

Paper

Dealing with Depopulation in Japan

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Abstract

How Japan deals with depopulation in the coming decades will determine important fundamental characteristics of the nation. Will the nation move toward a more relaxed immigration policy in an effort to sustain the population and economic productivity? Or, will it deal with depopulation according to the status quo? Regardless of which direction the nation takes in terms of policy change, there is little doubt that as the present demographic trend continues, future generations will observe a much different Japan than we see today.

Key words and phrases

immigration, dependency ratio, economic productivity, fertility rate

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Introduction

This essay addresses how Japan might deal with depopulation, which is expected to progress throughout the present century. Careful consideration will be given to the controversial issue of immigration as a means to sustaining the population, particularly that of the working-age group. If Japan is going to maintain its current level of economic productivity, then it will need to maintain its population.

Other aging nations experiencing depopulation, such as Germany, Italy and Spain sponsor policies which encourage a steady flow of immigration, and have populations with much higher ratios of registered foreigners than Japan. By contrast, apart from Japan-born, non-Japanese nationals, such as ethnic Koreans and Chinese, registered foreign nationals account for less than 1% of the total population, far less than the migrant populations of other industrialized nations (Coulmas 2007). The primary reason for this is that the Japanese government maintains a strict immigration policy by tightly controlling the ability, particularly of unskilled foreigners, to live and work in Japan.

There have been recent statements by government officials expressing the need for increased immigration in reaction to the present demographic crisis, and in the interest of Japan's reputation as a responsible member of the community of nations. However, these statements have not materialized into practical steps toward policy reform (Coulmas 2007). Two methods by which the government might deal with the issue of depopulation will be examined: 1) open the borders to

migrants as a means to replenish the (working) population; or 2) maintain the status quo and cope with population imbalance and depopulation independently. These possibilities represent an important dilemma that is crucial to the nation's future, and each respective scenario implies profoundly different socioeconomic changes.

1 Mass Immigration

Considering the present aging trend and the increasingly heavy dependency ratio--the number of elderly dependent on the number of workers supporting them--some experts predict that Japan will be forced to move towards a less restrictive immigration policy and allow not only skilled, but a wide range of workers into the country. Japan's ability to maintain economic relevance may hinge on its ability to grow by seeking help for other nations (Coulmas 2007; Harlan 2010). In the following statement, the Japan Business Federation (*Nippon Keidanren*) stresses the potential of immigration to rejuvenate and diversify Japan, and encourages making the country more welcoming for foreigners:

Non-Japanese who come to live in this country will bring diverse viewpoints and talents. Japan must create an environment where foreigners can actively participate in economic and social activities. On an individual level this will require greater tolerance towards diversity; on the administrative level, the government must open Japan's doors to people from around the globe so that they can display their ability in this country.

(Nippon Keidanren 2003:7)

Immigration may be the only controllable variable that could supply the country with young foreign workers and decrease the burden on the present younger generation who is likely to face heavy financial and social responsibility. A steady supply of young workers could not only contribute to Japan's tax base, but offer fresh ideas, innovation, and creativity (Colby 2004). A revolutionary change in immigration policy, which allowed a controlled influx of immigrant workers at all levels, could help guide the nation and alleviate the severity of the demographic challenges at hand.

Relaxing policies that would permit large-scale immigration has been referred to as the big option. Immigration at this level may encourage the notion of a dynamic Japan in which economic growth would not be deterred by depopulation of Japanese nationals. To compensate for the natural rate of depopulation, and to maintain Japan's current economic position, would require hosting hundreds of thousands of immigrants annually. The government would need to accept over 20 million immigrants in the next 50 years resulting in a drastic increase in the nation's ethnic minority population. This may require fundamental change in attitudes, and how the nation has traditionally viewed *gaikokujin* (foreigners). Japan would need to move toward viewing itself as land of opportunity, which prohibited discrimination, guaranteed equal opportunity, and judged people on their merits regardless of ethnic origin. It would be required to move away from valuing homogeneity and fear of individualism, and begin to accept and value individual differences (Sakanaka 2005). Some believe the time has come for Japan to open its borders, and that a steady controlled flow of immigrants could give Japan more flexibility in how it does business in today's global economy; terminate its reputation as homogenous, insular, and xenophobic; and make the nation a more "colorful" and diverse member of the international community.

