

CHARACTERISTICS OF THE FOREIGN WORKER PROBLEM IN JAPAN: TO AN ANALYTICAL VIEWPOINT

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I. Issues to Be Discussed

The Japanese foreign worker problem has been the focus of both domestic and international attention. It is natural that Japanese people are interested in the problem, but why does it attract attention of foreign countries?

In recent years, academic meetings and symposiums are often held to compare foreign worker problems in the U.S. and Western European countries, and one of the main topics in these meetings is the foreign worker problem in Japan. However, foreign researchers' approach to the problem is slightly different from that of Japanese researchers.

Japan is the only country that achieves rapid economic growth without employing foreign workers. Foreign researchers are interested in the factors that allowed Japan's economic growth without foreign workers, the reasons for a rapid inflow of foreign workers into Japan in the latter half of the 1980s and whether the problem in Japan is essentially different from that in the U.S. and European countries.

In other words, their concern lies in whether and to what extent the Japanese foreign worker problem can be explained within the framework and by the concepts used in U.S. and European studies. In addition they want to analyze the situation through international comparisons.

However, research findings on the Japanese foreign worker problem have been unavailable and information is stored in some "black box" inaccessible to foreign researchers. Many documentaries and reports on the foreign worker problem can be found in Japan, but few studies explain the problem from a social science viewpoint, and few studies have compared Japan's problem to those in the U.S. and Europe.

Many studies focus on the "uniqueness" of the foreign worker problem in Japan. Needless to say, the concern of Japanese researchers is strictly limited to domestic issues, such as the dispute over whether to open or close the door to foreign workers and the issue of "japayuki-san" (female workers mainly from Southeast Asia who work in the entertainment industry). Furthermore, policy makers and employers have their own special interests in the problem.

However, the purpose of this paper is to abandon such conventional ways of thinking and analyze the problem through international comparisons. To do so, the facts seen as self-evident to Japanese will be discussed here if necessary. Such an analytical examination is

useful not only for the purpose of an international comparison, but also in domestic research on the foreign worker problem. It will help expand the scope of research on the Japanese foreign worker problem and improve the quality of such research.

In my opinion, the contention that the Japanese case is unique is hard to substantiate. In this paper, I would like to explain the Japanese case from the same viewpoint as used in the preceding studies in the U.S. and Europe and discuss the "Japanese uniqueness" as deviation from the United States and European case studies. First, I will briefly introduce several important points that seem to constitute this Japanese uniqueness.

II. A Twenty Year Time Lag - Two Major Questions Posed by the West

The Japanese economy achieved remarkable growth in recent years. It has become one of the three major economic powers in the world, together with the United States and the European Union, through rapid growth during periods of high economic growth and quick recovery after the oil crises.

Many outside observers are interested in the mechanism of Japan's development. However, their major question is how Japan's rapid economic growth was achieved without introducing foreign workers. Japan is probably the only country among today's developed nations that did not depend upon foreign workers to develop economically after the war.

The Japanese government did not permit the entry of foreign workers, in particular those who are engaged in manual labor. In the latter half of the 1960s when the country faced a labor shortage, some governmental officials floated the idea of foreign workers, but the issue never entered the national forum. When the Okinawa Expo was held, some Taiwanese workers were employed as contract workers, but that was the exception not the rule. The introduction of foreign workers was not seriously discussed in Japan in the 1960s and 1970s when Western European countries heavily depended upon a large number of foreign workers.

This situation continued in Japan for a while, but foreign workers started enter Japan in the 1980s. The so-called "japayuki-san" phenomenon was observed in the first half of the decade and the number of female foreign workers increased mainly in the businesses offering food and entertainment. In the latter half of the 1980s, Japan witnessed an increase in male foreign workers who worked at manufacturing and construction sites and whom Japanese viewed as typical "foreign workers." These male foreign workers outnumbered female foreign workers in 1988.

Thus, there is a "twenty-year time lag" between West Europe and Japan in terms of the acceptance of foreign workers. This fact presented us with another question; Why did a large number of foreign workers start coming to Japan in the 1980s?

Although the discussion on whether or not foreign workers should be accepted has continued in Japan, the above-mentioned questions have still remained in the "black box." It is natural that few foreign workers were found in Japan in the 1960s and 1970s, and no wonder that many foreign workers want to come to Japan today. The difference between then and now is the value of the yen. Today, Japan is no longer off the international labor migration playing field. In this regard, the influx of foreign workers into Japan needs to be explained

from an international standpoint.

Japan first faced an inflow of foreign workers in the latter half of the 1980s. Needless to say, the country's industrial structure at that time was substantially different than during the high economic growth period. With the growing emphasis on information and labor saving, leading players in the industrial structure shifted from heavy to service industries. It is important to note that the labor force became more flexible during this period through an increase in part-time workers and the growth of the businesses temporarily dispatching part-time workers to the companies that need them.

Today, foreign workers are employed in several labor short industries. They can be found in automobile and electric machinery subcontractors. However, foreign workers in Japan face a completely different situation than in Western Europe where many foreign workers were employed by large auto makers such as Volkswagen and Renault. In Japan, they are mainly employed by small and medium-sized companies.

Those companies are eager to employ foreign workers because they have trouble finding workers. In contrast, large companies and governmental agencies are not willing to officially hire foreign workers. As a result, many foreign workers are working illegally in Japan. The official Japanese position on foreign workers is difficult to discern.

What is the "functional substitute" for foreign workers?

Why didn't Japan need foreign workers in the 1960s? It is interesting to note that some management personnel in Western Europe think that postwar Japan made a "deliberate" choice to not introduce workers from neighboring countries, expecting future technological innovation and the emergence of more versatile labor force. However, ordinary Japanese never considered employing foreign workers to make up for the labor shortage.

Some experts said that the differences in wages between Japan and other Asian countries during Japan's high economic growth period was almost comparable to the gap between France and the former West Germany versus North Africa and Turkey. Nevertheless, a need for foreign workers existed at that time and exists today in Japanese industrial system, as it did in Western Europe. Thus, the concept "functional equivalents" (R.K. Merton¹) is required to understand what (who) undertook the function which foreign workers in Western Europe fulfilled in Japan.

Domestic labor migration and promotion of labor saving and automation

The first functional equivalent to foreign workers was large-scale migration among Japanese in postwar Japan. People became concentrated in large cities such as Tokyo, Osaka and Nagoya and the Pacific Belt connecting these cities. There is no industrial area in the world that is equivalent to the Pacific Belt in term of scale and the working population.

