

Chapter 10

Entrepreneurship

Initiatives About Aging: Case of Japan – Cultural Factors of Entrepreneurship

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ABSTRACT

In the last 25 years, Japan has become a very aged society due to several reasons, among them one of the lowest world rates of fertility, natality and immigration, and, on the opposite, the world's longest life expectancy rate. Due to this situation, there's a huge opportunity to new products and services devoted to elder people, which have become to be called aging products and services. Consequently, entrepreneurship in Japan has focused as well on these products and services, and many initiatives have arisen to fill this demand. However, strong cultural factors of the Wa Country limit the development of star-ups and projects related to aging, as regards to other developed countries, as it is reviewed in this work.

INTRODUCTION

The Conceptual Model For Cultural Factors Of Entrepreneurship

The attempts to explain the cultural homogeneity of Japanese companies – and of their cultural factors – frequently make references to Japan's cultural singularity. The academic debate on this subject is undoubtedly the most dynamic among Asian countries and one of the most active in the world. Many authors and scholars have contributed to this debate since the second half of the 19th century. One of the most well-known is Lafcadio Hearn, but he is, by all means, not the only one. There have been many Westerners and Japanese – especially since the Meiji period – that have fallen in love with Japan and have written about the Land of the Rising Sun. The reasons for this go beyond the country's landscape, gastronomy, literature, history, courtesy, and traditions. There is something else, something intangible,

DOI: 10.4018/978-1-7998-2019-2.ch010

a set of widespread, untold values that are passed from generation to generation. They resist and prevail through times of significant social change, as the Meiji restoration or the current period we live in, particularly after the recession that Japan suffered in the 1990s. These values are nurtured by various sources – such as tradition, history, religion, and regulation – and they are preserved within society in an incredibly homogenous manner.

Scholars of the cultural singularity in Japanese companies frequently contribute with a large number of cultural factors brought about by tradition and history. To explain different aspects of corporate management, and according to each study's approach, the emphasis is put on some factors or others. A lot has been written about these cultural factors, especially at reaching conclusions from specific cases (Kneller, 2007; Aoyama, 2009). However, any kind of cross-country analysis of these cultural factors has been much less widely published, with some rare exceptions (Suzuki *et al.*, 2002; Sagie *et al.*, 2003).

Indeed, the goal of this chapter is to fill this gap, enhancing knowledge about Entrepreneurship with a cross-country analysis on the impact of cultural factors, using models and data from Global Entrepreneurship Monitor (GEM), Global Report (2017). Suitability to use the GEM framework is based on previous works, such as those by Bygrave *et al.* (2003) and Sternberg and Wennekers (2005).

Based on the GEM model, this chapter develops a cross-country analysis of GEM metrics onto its six areas, showing some evidence that could seem paradoxical. In more detail, it is seen that the US leads most of the indicators, and China has become an emerging star, but it is not easy to understand some of Japan's indicators unless some non-explicit factors are taken into consideration. Furthermore: what is behind such low rates in Japan regarding Self-Perceptions and Societal Values towards Entrepreneurship that strongly impact Aging initiatives? What is different in Japan with regards to others that affects so dramatically on these indicators, pointing out a singular path regarding Entrepreneurship among the rest of the most developed countries, and consequently leading to a very different ecosystem?

An attempt to answer to above questions is developed in the last paragraph of this chapter, which explains why metrics in Japan show such low values, proposing answers based on Japan's own geographic, historical, and mind-set features.

GEM Model. Methodology

The GEM model is a potent tool with an extensive set of data about features of entrepreneur attitudes and ecosystems, which gives data and metrics on the following six areas, getting information from experts in every country: Self-perceptions of entrepreneurs, Activity of entrepreneurship, Motivation, Impact, Social values, and Ecosystem. Furthermore, research carried out in this chapter has focused on cultural factors among several relevant countries, Western and Eastern, setting up a benchmark among them. Particular focus has been placed on Japan, because of its nature as an *hapax legomenon*¹ country, that lets us better appreciate the impact of these factors. Other relevant countries have also been chosen according to three criteria: firstly, belonging to the Eastern Asia block (Japan, China and Korea), secondly being generally regarded as a first comer industrial nation (UK, USA, and Germany), and finally Spain, because of its position as a mid-income country in the Western area. This selection is consistent with previous works since the seminal paper of Barro and Sala-i-Martin (1992).

As is explained in the actual GEM Global Report (2017, p. 13), it highlights: “the diverse profile of entrepreneurship around the world, revealing areas that can be addressed through policy and practice.” Based on the findings of the Report, it is possible to make several broad, globally relevant recommen-

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