2 Mass Immigration Problems

Increased immigration would be, in theory at least, the most logical means to sustaining Japan's population and economic productivity. This ideal, however, faces many obstacles. Unless there is a massive policy shift, it is doubtful that anything remotely close to population-replacement level immigration will come to pass. The government seems quite comfortable with the 278,000 skilled workers and there have been calls for the acceptance of more white-collar workers as former Prime Minister Naoto Kan announced a goal to double the number of foreign professionals within 10 years (Harlan 2010). However, the reality concerning mass immigration is this: the notion of welcoming countless minority groups and tens of millions of foreigners to settle on the Japanese archipelago stirs up deep national anxiety (Zeilenziger 2006). Public surveys indicate profound misgivings concerning the idea of inviting multitudes of foreign to become neighbors. And in light of Japan's homogeneous history, it is not surprising that homogeneity is accepted as status quo. In 2007, Education Minister Bunmei Ibuki called Japan "an extremely homogeneous country", and in 2005, soon-to-be Prime Minister Taro Aso, described his country as "one nation, one civilization, one language, one culture, and one race" (Burgess 2007). However, equally indicative of the nation's acceptance of homogeneity as the status quo was the implicit affirmation of the mainstream media and general public, as these comments went uncontested.

Surveys indicate that it may be easier to persuade the Japanese people to have more children to offset population decline than to convince them to embrace mass immigration. A June 2010 poll asked citizens about accepting immigrants to sustain economic vitality, and found that 26% favored the idea and 65% opposed it (Harlan 2010). Part of this apprehension stems from the belief that mass immigration would bring social disorder and would threaten public safety. Some argue that unskilled migrants are more likely to be poor, and may have a greater tendency toward involvement in illegal activities (Coulmas 2007). A 2006 Cabinet Office survey found that 84.3% thought safety had worsened over the past 10 years, with 55.1% attributing this to a higher crime rate among foreigners (Burgess 2007). There seems to be deep misgivings associated with the idea of permitting large-scale immigration, and it is feared that this would be the start of an irreversible flow of unassimilated foreigners who would threaten the country's public safety, social cohesion, and unique culture.

3 A Test Case

On 1 June 1990, a revision in the Immigration Control Law partially relaxed the nation's immigration policy. This shift was a compromise position between the government's previous close-door policy, which excluded unskilled foreign workers, and a strong labor demand for workers in industries that were short-staffed, yet whose jobs were unattractive to Japanese, and fell into the three-K job categories of : *kitsui* (hard), *kiken* (dangerous), and *kitanai* (dirty). This revision granted unrestricted labor and residential rights to descendants of Japanese, and their dependents, which, early in the 20th century, migrated to Latin American countries with heavy concentrations in Brazil and Peru. Labor demand continued to drive this trend for the next two decades swelling the population of *nikkeijin* (Japanese descendants) from 175,118 in 1993 to the present number of approximately 366,000, making them the third largest group of registered aliens after Koreans and Chinese (Tipton 2008; Sellek 1997). Though Japan had, for the most part, barred work visas to unskilled workers, the move to permit entry of *nikkeijin* was defended on the grounds that racial purity would be

maintained. An official publication of the ruling Liberal Democratic Party stated:

People opposed to the idea of introducing foreign laborers into Japan say that such a move will cause the ethnic structure of our nearly racially homogeneous society to deteriorate. However, they will probably agree to the idea of bringing in foreign nationals who, owing to their Japanese ancestry, are thoroughly acquainted with Japanese customs.

(Chapple 2004:10)

The implication of this statement is that regardless of their cultural orientation, since *nikkeijin* are Japanese “blood” relatives they will assimilate smoothly into the society of their ethnic origin. Unfortunately, assimilation has not gone as smoothly, and Japanese society has not been as accommodating as officials had hoped. Instead, *nikkeijin* have formed a new minority and have tended to settle in clusters preserving their South American language and customs (Chapple 2004). In cities such as Hamamatsu, Shizuoka and Oizumi, Gunma, they have come to represent a startlingly high percentage of the local population— even in the double digits—and have begun to change the face of their local communities by setting up businesses, churches, schools and other establishments to serve the *nikkei* community (Debito 2006).

