日本人韩国人有钱，为什么不够幸福？
Why are people in Japan and South Korea rich but unhappy?

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Summary: Both Japan and South Korea, the two most developed countries in East Asia are by no means below many developed countries in the western world. Yet the two countries are ranked 61 and 62 respectively in the world happiness index. The article explores why unlike in countries such as France, Germany, Britain, Norway and Denmark, people in Japan and in South Korea work harder and for longer hours, and number of people dying every year due to overwork in the two countries are rising?

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The ICS is an interdisciplinary research institution, which has a leadership role in the promotion of Chinese and East Asian Studies in India. ICS Translations aims to introduce views of the P R China scholars, analysts, and commentators coming from across disciplines.
Citizens’ well-being and happiness quotient move in tandem with a country’s economic development. But Japan and South Korea do not in any way testify to this familiar observation however true it might sound theoretically.

In Japan, approximately 10,000 office goers die every year due to overwork, which is quite the same as the number of people that lose their lives in road accidents. The incidents of suicide caused by overwork have become so common that such news no longer evokes interests or emotion.

With an eye on reducing deaths resulting from overwork, the South Korean government even urges corporate enterprises to shut down their computer systems at the end of office hours and help employees reach home in time.

For Western European countries like Britain, France and Germany, or Northern European countries such as Norway and Denmark, life is more often than not carefree and leisurely. It is not that these countries are not developed. In fact, they are also equally developed, yet they are markedly different, too. It is just like two people with the same annual income of say two hundred thousand bucks, in the end one of whom becoming tired and down with overwork and the other lying down leisurely at home counting his fortunes.

Image: A subway scene at the peak of rush hour in Japan

1. Japan and South Korea’s catch-up game with Britain, France and Germany

What is a developed nation? Well, there are varying norms. But countries that are universally accepted as developed ones have three distinct features: relatively higher human development index; per capita gross national product (GNP); levels of industrialization and quality of life.

It is generally believed that there are 31 typically developed countries, of which four are in Asia, viz., Japan, South Korea, Singapore, and Israel.

The chart shows a total of 31 developed countries (Europe 23; Americas 2; Australian continent 2 and Asia 4)
In terms of GDP, in 2019, Japan with a GDP of US$5.08 trillion, ranked third in the pecking order, higher than well-known established powers like Britain, France, Germany, etc. Also, South Korea with a GDP of US$1.64 trillion, ranked 12th, ahead of developed European countries such as the Netherlands, Switzerland, etc.

Top five countries in per capita GDP in 2019—the US, China, Japan, S. Korea and Britain, France and Germany

Judging from the perspective of comprehensive national power and influence, there exists a bit of inconsistency across various ranking agencies. But in general, the United States and China form the top echelon, while Japan and South Korea as well as Britain, France and Germany are all basically in the second level.

Strong Nation, Prosperous People

According to the “Global Wealth Data-book” released by Credit Suisse in 2019, the median net wealth of Japanese adults is about US$110,000, ranking 8th, higher than those of France (11th), the United Kingdom (12th) and Germany (33rd).

South Korea's performance was not any worse, the median net wealth of its adults being over US$70,000, which is equivalent to those of countries like Italy, Norway, etc.
Top 30 median net wealth of adults in various countries and regions

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country or subnational area</th>
<th>Median wealth per adult (US dollars)</th>
<th>Mean wealth per adult (US dollars)</th>
<th>Adult population (thousands)</th>
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Going by these rigid indicators, both Japan and South Korea emerge unscathed and beyond reproach when they are juxtaposed with Britain, France and Germany. In fact, in some aspects, both Japan and South Korea, which once lagged far behind Britain, France and Germany, have even quietly caught up.

2. Identical economy, Different destiny

However, in terms of quality of life, the situation in Japan and South Korea is entirely different from that in the developed countries of the West. When it comes to evaluating the quality of life, nothing can surpass or outdo happiness index as the most comprehensive index. The “World Happiness Report” published by the United Nations for eight consecutive years since 2012, can be said to enjoy unalloyed credibility.