However, this concentration of population in the area caused today's overcrowded Tokyo and the problem of overpopulated areas verses depopulated areas. In foreign countries, both domestic and international movements of population are called "migration." There is no

¹ R. K. Merton, "Manifest and Latent Functions," *Social Theory and Social Structure*, 1949, rev. ed. 1957.

clear terminological difference between them. In a sense, a large-scale movement of population which was comparable to domestic or international migration in Western Europe occurred within the Japanese archipelago. In other words, Japan had its own large convertible work force mainly in the agricultural areas.

Western Europe covers many areas with different languages and cultures, and migration of population between the areas tends to be restricted by these linguistic and cultural differences. However, Japan does not have such constraints, and domestic migration of people was accelerated by a nearly common language and weak regional characteristics. The phenomenon of large scale migration from depopulated areas to overpopulated cities should be understood in the same context.

The second functional equivalent is rationalization, automation and the recent robot use in Japanese companies. The labor system that eliminates the need for manual labor was pursued through capital investment and technological innovation in the manufacturing industry to cope with the labor shortage. It is well-known today that such Japanese corporate efforts resulted in improved productivity and then enhanced their international competitiveness.

Witnessing the rapid introduction of information systems and robots in Japan, the business circles in Western Europe questioned their dependence on foreign workers after the energy crisis. As a result, in the highly competitive automobile industry, for example, many sections depended upon foreign workers became the target of rationalization.

Not every industry or field uniformly suffers from the labor shortage. Even within a company, some products sell well while others do not. Japanese companies try to cope with such situation through a reshuffling of personnel and the development of versatile workers. This work force flexibility in Japan is one reason why Japanese industry did not really need foreign workers up until recently.

Flexibility of the labor market and long working hours

The third functional equivalent is the dependence on the flexibility of the Japanese labor market and the expansion of various types of informal labor. In the recent years, the dispatch transaction business has been growing, and the share of part-time workers including housewives and students has increased. The food service industry and super markets cannot do without them. In Western Europe and the United States, foreign workers and ethnic minorities work for fast food stores, but in Japan a majority of workers in these stores are still students, although the number of foreign workers is increasing these days. Such difference in social custom and culture between Japan and Western Europe and the United States should not be ignored.

Of course, the same tendency can be observed in Western Europe. However, in Japan, management has stronger power than labor unions, and management can reorganize the labor force as it pleases. In some Western Europe, social democratic governments supported by labor unions came into power and promoted "nationalization" policies. Thus, labor unions in Western Europe boosted their power and their labor market became less flexible.

Fourth, Japanese workers tend to work long hours and put in lots of overtime. In the former West Germany and France, labor unions pushed for reduction in working hours after the war, and as a result, leisure hours increased. Today, a 40-hour week and five-week paid holidays have been almost realized in Germany and France. Long vacations are

commonplace among all workers.

Conventionally, German are thought of as hard workers as Japanese, but they also like their free time. The leisure time enjoyed among Western European workers was supported by foreign workers. Annual working hours exceed 2,100 hours in Japan, but those in the former West Germany dropped to 1,690 hours in 1982. Such overwork in Japan served to postpone the entry of foreign workers and their substitution for Japanese workers.

It should be also noted that the Japanese industries can acquire enough cheap labor easily because a high percentage of the elderly people (60 years and over) keep working in Japan. In Western Europe, workers want to lower the retirement age, and leading a quiet life after the retirement is the general life style.

Mentioned above are the functional equivalents to foreign workers in Japan. They are also reinforced by some historical accidents to be discussed below.

Energy crisis and transfer of production bases to overseas

The first historical accident was the energy crisis in 1973. Due to the energy crisis, all the developed countries fell into recession, which lead Western European countries to stop accepting foreign workers who they continued to accept for a long time. As Toshio Iyotani pointed out², Japan might have needed foreign workers if the oil crisis had not occurred or had occurred later. In reality, however, this oil crisis eliminated such needs. It also accelerated the rationalization and labor saving in the Japanese industries and helped form a labor system that did not require foreign workers.

In Western Europe and the United States, major companies have promoted offshore production and transferred their production bases to overseas in search for cheap labor. Japanese companies started moving overseas in the 1970s, and the tendency further accelerated in the 1980s. Japanese corporate investment in the United States and EU exceeded that in Asian countries (in the 1990s, Japanese corporate investment comes back to Asian countries, especially to China).

The surging of the yen's value in the 1980s became a factor attracting foreign workers to Japan, but on the other hand, it facilitated the deindustrialization and transfer of plants overseas by manufacturing companies. Increased offshore production which helped relieve the labor shortage was another factor to delay the introduction of foreign workers in Japan.

However, in the latter half of the 1980s, Japan faced a critical shortage of supplemental labor. The strong yen backed up by the strong Japanese economy made Japan more attractive to foreign workers. The needs for a flexible labor force which grew in Japan through the development of the information society and an increase in service labor are suitable conditions for accepting foreign workers.

As mentioned above, the difference in way Western European countries and Japan coped with labor shortages resulted in different industrial structures and labor systems. It seems to be difficult to overcome such difference, but today Japan is suffering from a severe labor shortage that cannot be covered by the functional equivalents, and Japanese distinctive merits

² Toshio Iyotani "Sakerarenai kadai-Sengo Nippon keizai ni okeru gaikokujin rodosha (Unavoidable Challenge-Foreign Workers in the Postwar Japan)," Toshio Iyotani and Takamichi Kajita, eds., *Gaikokujin rodosha ron (Theory of Foreign Workers)*, Kobundo, 1992.

are being gradually lost. Such changes in the situation has caused the inflow of many foreign workers into Japan.

Japan enjoys the "late development effects"

Another essential difference between Western European countries and Japan in terms of the acceptance of foreign workers is whether or not the issue was discussed nationwide.

In France, for example, the psychological and social resistance to the inflow of foreign workers was relatively small, because the country accepted immigrants before the war and large-scale migration of people has occurred many times throughout European history. Thus, the acceptance of foreign workers seldom became a subject of nationwide controversy in France. Foreign workers were accepted without major resistance from the business circles, although labor unions were opposed to their acceptance because they represented a threat to job security. It was after the economic crisis following the energy crisis that the French were concerned about the foreign worker "problem."

