Proceedings of CONF-BPS 2026 Symposium: Innovation, Finance, and Governance for Sustainable Global Growth
DOI: 10.54254/2754-1169/2026.BJ31456

A Cross-National Comparison of Job-Search Anxiety in China and the United States and the "Anti-Job-Hunting" Culture in Japan

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Abstract. This study investigates the evolution of youth job-seeking willingness amid cyclical economic downturns by measuring cross-national effects on job-search anxiety in China and the United States, as well as the development of Japan's "anti-job-hunting" culture. Rooted in labor economics and macroeconomic theory, the paper conceptualizes job-seeking willingness as a labor supply decision influenced by expected wages, reservation wages, and intertemporal choices. This economic framework is integrated with perspectives from social psychology and feminist economics, which highlight the critical roles of psychological costs and gendered constraints in shaping labor market decisions. The paper draws on secondary sources, including policy papers and empirical examinations of similar macroeconomic shocks, to demonstrate how cyclical economic downturns elicit distinct labor market responses in the three countries. Results suggest that, although overall labor demand tends to decrease during slumps, differences in expectations of future growth, market institutions, and social norms drive anxiety-driven persistence in China and the United States, while contributing to the labor market exodus in Japan. By connecting economic incentives to psychological and structural constraints, this study proposes an integrative framework that contributes to youth labor market research and offers nuanced, context-sensitive policy insights for reducing job-search anxiety and enhancing labor market matching efficiency across different institutional settings. These patterns motivate a closer examination of how expectations and institutions shape youth job-seeking behavior across national contexts.

Keywords: Youth Employment, Job-search Anxiety, Labor Market Withdrawal, Economic Downturn, Cross-national Comparison

1. Introduction

1.1. Research background

A general downturn in the economy is characterized by falling labor demand, heightened macroeconomic uncertainty, and intensified competition among labor markets. Young people are disproportionately affected, as they are labor market entrants lacking experience, firm-specific

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DOI: 10.54254/2754-1169/2026.BJ31456

human capital, and consequently, bargaining power. International evidence indicates that youth unemployment rates exceed population-wide rates, and youth labour force participation declines more steeply during economic downturns [1]. These trends suggest that recessions impact job prospects and young people's willingness to actively participate in the job market. Economically, the willingness to seek employment is an outcome of both labor supply and work participation, influenced by anticipated wages, job search costs, and expected future income. In recessionary times, employers are less willing to hire, wage increases have stopped, and therefore, the expected return to the job search is reduced. Furthermore, uncertainty about economic conditions increases the perceived risks of entering the labour market. These influences intersect to modify the labor versus leisure trade-off, frequently causing youth workers to postpone employment or extend their employment search periods. Recent interest in youth job research has been growing, and changes in general public opinion have been observed. In China and the United States, more sustained job searches, slower labor market access, and a growing sense of job-search anxiety have emerged as everyday experiences for young people. In Japan, some young people scale back (or retreat completely) from traditional employment, forming an "anti-job-hunting" culture [2]. Conceptually, both "job-search anxiety" and "anti-job-hunting" represent critical manifestations of altered job-seeking willingness—the former an internalized cost of persistent engagement, and the latter a behavioral outcome of disengagement. This willingness is the pivotal dependent variable this study seeks to explain. The divergent responses suggest that the willingness to seek employment is determined not only by specific labor market variables but also by expectations, institutions, and perceived externalities of employment. Early labor market experiences are especially impactful; economic research shows that delayed entry into the labor market and prolonged periods of unemployment can lead to scarring, including decreased lifetime earnings, slower accumulation of human capital, and increased vulnerability to future economic shocks. Therefore, the study of young people's employment-seeking behavior during stress is crucial for understanding labor market efficiency, equilibrium, and long-term economic growth.

To situate this study within the broader academic discourse, it is essential to review how existing literature has conceptualized and investigated the nexus between economic cycles, youth labor markets, and individual behavioral responses.