But, for all these 8 years, Japan and South Korea have consistently been ranked very low. For example, in the latest “2020 World Happiness Report” dealing with 153 countries and regions, South Korea and Japan rank the 61st and the 62nd respectively. Britain, France and Germany generally rank within the 10th-30th bracket. It is needless to highlight that the top five places in the pecking order have once again gone to countries like Finland, Denmark, Switzerland, etc.

![Image: Happiness index rankings of some countries]

Through this Happiness Index, what is all too palpable is the exhaustion — the fatigue — that has set in both Japan and South Korea: these formidable economies have been going great guns, but this (itself) has taken its toll by sapping vitality and happiness of the society. At work, many employees in Britain, France, Germany, etc., much like those dissipated and unrestrained...
loafers, consider going to work as the spice of life. As soon as the closing bell rings, they (get up and then) unhurriedly walk back home, enjoying the afternoon sun.

Japan and South Korea are more about overtime culture, deep cleansing, and overcrowded subways that one cannot squeeze in even if one is desperate enough to risk one's life.

Going by the data from the Organization for Economic Cooperation and Development (OECD), among its 38 member states, the German employees work the least in terms of yearly working hours, i.e., it is 1,356 hours a year.

In layperson’s terms, the Germans take half of the year off, and only the remaining half of the year is utilized for work. Hence, in Germany, the average working time per day comes to only 7.4 hours.

On the other hand, South Korea ranks the 35th, second only to Costa Rica and Mexico.

Japanese employees do not seem to work long hours; their working hours are even less than those of their counterparts in Italy and the United States respectively. In fact, Japan’s data is greatly underestimated, because the overtime hours of many employees of private enterprises are not counted.

According to a survey conducted by the Japanese public media NHK, the Japanese people each year work three months more than the Europeans.

The incidents of death and suicide resulting from overwork are getting more and more widespread in Japan.

NHK reported a case in 2018: a female reporter worked nearly 160 hours of overtime within a month's time and finally died of congestive heart failure, barely at an age of 31. Going by the findings of the investigating agency, this female reporter “had piled up a considerable backlog of fatigue and frequent sleep deprivation.”

In 2016, a female employee of Dentsu Corporation of Japan worked non-stop 100 hours of overtime. She then suffered from severe clinical depression. She ended her young life by jumping from her own dormitory. In addition to working long hours of overtime, Japanese employees have to face a rigid hierarchy.
According to a report in Japan’s weekly newsmagazine *New Tide*, in 2015, the boss of an entertainment company, on the grounds that “there are customers today; must do something interesting,” pressed the face of an employee of the company twice into the boiling hot pot.

And the employee did not dare to sue his boss until he resigned three years down the line.

![Image: Photo of the employee whose boss forcefully put his head twice in hot pot](image)

There is a hierarchical system in Japan, but in South Korea, it is a common unified entrance examination system abbreviated as Suneung in Korean; 修能 in Hanja; College Scholastic Ability Test or CSAT, in English).

The Koreans desirous of landing jobs in large Corporations must seek admission in one of the top ten universities in the country, through the country’s entrance examination. Therefore, the South Korean students are generally under far more stress than their Chinese counterparts. Not only do they have to participate in tutoring of various kinds for extra coaching lessons after formal school day gets over, but even burning the midnight oil right until 1 O'clock in the wee hours is also a very common sight.

Even if they (students in South Korea) succeed in entering into large enterprises like Samsung etc, after going through all the hardships, they still cannot be sure of avoiding rigid systems of various kinds as well as exploitation at different levels.

There is an adapted version of *The Little Match Girl* on Internet in Korea, especially dedicated to satirizing the cruelty of the Korean workplace.

The story, *The Little Match Girl*, is about a little matchstick-selling girl who is a regular employee of a company, but her monthly salary is only 1.3 million Won (about 7,800 RMB). As it was too cold when she was selling matchsticks, she lit a matchstick in order to keep herself warm. (Lo!) As a result, her company dragged her to a court of law and sued her

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1 Translator’s note: It is much like the Gaokao (College/university entrance examination system) of China.

2 Translator’s note: It is a well-known fairy tale authored by famous Danish poet and author Hans Christian Andersen.
on the ground of “misusing company property.”