In 2009, amid decreased labor demand blamed on the recession-racked manufacturing industry, the government began to show a change of heart toward their South American descendants, and began to encourage repatriation of *nikkeijin*. The government agreed to provide airfare, plus thousands of dollars per dependent, to return *nikkeijin* families home under the condition that they would be restricted from returning for work for a specific period (Tabuchi 2009). Jiro Kawasaki, a former health minister and senior lawmaker of the ruling Liberal Democratic Party, stated:

the economic slump was a good opportunity to overhaul Japan’s immigration policy as a whole. We should stop letting unskilled laborers into Japan. We should make sure that even the three-K jobs are paid well, and that they are filled by Japanese. I don’t think that Japan should ever become a multiethnic society.

(Tabuchi 2009)

An investigation of the acceptance of *nikkeijin* may be an important test case and useful in predicting the various social costs that might be associated with the settlement of other migrant workers. Japan’s dealings with *nikkeijin* seems to imply at least the following positions: 1) maintaining racial purity is paramount 2) social harmony and cultural orientation are closely connected to ethnicity, and this assumption was a strong factor in accepting entry of these immigrants 3) an exception can be made for permitting entry of migrant workers only when there is a severe labor shortage, and 4) when labor demand for these immigrants falls, they are not welcome anymore. These implicit assumptions embody the statement of one *nikkeijin* worker who accepted the government’s offer to repatriate with his family: “We worked hard; we tried to fit in. Yet they’re so quick to kick us out. I’m happy to leave a country like this” (Tabuchi 2009). Government officials have surely learned from relaxing its immigration laws, and the experience with immigration of *nikkeijin* has likely discouraged, not encouraged, a more liberal immigration policy toward unskilled workers in the future.

The Japanese government’s experience with *nikkeijin* highlights the importance of whether Japan, if it were to relax immigration laws, *could keep* the foreigners that it wanted—skilled or unskilled. Non-Japanese face many inequalities and there are no strict laws which ban discrimination. Non-Japanese workers often have “foreign” contracts which tend to be limited in time, renewability,

and opportunity for advancement, and foreign employees are commonly left out of important company decision-making processes. As one American, who spoke perfect Japanese and had lived in Tokyo for thirty years observed: “the clearest sign of a crisis brewing inside [my] own company was when senior management held meetings and excluded [me]. My loyalty and my knowledge are never questioned, but I’m always outside the tent looking in” (Zeilenziger 2006:280). While this kind of exclusion may not be intended to offend, it creates an unwelcome climate, can cause feelings of exclusion and inadequacy, and may encourage an “us versus them” mentality between Japanese nationals and foreign workers. Such differentiation may be enough to drive many desperately-needed expatriates back home.

4 The Status Quo

Presently, the government does not seem inclined toward an immigration policy shift that would favor mass immigration. While debate persists between those who call for a more open policy and those who are opposed, it is realistic to assume that the status quo will continue, and Japan will embrace population decline without seeking substantial outside help in the form of foreign immigrant workers. In support of this assumption Chapple states:

It is fair to say that Japan’s attitude towards foreign immigrants has been one of exclusion, containment and control rather than one that attempts to build a society in partnership. Until this situation is drastically improved there is little hope of immigrants being allowed (or willing) to make up even a few more percentage points of the nation’s overall population....it is highly dubious as to whether society is ready or has been prepared for any immediate change in the status quo. Consequently, there seems little hope of non-Japanese supporting Japan’s population in the immediate future.

(Chapple 2004:11)

An alternative to the big option, the small option implies that depopulation would run its course and the government would attempt to meet the demographic challenges as the population contracts. Japan would accept the formation of a more laid-back, compact society and the public would prepare itself for a reduction in economic productivity, and accept more social responsibility as the dependency ratio becomes heavier (Sakanaka 2005). The nation would need to maximize labor potential by drawing more women and elderly into employment and through the redistribution of personnel.

The small option lends itself to Japan’s national strength of cooperation, social cohesion, and self-restraint (*jishshuku*) in times of crisis, as shown most recently in the aftermath of the Great East Japan Earthquake. This national character strength helped Japan rapidly modernize, rise quickly from the postwar ashes, experience miraculous industrial growth, and become a global economic power. Society would, once again, need to apply this strength, making the most efficient use of its social networks to place workers of all types where, and in what capacity, their skills could be utilized most effectively. The younger working-age population would be required to sacrifice more personal prosperity in the form of making higher public contributions to support the large ratio of elderly.