However, whether foreign workers should be accepted or not has been actively discussed in Japan since the latter half of the 1980s. As a matter of fact, the existence of such dispute is one of the major characteristics of the foreign worker problem in Japan.

Why did the dispute over "opening or closing its doors" to foreign workers arise in Japan? The biggest reason is Japan's "late development"³ (R.P. Dore) in the acceptance of foreign workers. Dore presented the concepts of the "early development effect" and "late development effect" and pointed out that countries that achieved development later than other countries can study the examples of those started earlier in detail. As is seen in the introduction of technology, they can carefully observe the circumstances that the early starters face, including merits and demerits. Based on the observation, they can adopt the option best for them.

Dore's concepts can be applied to the foreign worker problem. Since Japan is a latecomer in terms of the problem, the Japanese discussed whether they should accept foreign workers or not at an early stage, based on the experiences of Western European countries which were early starters.

The Japanese construction and manufacturing industries that have been suffering from the labor shortage have been eager to accept foreign workers. On the other hand, some people are on their guard against the social problems caused by foreign workers who might settle down in the country. Thus, the two opinions are opposed to each other in Japan and the country has been put into a dilemma.

In the latter half of the 1980s when the dispute over foreign workers arose in Japan, Western European countries were facing an economic recession and the drawbacks to accepting foreign workers were emphasized, as is often the case in the emergence of many other social problems. Under such circumstances, Japan could not discuss the foreign worker problem simply from the economic viewpoint as Western European countries did in the 1960s, but had to take the social and cultural viewpoints into account. Japan became very cautious about the acceptance of foreign workers through the examination of the examples in Western

³ R.P. Dore, "The Late Development Effect," *IDS Communication Paper*, No. 103, Institute of Development Studies, University of Sussex, 1971.

European countries.

In addition, some foreigners living in Japan protested against the Japanese alien registration system that requires fingerprinting, and other foreigner problems which should be distinguished from the above-mentioned foreign worker problem have become a social problem. Problems that have not been fully solved yet still exist between Japan and South and North Korea such as forced prostitution during the war. Such unsolved problems with foreigners living in Japan have made the Japanese unwilling to accept foreign workers, together with the problem with foreign workers who may settle down in Japan.

However, Japan has accepted only about 300,000-400,000 foreign workers (except for those settling down in Japan) so far, and they have not yet caused any serious problem. In this sense, the foreign worker problem is not a current problem but a future problem in Japan. Foreign workers are not competing with Japanese workers, and the interests of the two group have not overlapped so far.

Thus, the foreign worker problem tends to be discussed not out of sheer necessity but from an official stance in Japan. Experts have pointed out if foreign workers are to be incorporated into Japanese society, society itself must become more open and less exclusive. Generally speaking, most Japanese press comments are liberal, protesting against the infringements of foreigners' human rights. Such tone of the press comments is right and necessary. One of the main reasons for the liberal tone is that the Japanese economy continues a sound and steady growth, and the other is that Japan is a latecomer in terms of the foreign worker problem. However, an economic slowdown that started at the beginning of the 1990s is expected to have some effect on the foreign worker problem in Japan.

III. Introduction of Foreign Workers Through the "Back Door" *- Unclear Concept of "Foreign Workers" in Japan -*

"Foreign (immigrant) workers" are clearly defined in Western Europe. These countries introduced foreign workers systematically, and there is no doubt that they are "foreign workers" objectively and subjectively. However, the concept of foreign workers is unexpectedly unclear in Japan. Under the current law, most foreign workers are not allowed in Japan. Only foreigners who belong to some professional categories can work in Japan and those who engage in manual labor are not allowed to enter the country under the current immigration law.

Under such circumstances, it is important to note the following two points.

First, those who should be originally treated as foreign workers tend to enter and stay in Japan under the categories different from "foreign workers," that is, "illegal workers," "foreign students," "trainees" or "disguised refugees." Their entry under such categories is made by watching for a slight chance or a change in Japan's immigration control. The circumstances may change rapidly due to the tightening of immigration control.

In this regard, it is meaningless from a medium or long-range prospective to classify foreign workers into fixed categories. What is rather important is to grasp the process of the continuous expansion of the concept of foreign workers. The concept should be understood in the broadest sense to analyze foreign workers in Japan. Attention should be paid to foreigners who enter Japan under different categories or with different qualifications.

Second, such a situation in Japan may make foreign workers or foreign countries think that foreign workers actually exist in Japan and that Japan “accepts” foreign workers. It may be better to understand that Japan’s foreign worker policy has “formal” and “informal” sides to it and that Japan accepts foreign workers informally. In other words, the Japanese government’s principles and practices differ.

After the revision of the immigration law in June 1990, foreigners who are allowed to stay in Japan are those who are engaged in activities in the fields of investment, management, law, accounting, medical treatment, research, education, technology, humanities, international affairs, entertainment and special skill and who are transferred within a company, in addition to the special fields such as diplomacy, official business, teaching, art, religion and reporting. Most are not engaged in manual labor but have special abilities or skills equivalent to the conventional category of “technological and professional occupations.”

Unskilled workers are included in some of the above-mentioned fields such as the field of entertainment, but they are not regarded as those who are engaged in manual labor by law.

Illegal workers

Some of the foreigners who have entered Japan with an entertainment visa illegally overstay their visa. A majority of illegal workers are those who have entered Japan with a tourist visa, overstayed the visa and are employed. Japan has concluded with many countries an agreement that allows the people from the countries to stay in Japan for three months without a visa. Most of the developed countries are included in this category.

Since the latter half of the 1980s, however, many workers from Pakistan, Bangladesh and Iran entered Japan using this system, illegally overstayed the approved period and were employed. Recently, illegal workers from these countries are decreasing, because the Japanese government require the people from these countries to acquire a visa and the entry into Japan has become difficult.

Many Iranians began to enter Japan due to a decrease in the number of countries in Middle East and Europe that accept them. However, such a rapid inflow of Iranians continues to confuse the situation, because the timing of their entry coincided with the time when the Japanese economy fell into the recession.

These foreign workers who overstayed the visa form a major part of the foreign worker problem in Japan. In this sense, the current foreign worker problem is almost a problem with illegal workers. However, the Japanese government has not kept illegal foreign workers under strict control and is not prepared to introduce any regulations, because the management of small- and medium-sized companies want to use them for manual labor. This government attitude makes foreigners feel that Japan is relatively easy to enter and that Japan actually “accepts” foreign workers.

