Volume 3 | Issue 2 | Article ID 1727 | Feb 15, 2005

Japan's Migration Conundrum

Gregory Clark

Japan's Migration Conundrum

by Gregory Clark

Does Japan realise that it has a population problem? On paper it does. But in terms of concrete measures to cope with the problem it has some light years to go.

The problem has several dimensions. One is the economic damage from population decline, the downsizing of demand in an economy already suffering from chronic lack of demand. Then there is the burden of maintaining health and pension payments in a rapidly aging population. Finally there is the unpleasant fact that declining population, combined with continued economic weakness, guarantees a further decline in Japan's Asian and global status just as China's power and status are on the rise.

The figures are alarming. On present birthrates, Japan's population will peak at just over 127 million in 2006, fall to below 100 million by 2050, and to 64 million in 2100. In the year 2000 there were seven people between the ages of 20 and 64 for every two people 65 and over. By 2050 the ratio will be 3 to 2. More than 30 percent of the population will be over the age of 60.

Few seem able fully to explain why Japan's birthrate at 1.29 joins that of Italy as being the lowest of the advanced economies. Delayed marriages, more women in the workforce, a lack of childcare facilities and the costs and other pressures of a distorted education system are all mentioned as causes, though most or all these problems exist in other societies.

The Japanese themselves show little real concern to find causes. An "Angel Plan" has been in place for a decade to do something about the birthrate problem, but it has done little more than scatter funds into projects like building urban parks for children to play in. As with a host of other social problems, Japan seems to prefer to wait until the crisis is upon it before taking action. But in this case, when the crisis does arrive it will be too late to do much.

Even if birthrates were dramatically to increase in the near future -- a constant and to date grossly mistaken assumption in the government's various population forecasts over the past decade -- Japan would still face a dangerous twenty year gap before a new workforce and significant new sources of demand emerged. Yet Japan still seems reluctant to consider the only alternative: an active immigration policy. A recent UN committee report claiming Japan needs to bring in around 600,000 immigrants a year if it is to sustain its population and workforce did little to raise alarm bells. A Justice Ministry committee to consider immigration policy (on which I was a member) has just issued a report entitled "Current Problems of Administrative Policy for Immigration Control in the Era of Declining Population" (Jinko gensho jidai ni okeru shutsu nyukoku kanri gyosei no tomen no kadai). Amazingly, most of its pages seem devoted more to expelling foreigners rather than attracting them.

In the report the economic harm from declining population is recognised. But it concentrates

almost entirely on the question of decline in workforce numbers, and concludes that Japan can solve that problem through improved technologies and by making greater use of women and the elderly in the workforce.

None of the bureaucrats seemed to realise the cumulative downward effect of declining population on demand. For example, entrepreneurs dependent on rising demand from population increase have in key sectors such as housing already begun to cut back heavily on investments. There is a snowball effect since even though expected population declines may be, say, only five percent over a certain period, investment cuts could be as much as 50 to 100 percent. And those cuts quickly create chain reactions in other areas of the economy, particularly now that Japan seems wedded to Hooverite policies to cope with deflationary problems. .

Combined with the chronic weakness in domestic demand that has been afflicting Japan ever since the seventies (even if disguised at times by export surpluses and asset booms) the economy could easily be thrown into a dangerous downward spiral. Instead of inadequate workforce numbers, Japan's problem could well be mounting unemployment.

The Ministry's analysis is static, as one might expect from bureaucrats more familiar with legalisms than with economics. The dynamic flow-on and multiplier effects from cuts in demand get little recognition.

The same bureaucratic dead hand operated when it came to specific immigration policies. In the Justice Ministry committee's final report (written almost entirely by the bureaucrats, not by us outsiders) there are a few changes for the better, making it easier for foreigners here to gain permanent residence, increasing the categories and numbers of IT and other specialists that Japan needs, and so on. But the bureaucrats still say no to any policy that would allow large numbers of suitable migrants to enter Japan.