If the Japanese population could vote on it, the majority would perhaps choose the small option of a contracting nation, over a more international and culturally diverse one. Zielenziger (2006:283) argues that “Japan could well bury any lingering dreams of global, or even regional, superiority and choose instead to turn itself into an Asian model of Switzerland, a peaceful, relatively prosperous,

insulated, and increasingly irrelevant nation, a quiet and stable second-ranked power.” Continuing the status quo would require the conscious acceptance of a declining GDP and likely reduction in personal wealth. However, most would, perhaps, prefer to make this sacrifice, than to risk a drastic destabilizing change, such as opening the borders to the international community, which would alter the nation’s cultural landscape and threaten its homogeneous tradition. Adherence to the small option would provide Japanese citizens with at least some idea of what to expect, and how to prepare themselves accordingly for the continuing demographic challenges of population aging and decline. There is likely far more anxiety associated with opening the borders to population-replacement levels of immigrants for the sake of maintaining economic vibrancy, at the risk of opening the nation up to a whirlwind of uncertain social changes.

5 A New Japan

Obviously, many unknowns exist in Japan’s future and the aging problem has not been solved. No one knows exactly how Japan will be able to deal with an elderly population of 25% or more (Campbell 1992). If the next generation of policy makers chooses the big option by resetting immigration parameters, inviting foreign migrants en masse, and promoting the formation of an international, multiethnic state, Japan will definitely be more colorful and diverse and may have a better chance of sustaining its status as a global economic power. If, on the other hand, the government carries on with the status quo, depopulation will continue, productivity will fall, and the nation will accept a more modest economic stature. This fork in the road has the potential to alter the fundamental social characteristics of the nation.

Perhaps a smaller, more laid back society is in the best interest of Japan considering the social trends of the last half century. If the nation continues its present course, in the latter half of this century, it is likely to have a moderate-sized population living a comfortable and relaxed lifestyle. This society would probably be slower-paced and such an environment may begin to encourage people to want to have more children (Sakanaka 2005).

Today’s younger generation, who seem disillusioned with their parent’s obsession with work, seem to be searching for a more profound idea of what “success” is. NHK’s quintennial lifestyle survey claims: “working may not be the most important thing for people in their 30s now.” The survey showed that “men in their 30s are spending more time at home after work compared with five years ago,” and “the percentage of men in their 20s and 30s who do housework on weekdays had climbed” (Japan Times 2011). Granted these statistics may be connected to falling incomes, decreased labor demand, and less money available for leisure. However, it is reasonable to believe that the present younger generation, who will begin to bear the most intense burden of social aging and depopulation, may, through this experience of heavy responsibility and self-sacrifice, reflect on and re-establish deeper ideals that value family, home, and community over material wealth and earning potential. As these values are passed down to the next generation, we may see a profound change in social behavior that influences marriage and fertility trends.

A Japan that can successfully meet and overcome these demographic challenges independently may emerge with a new sense of national confidence, self-actualization, and patriotism.

Conclusion

As Japan’s elderly population increases, and the gap between the fertility rate and mortality rate

widens, the population is predicted to decline. As depopulation sets in Japan will have two primary options to consider: the big option and the small option. The big option implies that the government would loosen its present conservative position on immigration and accept hundreds of thousands of foreign workers annually to sustain population levels and economic productivity. This option would bring an end to Japan's reputation as an extremely homogeneous and insular country and the nation would gradually become more multiethnic and socially diverse. However, Japan has traditionally been opposed to unskilled migrant workers, and public opinion indicates a general aversion to the notion of mass immigration. At this point, the nation seems to be more willing to deal with its demographic challenges according to the status quo than to risk opening the doors to an irreversible flow of foreigners. Therefore, the small option seems to be a more realistic scenario implying that the status quo, in terms of immigration policy, would continue, and depopulation would progress. The small option implies that citizens would accept that, in spite of the opportunities offered by the coming decades of a large elderly consumer group, at the end of the day, Japan's economic productivity would contract in tandem with its population, and the country would become more laid back and less economically relevant in the world. Whether it chooses the big option, the small option, or somewhere in between, there is little doubt that Japan will undergo as much demographic and social change in the present century, as it did in the previous one.

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