Because of the existence of many illegal workers, the Japanese people have come to turn their eyes to the problem of illegal foreigners’ human rights and of brokers who exploit them unfairly.

Illegal workers exist in the countries other than Japan. While the United States which has several million illegal aliens including Mexicans may be a special case, Western European countries such as France and Germany also have several times more illegal aliens than Japan has.

The problem of “Japayuki-san”

The second category of the “informal” foreign workers is foreign women called “japayuki-san.” As known well, many of them are from Asian countries including the Philippines, Thailand and South Korea. A large part of the illegal aliens and workers fall into this category.

In addition, many female foreign workers enter Japan with an entertainment visa. They are the foreign workers who are permitted to enter Japan through the front door. Foreign workers who are legally accepted by Japan are those who are engaged in the professions that require special skills and expertise.

Generally speaking, however, the category of entertainment does not cover all of these professions, because those who come to Japan with an entertainment visa range from world-famous singers and super stars to those who work for local service, food and entertainment businesses. This use of the entertainment category and the inflow of a large number of female workers from Asian countries with an entertainment visa are quite exceptional in the world and represent what the Japanese food and entertainment businesses have been like for a long time.

In Western European countries and the United States, female workers seldom account for more than 50% of the foreign workers. Thus, it is necessary to analyze the current status of Japanese food and entertainment businesses and the actual situation women in Asian countries are facing. An inflow of many female workers into the food and entertainment businesses is one of the characteristics of the foreign worker problem in Japan.

However, it is quite difficult to judge whether this characteristic is essential in the problem. The existence of many “japayuki-san” has partly resulted from the peculiarity of female labor in Asian countries, but it can be also regarded as a reaction to the Japanese policy that does not allow manual workers to enter the country. Many Filipinas work as live-in maids and unqualified nurses in foreign countries, but they are prohibited to be engaged in these jobs in Japan and thus tend to work in the field of entertainment.

Foreign students

Another important phenomenon that has been witnessed for these years is the relation between foreign workers and foreign students who enter the Japanese education system itself or a Japanese language school. Needless to say, all of these foreign students do not necessarily turn into foreign workers. However, a large majority of foreign students are actually employed, because the Japanese system of accepting foreign students is immature, there is a large gap in income between Japan and many Asian countries, and the Japanese government has failed to cope with the problem properly.

Foreign students are classified into two types in Japan: “ryugakusei” and “shugakusei.” “Ryugakusei” refers to the foreign students who enter the Japanese education system itself such as universities and colleges, while “shugakusei” are those who study in vocational schools and Japanese language schools. “Ryugakusei” are allowed to work part-time up to 20 hours a week without reporting to the Immigration Office. “Shugakusei” can also work part-time up to 20 hours a week although they are required to report to the Office. Many foreign students are employed, and they commonly work more than 20 hours a week and fail to

report to the Immigration Office.

Again, the Japanese government does not have any intention to force them to abide strictly the regulations. In other words, it informally permits them to work. Some of the foreign students do not differ from foreign workers at all. It is often quite difficult to judge whether their purpose for coming to Japan is to study or to work.

Even in Western European countries and the United States, foreign students are sometimes regarded as potential workers. In the days of economic recession, in particular, these countries keep watch on the illegal employment of foreign students and sometimes investigate whether they really study as students should. If they are considered not to satisfy sufficient conditions, their student visas will be canceled.

Like the United States, many of the countries have introduced measures to prevent foreign students from turning into workers directly by requiring them to return to their countries after graduation and obtain a working visa if they want to come back to the countries to work.

An inflow of many foreign students who use studying at a Japanese language school as an excuse for coming to Japan and the accompanied confusion have turned into a big problem due to lack of adequate measures covering foreign students and a proper Japanese language education system in Japan. The foreign student problem showed that an inflow of foreign workers might occur in a manner that was unexpected by the Japanese government. The great confusion caused by the foreign student problem in the Japanese society has calmed down for the time being after the Japanese government adopted a firm stance toward issuing a student visa. However, the government will have to devise a system of accepting foreign students which prevents them from being employed.

Foreigners who have entered Japan as trainees

Foreigners who have entered Japan as trainees in many cases are employed informally. Some companies and industries have actually employed foreign workers from Asian countries as trainees. Such trainees cannot draw a salary from the employees, because the primary purpose of the trainees is to acquire skills and techniques. Thus, they are paid much less than general workers, and as a result, they tend to be exploited more than illegal foreign workers. It is a typical case of employing foreign workers informally and exploiting them by taking advantage of the official category of trainees. Some companies abused the trainee system to obtain brides for their workers from Asian countries.

Such abuse of the trainee system is mainly caused by an unclear definition of training and the nature of training in Japanese companies, including so-called on-the-job training that is close to actual labor. The Japanese training system that includes on-the-job training may be an excellent method with flexibility when necessary requirements are satisfied, but it often turned into an extreme form of exploitation, depending upon how it is implemented.

To avoid such exploitation, it was decided that more than one-third of trainees' working hours must be used for training and that a reward must be offered for work done during the training period. However, such measures are not enough to prevent the abuse of the training system.

In fact, trainees are formally getting closer to foreign workers, because the government introduced a system in April 1993 that allows trainees to engage in labor, including manual

labor, in Japan for a certain period after the training is completed⁴. In addition, the actual purpose of both foreigners who come to Japan as trainees and the foreign governments who dispatch them to Japan is not training but labor. The entry of foreign workers not through the "back door" but through the "side door" is starting⁵.

The introduction of foreign workers using the training system has been conducted by small and medium-sized companies in rural areas that have neither the ability to provide training nor an adequate training program. There is no way to accept foreign workers legally other than the training system, because many Japanese are strongly opposed to foreign workers' settling down in the country, while strong pressure is being exerted by foreign workers who want to enter Japan.

Under such circumstances, foreign workers who are accepted under the training system will increase rather than decrease in the future. However, a critical point to be noted here is that those who want foreign workers the most are small and medium-sized businesses. Unlike large and advanced companies, they do not have the ability to provide foreign trainees with adequate training and contribute to technological transfer. The government's initiative is required to expand the acceptance of foreign workers using the training system.

"Nikkeijin" or immigrants of Japanese ancestry

The foreign worker problem is related to the phenomenon that many Brazilians, Peruvians and Argentineans of Japanese ancestry come to Japan to find employment. Many Japanese went to South America in search of a new world in the severe economic conditions in the prewar and postwar period. The unexpected inflow of "Nikkeijin" or immigrants of Japanese ancestry resulted from the rapid growth of the Japanese economy after the war and the economic depression in South American countries.

