes which create a 'factory lifestyle' centering around 'female' interests, such as cookery classes, make-up, and beauty contests, which promote overall a shallow consumer outlook towards their future lives.

But the work is arduous and many girls would like to leave for this reason alone. After about three to four years of service, their voluntary resignation is virtually guaranteed by eyesight problems. If they do not leave they can be sacked for failing to fulfil quotas. But the 'feminine' ideology proliferated by company 'activities' schemes has convinced them that marriage and family are desirable alternatives, indeed a welcome 'escape' from factory labour.

This treatment of women workers is almost universal in the electronics industry because it is geared to the rapid turnover of a young female labour force. Hence, there is little that could be said to be distinctively Japanese about it. In fact, Japanese management has actively borowed from the U. S. the 'human relations' techniques of management, and even their zero defect campaigns for which they are now so famous, were adopted from an American innovation of the early 60's (Cole, 1979). American semi-conductor companies successfully established a paternalistic image (Grossman, 1979: 5) too, but 'Japanese paternalism' has become a stereotype, mainly because of the mistaken application of the idea of a 'carry-over of Japanese tradition' in the early literature on Japanese companies (Smith, 1981).

In the electrical appliance industry as opposed to electronics, we can find more evidence of Japanese managerial styles in the treatment of women workers, perhaps because the industry does not depend on such a high turnover rate and because occupational disease is less significant in forcing resignations. This is despite the fact that in both industries, basic production jobs can be mastered in a few weeks.

In a company which is a major manufacturer of household electrical goods a turnover of female workers is achieved by voluntary resignations, but the management policy is not to retrench female workers who wish to stay on after marriage and childbirth. Hence, the average age of workers is 24. Under the Malaysian Employment Ordinance (Federation of Malaya, 1975) there is provision for women to receive paid maternity leave of sixty days, three times, or strictly, until such time as they have three surviving children. But this reluctance to retrench is part of the Japanese management's paternalistic strategy to show that they 'care' for workers. The Personnel Manager, a Malay, outlined the features of this policy to me (interview, 14 February, 1978):

Firstly, the company would like to create the image that we look after our employees. We go and visit a girl's family before she is confirmed, to make sure they are happy that their daughter is working here. My office is near the changing room, and I encourage the girls to come and talk directly to me or to my clerk about their problems. Just being able to talk solves half the problem. I personally go and stand at the gate at 7.30 each morning to see the faces — who is happy, who is unhappy.

We do our best to publicize that the Japanese have care and concern for workers. We give each employee a birthday present. There are also gifts given at marriage and childbirth. If there is a death in the family, the Department Head will pay a visit. We pay the top wages in the industry and even during the recession (mid 1970's) we did not retrench any employees, to show that we care about them. Instead we closed the export radio line and set up a 'parts' section.

This is a familiar strategy in Japanese companies facing a recession. Flexibility of the labour force is achieved by a 'horizontal transfer' system. In this Malaysian company it is mentioned in the employment contract that workers 'are liable to be transferred to any section''. This method is also used to cope with the aging female labour force, who are married with children. The management complains that the concentration and speed of these women on the production line is down because of pregnancy, pre-occupation with sick children or other family problems. Absenteeism is apparently so high among these women because of family commitments, that they cannot be relied upon to be present in sufficient numbers to run the conveyor-belt production line each day. Again, rather than retrench them, the Japanese solution was to create a piece-work section making spare parts for the main process. Thus, the wire-winding and plug assembly which had formerly been done by sub-contracting firms is now done by the women of this new section at their own pace. It is indeed fortunate for these women that the company 'cares' for them so much. A system whereby women were forced to retire on marriage or childbirth, as in Japan, would produce great strains on the economic viability of urban working class families in Malaysia.

In this firm, as in other Japanese firms manufacturing electrical goods, the Collective Agreement states that women should retire at 45, man at 55. No mention is made of discriminatory retirement practices in the Malaysian Employment Ordinance, nor of the fact that women should have equality in wages and career opportunities with men. (However, as we have seen in the case of Japanese Labour Law, a mere statement does not guarantee equality in practice).

As could be predicted, women are located at the bottom of the production hierarchy; in this company their only promotion opportunity is to rise one step to the status of 'Assistant Operator' (Fatimah, 1979). Their jobs can be learned in a matter of days, and so the onthe-job skills acquired do not provide a basis for mobility. Ironically, management makes good use of the technical and managerial abilities of the women workers, while limiting them to the lowest wage grades. The company is famous for its 'Suggestion Campaign' and in 1975, 6,150 suggestions were received, or an average of 10.6 per person. (The record is held by workers in the Japanese parent company, at 10.9 per person). In 1975, a women in the stereo section won the Campaign. Her prizes was a 'goodwill tour' of a sister company in Manila. The stated aim of the management in promoting the suggestion system is "to improve production, uplift the morale of the employees and give them an opportunity to participate in the management of the Company's operations". Unfortunately, employees are not paid on a managerial scale for their efforts.