Image: A South Korean student just before taking the college entrance examination

This kind of perverted madness is also a compulsion brought about by the circumstances.

For example, in Germany, too, it is not easy to enter a university. But, universities themselves are far less important to the Germans than they are to the Koreans. Vocational training in Germany is very developed. Going through vocational education, a lot of people can become skilled workers, or even hold managerial positions. And, the salary they get is no way lower than those with a university qualification; nor will they be treated any differently in the job market.

A survey agency collected data on the lifetime income of 740,000 employees in Germany, and found that career earnings of (each of) those German office workers who have worked till retirement, basically surpassed one million Euros.

3. Squeeze inward, (but) look outward for survival

Talking about the reasons behind the difference between Japan and South Korea on the one hand and the developed countries of the West on the other, there is more than one aspect to it. In terms of resources, both Japan and South Korea are island countries, with a lot of people and far less land. Even (sufficiency of) food depends on one's complexion.

Take the example of South Korea; as early as in 2015, its food self-sufficiency rate, including grains used as fodder, had fallen to 24%, which was the lowest among OECD member countries.

Image: A Japanese woman is harvesting grain

As regards scarcity of mineral resources and conventional energy, these are issues that hardly need any re-iteration. Again, a look at the social systems in Japan and South Korea presents a great contrast with
those in the developed countries of the West.

On the question of hierarchy at workplace just mentioned above, it might have become the norm in Japan, but in Europe and America, this is just something unimaginable. Because corporate employees in Europe and the United States depend on trade unions to negotiate with the management, and while striving for higher wages, lower working hours, and personal rights, they all enjoy equal and comparable status.

Although Japan’s lifelong or permanent employment system has already crumbled, the employees’ dependence on the employers still far outweighs the employers demand on the employees. In many cases, Japanese employees are just like an accessory to the leadership.

Moreover, it is the West that has created the modern world systems; other countries are just imitating the former or just cannot help acting according to the rules set by the West.

Compared to those numerous developing countries that have been reduced to appendages or vassals of the modern world systems, the ones displaying a go-for-it spirit of catching up — like Japan and South Korea — can already be termed as successful.

But adoption of this very choice of catching up has foreordained the hardships of Japan and South Korea.

During the past over two hundred years, Japan and South Korea have all along been lagging behind the West, thereby engendering a kind of mindset: adding to the working hours as a means of catching up.

In order to accomplish this, many people do not hesitate to sacrifice their personal activities, hobbies, and even lives.

The governments are also the same. For development of the economy, they would espouse cruel ways. For example, in order to expand the enterprises and enhance their competitiveness in the international market, they will ignore the interests of the majority of their employees.
When you do not have necessary resources and necessary technologies, how do you enhance competitiveness? The simplest way can only be acting domestically and squeezing the welfare benefits of the citizens. Whereas in the Western corporate culture, the developed nations the first-mover advantage. Therefore, the government’s role with respect to governance of these enterprises no longer starts with enhancing competitiveness. Instead it begins with giving larger share of profits realized by these enterprises to their ordinary employees.

Interestingly, it is no longer the large enterprises but the ordinary people, towards whom the legal systems such as the anti-trust legislation and tax distribution are more biased.

4. In reality it is just the difference in the manner one makes money

In the final analysis, the difference between Japan and South Korea on the one hand, and developed countries of the West on the other, lies in how the two look at the division of labour in the industrial world.

If we have a case of two people — each of who has an annual income of 200,000 bucks and one of them lives by relying on rents received and the other by relying on selling blood and liver — naturally, their quality of life cannot be placed at par.

After experiencing the era of voyages by the sea, the wave of colonialism and the industrial revolution, developed nations of the West have accumulated enormous amount of wealth. For example, many European and American countries do not have much of natural resources, yet they have completed their global layout in the age of iron and blood.

Image: The 50 largest oil companies in the world in 2019

The best of resources as well as the most uncomplicated and comfortable industries, even those that can earn
profits while lying down, are in firm control of their hands.

For example, the United States can take advantage of its financial hegemony to suck blood from the world. On the other hand, Europe, which has the right to set prices of its brands, sells them as expensive as possible.