An increase in immigrants from South American countries began some time ago because of severe inflation and economic disorder in these countries. An inflow of immigrants is not a special phenomenon seen only in Japan. Italy and Spain that also sent out emigrants to these countries have also experienced the return of the immigrants of Italian and Spanish origin. However, unlike Japan, Italy and Spain which have had close relations with South American countries do not regard the entry of these people as a dramatic phenomenon.

The return of "Nikkeijin" to Japan was rapidly accelerated by the revision of the Japanese immigration law in 1990. Since the penal regulations on the employers who employ illegal workers were introduced through the revision, Japanese companies started refraining from illegal employment of foreign workers and trying to hire them legally.

In fact, the companies started reducing the number of Pakistani and Bangladeshi workers who are visibly identified as foreigners and rapidly increasing the employment of Brazilians and Peruvians of Japanese ancestry. The number of foreign workers of Japanese ancestry is said to have reached about 200,000 people as of 1993. The management of small and medium-sized companies (in the manufacturing industry, in particular) that have been suffering from a labor shortage have been at last aware of the existence of "Nikkeijin" who

⁴ This system called 《internal trainee program》 is managed by JITCO (Japan International Training Cooperation Organization) which is an association dependent to the Ministry of Foreign Affairs.

⁵ Toshio Iyotani taught me these terms.

are close to Japanese.

“Nikkeijin” who have come to Japan are roughly divided into three generations; the “issei” (first generation), the “nisei” (second generation) and the “sansei” (third generation). They are treated differently by law, according to the difference in generation.

The “issei” with Japanese nationality can enter Japan and work freely. They were the first to come to Japan to work. However, the “nisei” who seldom have Japanese nationality come to Japan to visit their relatives and stay with them. They use their nominal visit to their relatives as an excuse for working in Japan. On the other hand, the sansei can stay and work in Japan with the residential qualification applied to “those who are engaged in the labor specified for individual foreigners by the Minister of Justice.”

The gap between the government's official line and real intention can be clearly seen again in such treatment of “Nikkeijin.” The employment of “Nikkeijin” can give foreign countries a good reason to interpret that the Japanese government has changed its policy and started accepting foreign workers informally.

An important thing to be noted here is that most of the “nisei” and the “sansei” do not understand Japanese language and culture. They socially and culturally identify themselves with their countries such as Brazil and Peru. Of course, they have some desire to know the country where their parents or grandparents were from. However, to the “sansei,” in particular, the ties that bind them and Japan together are only blood. Their main motive in coming to Japan is to find employment, while they use a visit to their relatives in Japan for staying legally. They do not have close contact with their relatives in Japan. As a result, unlike overseas Chinese, they have to rely on brokers rather than their family and relatives if they want to come to Japan.

On the other hand, however, “ethnic heritage” is seen as important in Japan, even if it has become nominal. The Japanese society tends to treat “Nikkeijin” who are culturally and socially foreigners as “Japanese” based on family background.

The return of “Nikkeijin” is one of the results incidental to the growth of the Japanese economy and a rapid increase in foreign workers in Japan. However, this phenomenon has brought out some interesting issues.

First, an inflow of many “Nikkeijin” resulted in the existence of many foreigners in the Japanese society and presented a question on what Japanese are and where the boundary between Japanese and foreigners lies. “Nikkeijin” behave as foreigners even if the Japanese management treat them as Japanese and betray the expectation of the management. Thus, “Nikkeijin” can change the Japanese people's sense of foreigners, because they make the ethnic boundary between Japanese and foreigners unclear and confuse the dichotomy of Japanese and foreigners.

Second, how the Japanese society attaches greater importance to heritage has been thrown into relief with the fact that the employment of the sansei was approved through an “arbitrary” judgment of the Minister of Justice (Now, “sansei” has the status of “Teijusha”, status of long-term resident). What is the rationale for treating not only children of the “issei” with the Japanese nationality but also the “sansei” as Japanese?

Today, being influenced by “Nikkeijin,” many Brazilians and Peruvians come to have desire to be employed in Japan. Discrimination in employment based on a race and an ethnic group is prohibited by law in Brazil.

The Japanese society has virtually become a multiethnic society with the entry of many

foreigners. However, Japan has not opened the door to foreigners as a whole, but allowed only “Nikkeijin” to be employed in Japan. In a sense, this attitude can give impression that Japan tries to put more emphasis on the Japanese lineage and reinforces the “nation-state.” Two contradictory trends can be observed in today’s Japan; the progress in multiculturalism and the reinforcement of the Japanese lineage.

However, the number of “Nikkeijin” who come to Japan is bottoming out. “Nikkeijin” have presented an interesting question on ethnicity and nation, but the “Nikkeijin” problem is not equal to the foreign worker problem.

Entry through the front door, side door and back door

As mentioned above, some categories of people who cannot be called foreign workers function as foreign workers in Japan, although the country does not formally accept them. Actually, foreign countries were unaware that Japan prohibits the entry of foreign workers into the country by law. They thought that the Japanese government informally allows foreign workers to work in Japan.

In this article, such Japan’s official line will be referred to as a back-door policy from the sociological point of view. It is important to note that there are two types of foreign worker policies; a front-door policy and a back-door policy. However, the back-door policy is quite unclear, and the existence of many illegal foreign workers who have entered Japan using such back-door policy has given rise to unique problems such as the infringement on foreign workers’ human rights. With the trainee system introduced in 1993, the back-door policy has been partially amended and changed into a side-door policy.

Illegal foreign workers and foreigners who overstay their visa are present in Japan, not because they can slip through the government’s strict control but because the government turns a blind eye. This government attitude is precisely why Japan’s foreign worker policy should be called a back-door policy. In other words, Japan has an “informal” foreign worker policy where a back-door policy or a side-door policy is adopted. Japan’s foreign worker problem has thus presented an example useful to formulate sociological types of the ways to accept foreign workers.

Problems with Japanese bureaucracy

The attitude of Japanese bureaucrats who are responsible for drafting a foreign worker policy should be understood in relation to the back-door policy. At present, the Japanese government has not yet settled on a definite foreign worker policy. It is still wavering between whether it should permit the entry of foreign workers or not.

The government seems to want to keep its options open concerning its foreign worker policy, while satisfying the needs of small and medium-sized companies for foreign workers. It tries to leave some room for introducing tough controls over foreign workers to use when the recession deepens further. Once the government has adopted a formal front-door policy, amendments of the policy will become difficult.