A second example of the way in which management uses its women workers' abilities is within the 'Big Sister' movement. There is one 'Big Sister' per ten women workers. Big Sisters are chosen by management and trained in leadership, the suggestion system and quality control. Their job is to motivate and to 'look after' the girls in all aspects of their work and personal lives, and to organize after-work activities such as cooking classes and guest lectures. Their reward for these supervisory contributions is the chance to become one of the three Big Sisters chosen annually to attend the Big Sister Convention in Japan.

Finally, the attitude of this company to women is shown in the example of serving tea to visitors, which Japanese women clerical workers have always been forced to do, and which they are now protesting about.

In Malaysia, serving tea was regarded as one of the most trifling jobs and most companies had women for the particular job. But in (X Company) receptionists were requested to serve tea to callers as part of their duties. They did not like it and one day, office girls of the company came in a group to tell management that they would no longer serve tea. After a few hours talk with them, management won the girls over to its view by telling them that they should take pride in their duties including that of serving guests with tea, because they, as the receptionists, were performing a role as important as that of the hostess of a home party. (Keio University, 1977).

Here the ideology of the company as a family has been put to good use, and women's roles within the family are reproduced in the company. With their lowly status thus defined, their talents are utilized without the possibility of compensation through higher wages or promotion opportunities.

However, for male employees in this and other Japanese companies in Malaysia, an internal labour market situation exists. It is stated in the Collective Agreements of four top electrical appliance makers that their policy is to promote from lower to higher grades, and that vacancies will be filled from applicants to advertisements placed inside the company. One company even stated the possibility of internal promotion from the worker to the executive level.

So far I have dealt with women workers at the production level. In a Japanese food products company in Malaysia the attitude of the Japanese management to women executives was consistent with their policy to exclude women as much as possible from the internal labour market conditions enjoyed by men. In this company there was one woman at management level, the only one I encountered in my whole survey. She was recruited before the company began production in 1964, and was trained along with the first batch of male trainees who are now the senior local executives in the firm. However, her position as Section Chief in charge of the Laboratory is a terminal category, that is, closed to further promotion. She is the only Section Chief whose prospects are limited in this way, and it is entirely on account of her sex, although she seccessfully completed a science degree, unlike some of her male colleagues who have risen to the status of Manager.

In this company, all women employees, apart from clerical staff, are located in Division 10, the lowest division on the salary scale. Previously they were subject to additional discrimination in the labour contract. They were required to retire at 25 years. Upon union insistence, this was raised to 35, and now, 45 years. (Male workers retire at 55). Women were also kept on daily rates (lower than monthly rates) for three years, until this system was abolished under the Collective Agreement of 1977.

In 1977, the company decided that it needed a woman Packers' Supervisor. A senior woman packer was promoted from Division 10 into Division 9a, a terminal category. It was a major battle of the Collective Agreement negotiations of 1977 to have her placed in Division 8, with a higher wage, given the degree of responsibility in her work (she is supervising 49 women packers.) While most workers agreed with the basic principles of the case, the Japanese staff and the non-Malay union members remarked cynically that the case was only fought so strongly by the Union because the Packers' Supervisor was the fiancee of the Malay Secretary of the Union Works Committee. This reflects the common tendency to trivialize women's issues.

### Conclusion

The 'Japanese-ness' of the food company and the electrical appliance company in not retrenching women workers can be explained by a number of factors which have nothing to do with the cultural identity of management: for instance, there are still enough voluntary resignations among women to create flexibility in altering the size of the female labour force.

In Malaysia, specifically 'Japanese' management practices are more significant at the managerial and corporate planning levels, but it has been beyond the scope of this paper to examine these. Ultimately the significance of 'Japanese' management for women workers in Malaysia lies in its ability to convince them that it is a special, paternalistic system which offers them many benefits and 'cares' about them, hence inducing their loyalty and cooperation with the goals of the firm for the time that they are employed. Equally well, they are prepared ideologically for marriage and family life, so that their voluntary resignation is encouraged, if they do not need the extra income after marriage.

Yet Japanese firms, in creating the paternalistic image, give as few benefits as are necessary, and in Malaysia, they are mere 'tokens' which do not begin to approach the level of benefits in Japan. In fact, other non-Japanese multinationals offer the same type of benefit schemes, and this is to be expected, as the personnel policies of all have been derived from a common managerial philosophy and aim at the same goal of profit-maximization. Yet Japanese management have secured an advantage in the 'notoriety value' of being 'Japanese', which confers a particular cultural aura upon all their activities. Here we see the potential of 'culture' to be used as a strategy in what is basically a system common to all — that of monopoly capitalism.

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