True, Japan does have integration problems when it comes to allowing largescale immigration. Relative honesty and the lack of precautions against violent or calculated crime make Japan a paradise for the criminally-minded gangs, including Chinese (mainly Overseas Chinese) and Korean gangs with international linkages. Large areas of its society are also vulnerable to the cultural insensitivities foreigners can inflict.

But with proper immigrant selection, most of these problems could be overcome. Some of us on the committee pushed hard for a point system to choose immigrants, similar to that used in Australia and Canada, with emphasis on education qualifications and language abilities. But the idea went into the "too hard" basket. The bureaucrats still prefer to select people on a cumbrous case-by-case, category-by-category basis. After much debate and under much pressure during FTA talks with the Philippines the Ministry finally agreed to allow small numbers of trained Filipino hospital and home care workers into Japan. But they will be sent home after three years if they fail to pass a nursing exam in written Japanese.

The draconian policy towards visa overstayers was symptomatic. Most governments nowadays realise that crime-free visa overstayers make good candidates for residence permission since they are usually young and have already shown willingness to work hard and integrate. Business groups here, with Keidanren (which placed a formal submission before the committee) in the lead, have sought amnesty for these people, pointing out the harm caused by leaving them in the legal shadows. Even Tokyo governor, Ishihara Shintaro, known for his visceral determination to rid the city of foreign criminals, wants amnesty for "good" visa-overstayers.

But the bureaucrats remain adamant. The idea of a US-style amnesty system even for the best qualified of these people was turned down. The one concession has been to allow some overstayers the right in theory to return to Japan in one year rather than five years if they turn themselves in and accept deportation.

At the very least, Japan should end its current campaign to brand all visa overstayers as potential criminals or potential terrorists. Sometimes the rhetoric becomes absurd, with the former Justice Minister using the foreigner crime problem to justify a cruel decision to imprison and then deport a well-educated Myanmar asylum seeker living with his children raised in Japan. The idea that this kind of person, along with most other visa overstayers, would be out there robbing banks and breaking locks is ridiculous. But it is just this kind of talk that alarms the public, with public alarm then used as an excuse not to consider a sensible immigration policy.

Some figures I got from the police authorities are revealing. They show that almost 90 percent of foreigner crime in Japan is committed by people smuggled into Japan or who are in Japan with valid or seemingly valid visas. The crime rate for visa overstayers is minimal.

Many of the overstayers are crucial to the survival of small, labor-intensive industries here. Some also create small pockets of kokusaika (internationalisation -- something official Japan claims to want), opening the eyes of the Japanese around them to the world outside. Their remittances to their home countries represent a form of costless foreign aid. Many learn the language, and if only for that reason would be more acceptable as immigrants than most others.

Yet the deportation procedures they suffer are brutal. If caught by the police they are incarcerated for up to three months in detention cells before being turned over to the immigration authorities who put them behind bars again for further detention and interrogation. On deportation day they are handcuffed and roped together like cattle to be put on buses for transport to airports and marched onto planes as common criminals.

The same harsh treatment has been meted out even to accidental visa-overstayers. Recent accounts by journalist, Catherine Makino, of young people coming to Japan for university study of Japanese language and culture being arrested, incarcerated, strip searched, forcibly deported and banned from Japan for five years simply because they mistakenly overstayed their visas by a few months or even days are both accurate and horrifying.

Some of the bureaucrats overseeing these policies will concede that the crime problem among over-stayers is not as bad as claimed. But they will go on to say that the rules have to be obeyed. As one of them put it to me, it is a question of kejime: Japan cannot be seen to tolerate disorder and undiscipline in its visa policies. But others insist that since overstaying is a crime, those guilty should be treated as criminals.

Taken together, it is Japan's tatewari (vertical) bureaucratism at its worst. The immigration officials who are reluctant to confront the foreign crime gangs are more than happy to gain brownie points and publicity by raiding small factories in downtown Tokyo or Osaka and arresting any harmless over-stayers they find there. The fact that a factory may go bankrupt, that a family in Bangladesh or the Philippines may go hungry, and that they are creating bitter anti-Japan feeling in an individual who has worked here honestly for years, does not worry them.