Needless to say, no Japanese governmental agency specializes in foreign workers and immigrants. In this sense, the government has not yet recognized that the acceptance of foreign workers is a critical issue. The governmental agencies concerned have not fully reached a

consensus on this matter. The Ministry of Justice insists on tight immigration control, while the economic agencies believe that the labor shortage must be resolved first and the Ministry of Foreign Affairs attaches greater importance to the maintenance of friendly relations with Southeast Asian countries and regards the acceptance of foreign workers as a means to achieve such relations. Before the Japanese immigration law was revised in 1990, the Ministry of Justice and the Ministry of Labor argued heatedly over whether foreign workers should be admitted and how to admit them (eventually, Ministry of Justice prevailed). Governmental agencies operate on their own in Japan and compete keenly with each other for power. The foreign worker policy is one example of such competition. The vertical division of governmental agencies which have little contact with each other and the lack of a consensus among them due to the competition for power also prevents the Japanese government from formulating a definite policy and keep Japan's foreign worker policy in the form of a back-door or side-door policy.

IV. The Issue of Culture in Foreign Worker Problem in Japan

Difference in understanding of Japanese language

Foreign workers are "homo oeconomicus" in a sense that they move between countries from economic motives. At the same time, they are "cultural people" who have a specific linguistic, religious and racial background. However, when they come to Japan, they have to live in Japanese culture which is different from their culture. The role of culture in a broad sense, including language, religion, ethnicity and family relations, in the foreign worker problem will be discussed in this section.

The understanding of language is the most important to foreigners when they work and live in a specific country. Job opportunity is restricted if their understanding of language is inadequate.

In Western European countries, foreign workers were first allocated to manual labor which did not require full understanding of French or German. At that time, these countries needed a large number of such foreign workers who were engaged in manual labor. Later, however, foreign workers confronted a problem of whether or not they could be promoted. Full understanding of the language used in the country where they work is required for foreign workers if they aim to upgrade their job from unskilled labor to a more advanced level and expand their range of job choices.

The first problem that foreigners face in Japan is the difficulty of the Japanese language. This problem is closely related to the foreign student problem caused through the overflow of Japanese language schools across the country. The concept of "linguistic distance" presented by Takahide Ezoe⁶ is useful to understand the degree of difficulty and accessibility for foreigners to learn the Japanese language.

Based on his experience in teaching Japanese to foreigners, Ezoe explains the degree of difficulty in learning a foreign language with the linguistic distance between the mother

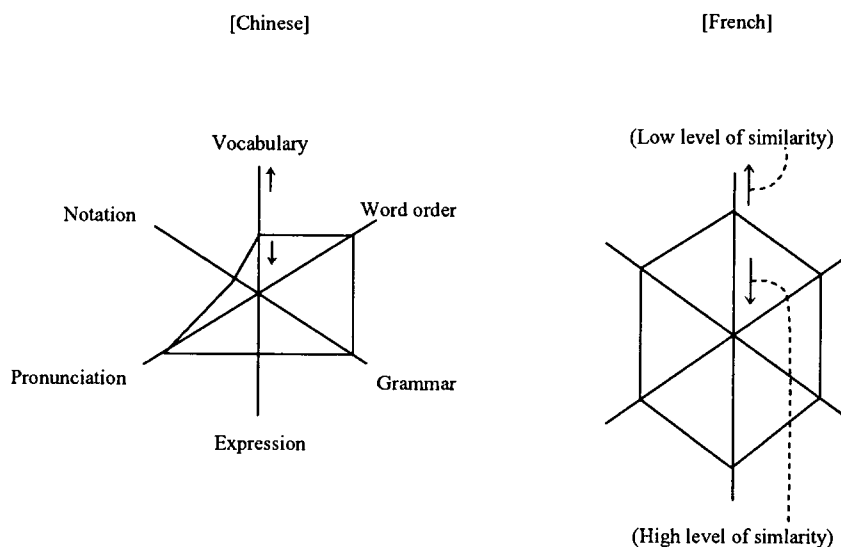
⁶ Takahide Ezoe, *Nippon Ryugaku (Studying in Japan)*, Alc Inc., 1991.

tongue and the language that foreigners are going to learn. He refers to a vocabulary, word order, grammar, pronunciation and notation as the basic elements of language education, and defines the linguistic distance based on the degree of similarity or difference in each element between the two languages.

The Korean language, for example, is similar to Japanese in terms of a vocabulary, word order, grammar, expression and notation, and different in pronunciation. In contrast, Chinese vocabulary and notation are similar to those of Japanese, but its word order, grammar, expression and pronunciation differ from Japanese. Like French, most of the languages spoken in Western Europe and the United States are different from Japanese in every aspect.

As a result, it is easy for Korean speaking people to learn Japanese, while those who speak Chinese face a medium level of difficulty and those who speak French face a high level of difficulty in learning Japanese. Here, suffice to say that the degree of difficulty foreigners face in learning Japanese largely depends upon whether their mother tongue belongs to the cultural sphere of Chinese characters or not (see Fig. 1).

FIG. 1 LINGUISTIC DISTANCE FROM JAPANESE



Source: Takahide Ezoe, *Nippon Ryugaku (Studying in Japan)* Alc Inc., 1991
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The discussion above indicates that except for Western Europeans and Americans who speak international languages such as French and often work as experts in Japan, there is a big difference in adaptability to the Japanese language among foreigners including those from some Asian countries. Such difference has a certain influence on the relation between them and Japanese co-workers. The difference may turn into a "hierarchy" among foreign workers when the employment of foreign workers further expands in Japan.

In large plants in Western European countries, a hierarchy is often formed based on racial and ethnic groups, and the phenomenon M. Hechter calls the "cultural division of labor"⁷ can be observed. In a German car assembly plant, for instance, it is often the case that the Germans occupy the managerial positions such as foremen and that Italians and Spaniards work as skilled labor, while Turks are employed as unskilled workers.

It is easy to imagine that racial discrimination is involved in the cultural division of labor, but at the same time the linguistic and cultural distances with the German language and culture cannot be ignored.

In Japan, in the food service industry, in particular, Japanese linguistic ability of foreign workers has a great influence on the nature of their work, treatment and wages. Those who speak Japanese and communicate with Japanese can be assigned to the work that involves some direct customer service, but those who do not speak Japanese are forced to work in areas that does not involve customer service. If the ability to not only speak Japanese but read and write Japanese is required, their job opportunities will be further limited.