1.2. Literature review

Most empirical studies about youth employment have concentrated on unemployment rate, wage outcomes, and labour demand shocks. Based on relatively low work experience and limited firm-specific human capital, recent empirical research finds that young workers are more exposed to negative labor-demand shocks because their ability to adjust to cyclical fluctuations is weaker. Blanchard examined macroeconomic fluctuations and concluded that youth employment is more sensitive to business cycles compared to prime-age employment, which can be attributed to differences in hiring and firing costs between generations [3]. Recent studies have expanded this body of work by analyzing how people search for work in the labour market and what behavior will become associated with labor market participation. Mortensen and Pissarides pointed out that job-market frictions and reservation wages are pivotal for unemployment duration, especially for young, entryprising labor market workers [4]. When expected wages decline without a change in reservation wages, the length of the job search increases. The author added that the presence of structural changes and labor market polarization raises uncertainty for young workers, thereby contributing to underemployment and volatile career paths [5]. Cross-national research has noted the importance of institutional context. Genda's examination of the Japanese labor market revealed that

DOI: 10.54254/2754-1169/2026.BJ31456

years of wage stagnation and restricted career mobility decrease the lifetime expected return to work, leading some young people to leave the labor market [6]. OECD reports also identify the growing prevalence of non-regular employment and declining youth participation in Japan, while noting stable job-search activities in the United States despite comparable macroeconomic conditions [7]. These findings suggest that comparable economic shocks produce different behavioral consequences influenced by institutional arrangements and expectations.

1.3. Research gap

While youth unemployment and labor market outcomes have been extensively studied, two major gaps remain. First, labor economics describes how economic downturns impact wages and employment probabilities, while comparatively little attention has been paid to shifts in job-seeking willingness and the psychological costs that accompany lengthy job hunting. Secondly, comparative studies typically examine single-country experiences and rarely consider how economic mechanisms interact with social and institutional factors to explain cross-national differences. Research on this subject has been limited compared to the comparison of job-search anxiety in China and the United States, as well as labor market withdrawal in Japan, within a unified analytical context. This study posits that bridging these two gaps requires an integrative lens that treats job-seeking willingness not as a mere outcome variable, but as a central decision node where economic calculus, psychological burdens, and institutional filters intersect. These gaps in comprehension of how expectations of future income, institutional structures, and non-monetary costs inform the joint formation of youth labor market participation during economic downturns.

This study responds to these gaps by developing a comparative framework that integrates economic mechanisms with psychological costs.

1.4. Research framework

To address the gaps in the literature, this paper builds on existing work through an integrative research framework that combines labor economics, macroeconomic analysis, and complementary insights from social psychology and feminist economics. First, it examines how economic downturns impact expected wages, reservation wages, and labor supply decisions among young workers. Second, it examines the mediating roles of psychological costs and gender constraints in employment-seeking behaviour. Third, a comparative analysis is conducted to examine how institutional disparities and expectations lead to divergent labor market reactions in China, the U.S., and Japan. In doing so, the research aims to account for variations in young people’s willingness to seek work and to make empirically useful policy inferences. Methodologically, this framework is operationalized through a comparative case study design, leveraging secondary data and policy analysis to triangulate evidence across the three national contexts.

The following sections apply this framework to three national cases and evaluate their implications for labor-market policy.

2. Case description

2.1. China: high expectations and the anxiety of prolonged search

China provides a useful case study due to its large graduate population and recent labor market tightening. The Chinese case illustrates how high growth expectations collide with structural and cyclical pressures, leading to intense job-search anxiety. This dynamic can be analyzed through the

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lenses of economic incentives, psychological costs, and strong socio-institutional drivers. The recent economic slowdown in China, along with the reordering of industry and the growing popularity of higher education in the country, has fueled competition in the youth labor market. Official statistics indicate relatively persistent high youth unemployment levels, particularly among recently graduated university students, reflecting both cyclical and structural pressures. At the same time, the number of recent college graduates entering the labor market is increasing, creating more competition for a limited number of entry-level jobs. Job-searching continues, but anxiety has become an ever more defining feature of the process. Decreasing economic growth has diminished the supply of stable and well-paid jobs, and credential inflation has increased job quality expectations. From an economic standpoint, these conditions widen the gap between reservation wages and prevailing market wages, thereby prolonging the duration of job searches. This persistent gap is not merely a wage issue; it reflects deeply held expectations about the returns on education (human capital investment) and the perceived social status associated with certain jobs. The reluctance to lower reservation wages thus becomes a rational, albeit anxiety-inducing, response to these internalized expectations.

The high level of family anticipation and social ranking mechanisms further reinforce students' felt costs of failure, and job search becomes perceived as a stressful (psychological) and economic condition.