The same officials also do little about the other major source of foreigner crime here, namely the Latin Americans (mainly from Brazil and

Peru) allowed to remain permanently in Japan simply by virtue of some claim to Japanese ancestry.

Many of these people have low education and few skills; they are clustered in non-Japanese speaking ghettos close to the vehicle factories of Hamamatsu, Aichi and northern Gumma. Their children often drop out of the education system; many are now unemployable and turn to crime.

The officials who once naively thought that the principle of blood would guarantee quick assimilation into Japanese society bridle at the suggestion that their policies resemble closely the 'White Australia' policies which they used to condemn so bitterly but which were also based on a racial 'ease of assimilation' principle.

A sensible immigration policy would do much more to tap into the large numbers of educated young people, Asians especially, keen to go to Japan for study and employment. They would assimilate easily to Japanese society, and could contribute much to Japan's future relations with the outside world.

But the only concession in this direction has been to make it easier for foreigners graduating from Japanese universities to stay on in Japan. There will also be some expansion of the working holiday visa scheme which has brought so many young Australians, New Zealanders and Canadians to Japan. But most Asians are still excluded from that scheme. My proposal that the scheme be extended to Asians accepted for entrance to Japanese universities, so that they could spend some time freely in Japan to earn the money and learn the extra Japanese they would need for their studies, fell on deaf ears.

Suspicion of Asian, mainly Chinese, students runs high, despite the fact that most of the problems to date have been created by lax visa policies allowing large numbers of bogus or weak students to be brought in by suspect language school operators. Relying on responsible universities to do the selection, and combining it with some kind of working holiday scheme, would do much to attract better quality students -- something Japan badly needs if it wants to raise its image in Asia and influence the Asian elites of the future. But the Justice Ministry bureaucrats seemed quite unable to get their tatewari minds around that kind of idea. Japan's image problem in Asia is someone else's problem. It does not come within their own area of jurisdiction.

The less well-educated could also be welcomed, if sponsored by firms which would take responsibility for them. Keidanren points out how most advanced economies now rely heavily on cheap immigrant population to retain international competitiveness. True, Japan's large trade surpluses suggest it does not need that competitiveness quite as much as others. But it does need a source of cheap and willing labor to encourage the wide range of domestic investment currently being throttled off because of the difficulty and cost of getting such labor, especially for so-called Three K jobs -- jobs that are menial and unpleasant and which young Japanese avoid. This investment is not only crucial to the expansion of domestic demand. It is also needed to slow down the continued migration of Japanese manufacturing activities abroad, mainly to China.

Japan's current system of allowing in so-called trainees -- currently at the 100,000 level, mostly from China -- does something to provide some small enterprises with cheaper labor. But turnover is high. Most of the unskilled workers who did so much to help ease labor shortages during the bubble years have been forced out of Japan.

A pledge to cut back heavily, from 80,000 to 8,000 annually, the numbers of women, mainly Filipina, allowed into Japan on entertainment

visas was said to be needed to help end human trafficking (women forced into prostitution). But stricter law enforcement would have the same result. Quite a few of these women would be happy to marry into depopulated, bride-bereft, rural communities, and rural Japan needs all the marriages and children it can get. The economic devastation in the countryside, with once bustling villages now seemingly inhabited almost completely by the elderly, is alarming.

Sensible immigration policies to encourage more deserving foreigners to come and stay in Japan may not produce overnight the numbers needed to prevent the damage from declining population. But it would be a start, and would do much to improve Japan's current exclusivist image.

This article, prepared for Japan Focus, builds on and expands two articles on Japan's immigration policies appearing in Japan Times August 22 and December 21, 2004. Posted at Japan Focus February 7, 2005.

Gregory Clark is a former Australian diplomat and China specialist.