There is no guarantee that some "hierarchy" will not be formed among Asian workers based on their linguistic distance from the Japanese language in the future Japanese workplace.

Role of English as an international language

However, the Japanese language that foreigners who work in Japan have to learn is not a language that can be used internationally. Today, Japan itself is forced to correspond to international society, and Japanese cannot ignore the existence of international languages such as English. In this sense, the foreign worker problem in Japan differs from that in Britain and France in terms of the linguistic situation that foreign workers are facing.

While Japan has closed its door to general foreign workers, Americans and the British can find employment as an English teacher with relative ease. They are interpreted under the law as special workers who cannot be replaced by Japanese. Thus, they enjoy a relatively advantageous job opportunities, compared with Asians.

The unique nature of English is also closely related to the circumstances for Asian foreign workers. One of the reasons why many foreign workers are from the Philippines and the Indian subcontinent is that they belong to the English-speaking area. Using English as their trusted weapon, they are engaged in various jobs including hotel receptionists and drivers. Even though Japan is not a English-speaking country, the understanding of English helps expand the potential workplace for foreign workers, including those in embassies.

Infringements on human rights of illegal foreign workers are often reported in Japan, but these foreign workers have to have the linguistic ability to explain the situation to file a human rights complaint. If they cannot express themselves, they cannot publicize the problem. A reason why Filipina human rights violations attract public attention lies in their English-speaking ability.

Illegal foreign workers always face various risks. When they have to engage in dangerous work, they must be able to read written instructions. In addition, their ability to speak Japanese or English is critical to exerting their rights fully and avoiding being placed at an

⁷ M. Hechter, *Internal Colonialism*, University of California Press, 1975.

unnecessary disadvantage when dealing with the police and the courts. Unfortunately, foreign defendants who do not speak Japanese or English are often given much stricter judgment than that given to Japanese defendants who committed the same crime.

Roles played by religion and ethnic culture

Many foreigners who are from Asia and Africa, and many Muslims, in particular, live in big Western cities. In the economic recession, an anti-foreigner or anti-Islam movement has come to the surface in some areas partly because of a lack of mutual understanding. Mosques are built and Islamic customs are maintained in the areas in Western Europe where many Muslims have settled down. Under such circumstances, the conflict between natives and foreigners sometimes takes the form of religious antagonism. Regarded as an enlightening and respected religion, Christianity is hardly rejected in Japan. Muslims who live in Japan are mainly from Iran, Bangladesh, Pakistan and Malaysia, and they are recently increasing in number.

Religion has not yet played a central role in the foreign worker problem in Japan. The main features of the Japanese view of religion are an agnostic attitude or following different religions for different aspects of life which is different from monotheistic approach of Islam and Christianity.

The Japanese antipathy toward foreigners is not based on religious differences. Japanese people tend to feel antipathetic toward foreigners when they are annoyed by different customs and strange behavior. Seen in the difficulty for foreigners to find a residence in rural Japan, ethnic antagonism is mainly caused by troubles in daily life based on differences in values and customs.

Christians among foreign workers from Asian countries include people from the Philippines (Catholic), South Koreans (Protestant) and "Nikkeijin" from South America (Catholic). These people who lead a lonely life sometimes attend services held at churches on Sundays to alleviate their severe living conditions in foreign countries and communicate with fellow countrymen. These services are not only a place for relaxing and a peace of mind but one for exchanging information.

The problem with Filipinas attracts a lot of attention as one of the cases where a religion is related to the foreign worker problem in Japan. Many books on "japayuki-san" have been published in Japan, mainly because the phenomenon related to the food and entertainment businesses attracts the interest of many people and the problem with Filipinas tends to come to the surface more than that with other women from other countries.

Filipinas not only can speak English as a means of filing a human rights violation complaint and exploitation but are devout Christians who can be supported and protected by international Christian organizations. Catholics, in particular, have a broad global network which gives spiritual and physical support to people who have a difficult life in foreign countries away from their home countries. Many of the organizations set up to support "japayuki-san," including HELP, a famous organization offering refuge, have a Christian background, and there are Christians in the members of supporting organizations such as "Karabao no kai."

It is not desirable for Catholics (or for everyone) to be separated from family members and have to live in different countries. Catholic groups in Western European countries

continue to support foreign workers, regardless of ideology and nationality.

What happens in Thailand that also serve as a source of many "japayuki-san" as the Philippine does? Unlike Filipinas, Thai women have trouble filing a human rights complaint, because they do not have an effective linguistic means of expressing themselves and any access to supporting organizations such as Christian organizations. Most Thais are Buddhists, and Buddhist priests are respected as advisers on life.

However, Buddhism in Japan is different from one in Thailand and do not have the ability to save people from spiritual and physical hardship. Thai women cannot escape if they are illegally confined and forced to work in the food and entertainment businesses, because most of them do not understand Japanese and few supporting organizations can save them.

Visibility and invisibility of foreigners

The concept of "visibility / invisibility" of foreigners cannot be ignored when the problem with foreign workers or illegal foreign workers, in particular, is discussed⁸ in Japan. The concept is not relevant to culture but is related to races or ethnic groups.

Racial and ethnic minorities exist in any society, but the problems with them are not uniform. The problem with visible minorities such as blacks in the United States and one with invisible minorities such as Koreans in Japan who cannot be identified as minorities by their appearance are different. Such differences greatly influence awareness. Recently, immigrants from Asian countries are increasing in Canada, and they are called "visible minorities," compared with immigrants from Eastern European countries who entered the country before.

Foreigners from Asian countries are sharply divided into invisible minorities such as Koreans and Chinese and visible minorities in Japan. Before the revision of Japan's immigration law in 1990, many foreigners from the countries (such as Pakistan and Bangladesh) where the wage level is quite different from that in Japan were employed at the construction sites in Japan. However, Japanese employers gave up hiring illegal foreign workers with the introduction of penal regulations after the revision of the law and tried to employ "Nikkeijin." The problem of visibility and invisibility had an unexpected effect.

Koreans living in Japan who are distinguished from general foreign workers are also largely influenced by visibility / invisibility. They cannot be distinguished from Japanese by their appearance, and they assimilate into Japanese culture. However, social discrimination against them still exists in Japan.