2.2. United States: flexible institutions and the anxiety of precarious engagement

Youth labor market dynamics in the United States feature a balance of flexibility and insecurity. Even as aggregate unemployment rates rebounded relatively quickly from recent slowdowns, many young workers continue to struggle with underemployment, job insecurity, and substantial student loan burdens that increase the opportunity cost of accepting low-wage or uncertain employment. And young Americans, rather than withdrawing from the labor force, are likely to be re-entering the job market. Flexible labor market institutions and high expected long-term returns from a labor economics perspective are why people remain in the labor market despite the uncertainty. But this persistence comes with job-search anxiety in the form of frequent moves, extended search durations, and anxiety about future earnings. The very flexibility that allows for job mobility and re-entry also normalizes employment precarity. This institutional setup individualizes labor market risks, transferring the burden of uncertainty management onto young workers themselves, which is a core source of the pervasive anxiety. These dynamics illustrate how institutional flexibility can enable participation to endure while simultaneously producing psychological stress.

2.3. Japan: stagnant expectations and the rationale of market withdrawal

Japan is a different story, shaped by longstanding economic malaise, wage inflexibility, and workplace demands. Although official unemployment statistics are lower, youth labour force participation rates have stagnated, and non-standard employment has increased [8]. For decades, wage growth has been modest, with limited expectations of lifetime returns. This stands in stark contrast to the growth narrative prevalent in China and the high long-term return expectations in the U.S. Here, the intertemporal calculus fundamentally shifts: the potential future gains from an extended job search (or from holding any particular job) are perceived as too low to justify the present costs of intense participation. In this context, some young people rationally moderate or decrease job search intensity through rationality or abandon conventional pathways of finding employment altogether. This "anti-job-hunting" orientation appears to represent a reappraisal of the

DOI: 10.54254/2754-1169/2026.BJ31456

economic and psychological benefits of work. From an intertemporal perspective, further job search may lead to relatively low marginal gains relative to costs. In light of this, reduced participation appears not as a sign of disaffection, but rather as a response to long-term economic malaise.

3. Analysis of the problem

3.1. Positive impact of Japan's "anti-job hunting" culture

3.1.1. Decreasing inefficient job search frictions

From an economic perspective, excessive job search under weak labor demand can create inefficiencies. In Japan, less intense job-search intensity for some young people might help reduce search frictions and psychological costs in cases of persistently low expected return. When one places time in training, caregiving, or another job, they avoid chronic exposure to a low-probability job pairing [6]. It is a welfare improvement response in the face of a limited labor supply.

3.1.2. Rational adjustment to expected lifetime income

The two-period labor supply model emphasizes the importance of expectations in decisions to participate. If the expected future wage and career mobility are restricted, further job search may generate diminishing marginal returns. Japan's "anti-job-hunting" culture is a sensible accommodation to pessimistic expectations of lifetime income and, hence, a decrease in welfare costs linked to unrealistic job prospects [3]. This rational economic calculus is further reinforced by specific social norms in Japan that offer alternative, non-stigmatized social roles (e.g., prolonged education, family caregiving, or freelance work), which provide a culturally sanctioned "exit" option not equally available or valued in the other two contexts.

3.2. Problems identified: job-search anxiety in China and America

3.2.1. The rigidity of reservation wages and prolonged search

Reservation wages in China and the United States, for example, remain high despite falling market wages. The need for higher education costs, future return expectations, and family pressures all contribute to this rigidity. That is, young people have a prolonged search for employment. It lengthens the hours of unemployment and increases psychological suffering [4,5].

3.2.2. Psychological costs and labor supply distortion

Job-search anxiety is a non-monetary cost that distorts labor supply policy decisions. Prolonged uncertainty and repeated rejection lower individuals' self-efficacy and contribute to stress, lowering search efficiency. These psychological costs heighten the implied cost of entering the labor market, which may lead to undesirable outcomes in settings with job opportunities [5].

3.2.3. Constraints on gender and distribution of costs

From a feminist economics perspective, labor market risks and psychological costs are distributed unequally. Gendered expectations and responsibilities around unpaid care further increase the opportunity cost of long job searches for young women and worsen anxiety during economic

DOI: 10.54254/2754-1169/2026.BJ31456

contractions [9]. Such intersectional restrictions also exacerbate structural inequality in labour market participation [10].

3.2.4. Divergent sources of anxiety: structural vs. individualized pressures

While both nations exhibit anxiety-driven persistence, the primary drivers differ. In China, anxiety is heavily structurally mediated, stemming from intense competition for a limited number of high-status positions, credential inflation, and strong familial expectations that collectively inflate reservation wages and perceived costs of failure. In the U.S., anxiety is more individualized and institutionalized, arising from a flexible labor market that transfers risk onto workers, coupled with high personal debt (e.g., student loans), which necessitates continuous engagement despite precarity.