Take high-end luxury goods like Chanel, LV, Prada, etc. for example, these luxury products all mainly come from the two established developed countries – France and Italy.

Image: Globally ten top luxury brand products in the world

Although Japan and South Korea have achieved top positions in the world in some of the industries, most of their profits are hard-earned money.

For example, home appliances and automobile industries have critical homogeneity. Within East Asia itself, one would need to face competition from countries and regions such as China, Vietnam, etc. And, the mutual competition between Japan and South Korea is even fiercer.

Someone did a comparison of China with Japan and South Korea, and pointed out that most of the domestic industries are situated at the centre of a smiling curve, at the two ends of which are Japan and South Korea. In fact, this situational simile would still hold water when one compares Japan and South Korea with the developed countries of the West. It is just that the countries in the middle would become Japan and South Korea.

Moreover, in the global trading system, developed countries of the West are more like consumers than producers. They pay less, gain more and are naturally relaxed.

Most developed countries in the West are countries with trade deficit; they themselves are also end consumers; and most of the products they need, in addition to their own production, come from countries like China, Japan, South Korea, etc. Japan and South Korea end up footing the bill for whatever little time spent, if at all, by the developed countries of the West. The former are typical export-oriented countries, which need to
produce goods far more than their domestic needs, using the excess production for exports and earnings.

Not only just that, even after assuming that Japan and South Korea have the same productivity level as that of the developed countries of the West, the former must be able to churn out high-quality goods that are also relatively inexpensive, in order to be able to enter the markets of other countries.

This focus on churning out good quality goods at lower prices often signifies sacrificing the quality of life of their producers.

Is it then alright that Japan and South Korea are self-sufficient?

The truth is, if Japan and South Korea do not export, they cannot survive. As has been mentioned earlier, Japan and South Korea are extremely deficient in many aspects such as agricultural produce and energy, and with no comparative advantage at all. In case Japan and South Korea dedicate in full whatever limited production capability that they might have, to develop these industries, they will in no way be able to feed themselves.

Thus, Japan and South Korea can only work hard to develop those industries where they enjoy comparative advantages; export those products to earn foreign exchange and then purchase all other resources that they might need domestically.

Finally, the developed countries of the West have already realized necessary capital to get rich, while Japan and South Korea are still stranded at the stage of toiling hard in order to get rich. For example, the largest shareholder of Toshiba Semiconductor, Japan's largest integrated circuit company, is Bain Capital, a private equity investment firm in the United States. Samsung Electronics, the largest profit pool of the Samsung Group, accounts for over 20% of the entire market capitalization of the Korean stock market. According to its shareholding structure in the second quarter of 2020, foreign investors (mostly US investors) account for 54% of ordinary shares and for preference shares, the ratio is even higher and is as high as 84%.
Ever heard of capital begetting wealth or making money lying down? Well, it is hard to think about it easily. On the other hand, toiling hard to get rich, adhering to the routine of “996” day in and day out is also naturally tiresome. (Translator’s note: “996” working hour system is commonly practised by some companies in China. It envisages that employees work from 9:00am to 9:00pm, 6 days a week.)

Interestingly, this also verily mirrors the gap between the boss and the worker.

5. Conclusion

When compared with the developed countries of the West, the income levels in Japan and South Korea are by no means low, but the two countries are still in a development phase where people have to toil hard to earn money.

The former has mastered the most basic of the resources, has formulated the rules of the game, and has conveniently become the referee, too. Although the latter are top students and up-and-coming youngsters, yet they can only make a living by selling their hard work, either physical or mental.

This has scripted, nay foreordained, the tragedy of Japan and South Korea. After all, when others lay down the rules of the game that you have to adhere to, no matter how well you do, you cannot avoid ending up as the loser whose blood will be sucked.

What is even more crucial is the fact that you still cannot do without those rules.

Is this an evil within the developed countries of East Asia, or is this the limitation of the countries that happen to climb up the ladder of development at a later date, or are both of these true?

It is difficult to arrive at an accurate answer. Nonetheless, this is an issue that merits our consideration. At the same time, what is equally true is the fact that the issue is gradually becoming more and more pressing.

Note

All pictures, tables and graphs in the text are from the original article in Chinese - Editor
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