3.3. Synthesizing the divergence: a comparative framework of economic, psychological, and institutional drivers

3.3.1. Gaps in expected return on wages

China and the U.S. have relatively higher expected future job opportunities and high future returns to their respective workplaces, which would require continued participation in such an environment of anxiety. On the other hand, Japan's protracted period of economic recession significantly reduces expected lifetime earnings, making withdrawal from the labor market an economically attractive alternative [3,6].

3.3.2. The mediating role of culture and institutions

Outsiders are responding in some ways to an economic downturn, but their responses are mediated by labour market institutions and social norms. U.S. job markets are flexible, which allows for job searching, while Japan's social tolerance for non-participation reduces the stigma associated with withdrawal. In China, heightened familial expectations support continued engagement despite increasing stress.

3.3.3. Consequences for the labor market of youth

These differences suggest that economic incentives, institutional context, and social norms collectively influence the willingness of young people to seek employment. Persistence in the face of anxiety and withdrawal from the labor market are alternative approaches to similar macroeconomic problems. Proposals: Implications for Economic Policy. To this end, this article offers economic-related suggestions that alleviate youth job-search anxiety and the tendency to seek new and unwanted work during recessions and periods of high job search pressure. This means greater efficiency in the labor market and less distortion of labor supply decision-making, resulting in lower long-run welfare losses. Every policy recommendation provides remedies to the aforementioned problems described in Section 3.

4. Suggestion

Based on the comparative problem analysis, policy interventions must be context-specific yet structured around common leverage points. This section proposes a tiered policy framework, progressing from direct market interventions to address immediate frictions (Level 1), to incentives

DOI: 10.54254/2754-1169/2026.BJ31456

aligning individual and market expectations (Level 2), to long-term capacity building (Level 3), and finally to systemic risk-sharing mechanisms (Level 4). Each tier contains tailored recommendations for the distinct challenges faced in China, the United States, and Japan.

4.1. Level 1: mitigating market frictions and information asymmetry

A primary driver of prolonged search and anxiety in China and the U.S. is inefficient job matching due to information asymmetry and high search costs. Policy should focus on reducing these frictions. The most significant underlying problem in terms of job-search anxiety among young people in China and the United States is the lack of efficient job matching, resulting in a large mismatch between job seekers and the available jobs in the market. From a labour economics perspective, increased search frictions extend periods of unemployment and may push up the financial and non-financial costs of obtaining a job. In downturns accompanied by lower employment levels, information asymmetry intensifies, making hiring decisions for employees more opaque, and potential job seekers face greater uncertainty regarding pay opportunities and job security. Governments can help alleviate these frictions by bolstering public employment services and establishing transparent employment reporting. Information that is timely and accurate about vacancies, wage distributions, and skills development can decrease job uncertainty and keep the costs of job searches low in the long run [4]. Improved matching efficiency, meanwhile, not only shortens the duration of unemployment but also the anxiety of long periods of job uncertainty. Additionally, greater collaboration would facilitate easier transitions between school/work for schools and companies. Internships, apprenticeships, and structured entry-level placements enable young employees to build job-specific human capital at a lower cost to firms during the hiring process. Such arrangements are especially important in the face of downturns, because they maintain labor market attachment and prevent skill depreciation.

4.2. Level 2: aligning wage expectations and reducing reservation wage rigidity

Another big cause of job-seeking anxiety is the chasm between reservation wages and what the market is offering. When economic conditions come to a standstill, demand for work declines, wages stagnate, and expectations for future income remain relatively stable or close to it. This divergence leads to extensive time lost during a job search, as well as postponed labour market entry. Targeted wage subsidies for entry-level jobs can reduce the reservation wage gap by increasing the effective wage received by early-career workers. Economically, these subsidies raise the projected return to work but do not fundamentally change wage systems [11]. Temporary tax incentives can increase the labor supply and decrease training costs for companies with temporary tax holidays. This allows younger people in hiring to employ younger individuals in specific roles. In Japan, policy must aim to alter the fundamental expectation of low lifetime returns. This can be achieved by subsidizing and incentivizing the conversion of non-regular to regular employment, and by legislating for transparent, skill-based promotion pathways within firms to enhance long-term career mobility and wage growth prospects. Skill-based promotion in the form of opportunities will significantly enhance expected lifetime income increases and reduce job churn, which in turn leads to fewer labour market exits in the future. Lower job churn may help reduce turnover. The wage-based interventions also enable entry earlier in countries like China and the U.S., where the labor market is more general and less rigid, but they have permitted more flexibility over the longer term.

DOI: 10.54254/2754-1169/2026.BJ31456

4.3. Level 3: building adaptive human capital and reducing skills mismatch

When the economy is in recession, gaps between educational provision and job market demand are often exposed. And when young individuals perceive that their skills are not well-suited to meet the needs of employers, projected wages for employment drop, which provokes worry and discouragement. Such a mismatch may be reduced by investing in vocational education, reskilling, and industry-specific certifications. From a time-temporal perspective, prospective employability increases the expected return of an ongoing job search and the supply of labor incentives as a consequence [3]. Training programs that are both inclusive and publicly supported will help reduce inequality in access to skills development — and more so, access that is increasingly less available to disadvantaged groups. This investment is especially important for young women, as they face higher opportunity costs (i.e., unpaid care work). Flexible training hours and supportive systems, which may involve providing childcare, also have the potential to lower participation costs and minimize women's gendered stress in the job search process [9].

4.4. Level 4: strengthening institutional buffers and social risk protection

Institutional responses should be bifurcated: strengthening social safety nets to mitigate the anxiety associated with participation, and reforming labor market structures to enhance the attractiveness of participation.

The existence of institutional support is a key predictor for a labour market that is expected to seek employment during financial downturns. Increased unemployment insurance, job-search assistance, and revenue support programs could also address the direct impact of income risk and psychological distress associated with entering the labor market.

1. Strengthening Social Safety Nets (China & the United States): Enhanced unemployment insurance, robust job-search assistance allowances, and subsidized healthcare for the unemployed can directly buffer income shocks and reduce the perceived psychological risk of entering or re-entering the labor market. These measures help sustain job-search activity during downturns by lowering the immediate cost of failure.

2. Reforming Labor Market Institutions (Japan): Policy must focus on dismantling labor market dualism and improving long-term prospects. This includes enforcing and incentivizing the conversion of non-regular to regular employment, implementing policies that reduce the segmentation between contract types, and supporting firm-internal training and certification programs that guarantee wage progression. The objective is to increase the lifetime expected return of being in the labor market, making participation a more attractive calculus than withdrawal.

5. Conclusion

5.1. Summary of key observations

This comparative study reveals a fundamental divergence in how youth in China, the United States, and Japan adjust their job-seeking willingness in response to economic downturns. Findings showed that an economic slowdown shrinks labor demand and employment, lowers anticipated wages, and increases insecurity and uncertainty during downturns. The analysis concluded that, as a result, young people would typically recalibrate their options, supply, and participation in the labor market. Expected future returns are typically high in China and in the U.S., but the psychological expectations in those societies create opportunities in which anxiety promotes persistence in finding

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good jobs. By contrast, Japan's long-term lack of growth has a negative impact on expected lifetime earnings, as it pushes people out of the labor force. Integrating labor economics with topics on social psychology and feminist economics, the paper treated job-search anxiety as a non-financial cost of bias in labor supply choice and welfare loss.

5.2. Research significance

This study contributes to the literature by moving beyond isolated economic or psychological explanations to propose an integrative framework that accounts for cross-national behavioral divergence. It validates the necessity of incorporating institutional and socio-psychological mediators into core labor supply models when analyzing youth in economic stress.

The findings have direct policy relevance. They caution against one-size-fits-all interventions and instead advocate for targeted strategies: alleviating anxiety in China and the U.S. through enhanced job matching and social buffers, and raising expected returns in Japan through labor market reforms that improve career mobility. This approach aims to optimize labor market efficiency and mitigate long-term scarring.

5.3. Limitations and steps forward

A primary limitation of this study is its reliance on secondary data, which restricts the ability to establish causal relationships or capture nuanced subjective experiences. Future research should employ primary data collection—such as longitudinal surveys or in-depth interviews—to directly measure the dynamics of job-search anxiety, reservation wage formation, and the subjective weighting of institutional pressures over time. This would enable stronger causal claims and a deeper understanding of the decision-making processes behind the observed national patterns. Longitudinal data beyond those obtained to measure long-term effects, such as the impact that early labor market experiences have on career trajectory in terms of career employment and income.

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