To avoid discrimination, the use of Japanese names has become common among them. Thus, their ethnic identity tends to be presented not through their visible racial characteristics but through the use of their real Korean names. The pursuit of their own identity appears in the form of a movement to promote the use of real Korean names. Visibility / invisibility plays a critical role in Korean ethnic problem in Japan.

⁸ The concepts of visibility and public space / private space mentioned later were taken from the following source. A. Bastenier et F. Dassetto, *Immigration et l'espace public*, CIEMI / L'Harmattan, 1993.

Problem concerning "family"

Family is important when problems related to culture are examined. Nuclear families are common in developed countries, and the number of families is decreasing with a drop in a birth rate in these countries. In contrast, developing countries have larger families, because children are regarded as an important source of labor there.

In developed countries, traditional family functions have been socialized and families come to play a purely spiritual or emotional role. On the other hand, the socialization of family functions has not yet progressed much in developing countries. Since a social security system has not been fully introduced in these countries, family and relatives work as functional equivalents to social security. Thus, social roles that family plays in developing countries are different from those in developed countries. What happens if migration of people occurs between the countries with different views of the family?

The countries which accept immigrants often face "chain migration" by admitting the immigrants' families with them based on humanitarian considerations. Like Chinese immigrants whose country is politically and economically unstable, the ties with families and relatives are quite important as long as they remain strong and solid.

As for citizens of Hong Kong, for example, a family network is formed and maintained beyond the borders, because some family members have emigrated to the United States, Canada or Australia in the uncertainty surrounding the return of Hong Kong to China in 1997. They tend to immigrate to foreign countries, relying on this global network of family and relatives.

An increase in Chinese immigrants causes disputes over the definition of family between immigrants and the countries accepting them. The countries that are on their guard against increased chain migration define "family" as strictly as developed countries, and in some cases do not allow even the children of immigrants to enter with them. The problem on the definition of family occurs in the process of foreigners (immigrants) settling down in these countries. It is an important issue which cannot be ignored to examine whether the settlement of foreigners is right or wrong, although few foreigners have settled in Japan at present.

In the Philippines where people tend to have large families, the spiritual and economic relation between family members is very strong and solid. One of the major cultural features of the Philipinos is that they are less interested in fairness at the social and national level, compared with their emphasis on loyalty to their families. Such differences in size, range, social functions and definition of family between countries result in differences in opinions between people from different countries in various contexts.

In contrast, immigrants' views of family and married couples may change or family itself may be dissolved as a result of their settlement in developed countries. Such changes can be often seen in foreign families who have immigrated from the patriarchal countries where discrimination against women still exists to the developed countries that emphasize the importance of freedom and independence.

Some Asian families who live in Japan have experienced a change in the relation between their family members or between husbands and wives in their new surroundings in Japan and have even faced discords between husbands and wives.

For example, getting a job freely is not customary with women from Indochina which has a strong Confucian tradition, but they find that they can work and earn enough income

with relative ease in Japan. As a result of the change in their awareness and a decline in their husbands' status, the relation between husbands and wives changes and some couples get divorced. Some cases of Indochina families are introduced in a record of refugees from Indochina⁹.

Multiculturalism and universalism

To conclude this section, the issue of cultural and ethnic norms which the Japanese society has will be discussed from a generalized viewpoint, using the above-mentioned various cultural and ethnic problems as preconditions.

Japanese society has not taken the co-existence of multiple ethnic groups for granted. It has been maintained on the implicit assumption that the people speak Japanese and conform Japanese norm and the Japanese way of evaluating ability. However, many foreigners who have different languages and cultures now live in Japan officially or unofficially, and Japan's cultural and ethnic norm which were regarded as an unquestioned assumption have began attracting public attention.

The assumption which has been quite natural for the people who have the skin of the same color, speak Japanese and are accustomed to the Japanese way of decision-making is not necessarily natural for those who have different cultural and ethnic backgrounds.

The language problem is the most conspicuous. Serious accidents may occur if people who do not understand Japanese fail to read warnings or matters that require attention which are easy to understand to those who understand the language. Roman characters should be used as much as possible for the signs such as traffic signs, and at the same time it is necessary to introduce some other ways of indicating signs, such as the use of common symbols in the world, to ensure that those who understand neither Japanese characters, the alphabet nor English can understand what the signs say.

For example, unlike in Paris, the signs in the subways in large Japanese cities, including the information on connections, are difficult for foreigners to understand, partly due to their inconvenient location.

Another example is that the Japanese system of renting an apartment or a house is not easy for foreigners to understand. In addition to the Japanese peculiar custom of "reikin" (a fee paid to the owner of a rented apartment) and "shikikin" (a deposit), many owners still tend not to rent their apartments or houses to foreigners. Fixed rules on the use of apartment or houses are not always established.

Such systems intended only for Japanese should be changed into a more open system that promotes acceptance of foreigners into the community. Japan may be required to introduce some legal measures in the future, such as an anti-racial discrimination law similar to those enforced in Western Europe and the United States.

Two basic ways to cope with the co-existence of multiple cultures and races are multiculturalism and universalism.

Foreign languages and cultures must be respected in Japan as much as possible, but everything has its limit. Having respect for value norms of other ethnic groups may be possible in private spaces, but often difficult in public spaces. Respect for multiple value norms may

⁹ Minoru Endo, *Nanmin no ie* (*House for Refugees*), Kodansha, 1990.

conflict with that of the Japanese value norm. Thus, it is required to expand the systems and norms of the Japanese society into more universal ones, while multiculturalism is promoted.

Such efforts should be especially made in public spaces (workplaces, schools, local governments and communities). Various discussions have been made over what universality implies, but no objection will be raised against making the public spaces in Japan as open as those in Western Europe and the United States.

What seems to be particularly important to overcome such one-sidedness of Japanese cultural and ethnic norms is the attitude of key persons in various fields who have many opportunities to meet foreigners publicly through their professions. Here, the key persons are referred to as those who are very influential and meet many people in public places through their professions.

The category include policemen, prosecutors, judges, teachers, doctors and civil servants working in local governments. The surroundings that foreigners face in Japan can not be improved if these key persons have a strong tendency to give the highest priority to the Japanese people and discriminate against foreigners.

V. Japanese Way of Management and Foreign Workers

Three major fields of labor

An inflow of foreign workers into Japan symbolizes the internationalization of the Japanese economy. However, foreign workers are concentrated in certain fields of labor. When Western European countries introduced foreign workers after the war, they were employed by leading companies in key industries.

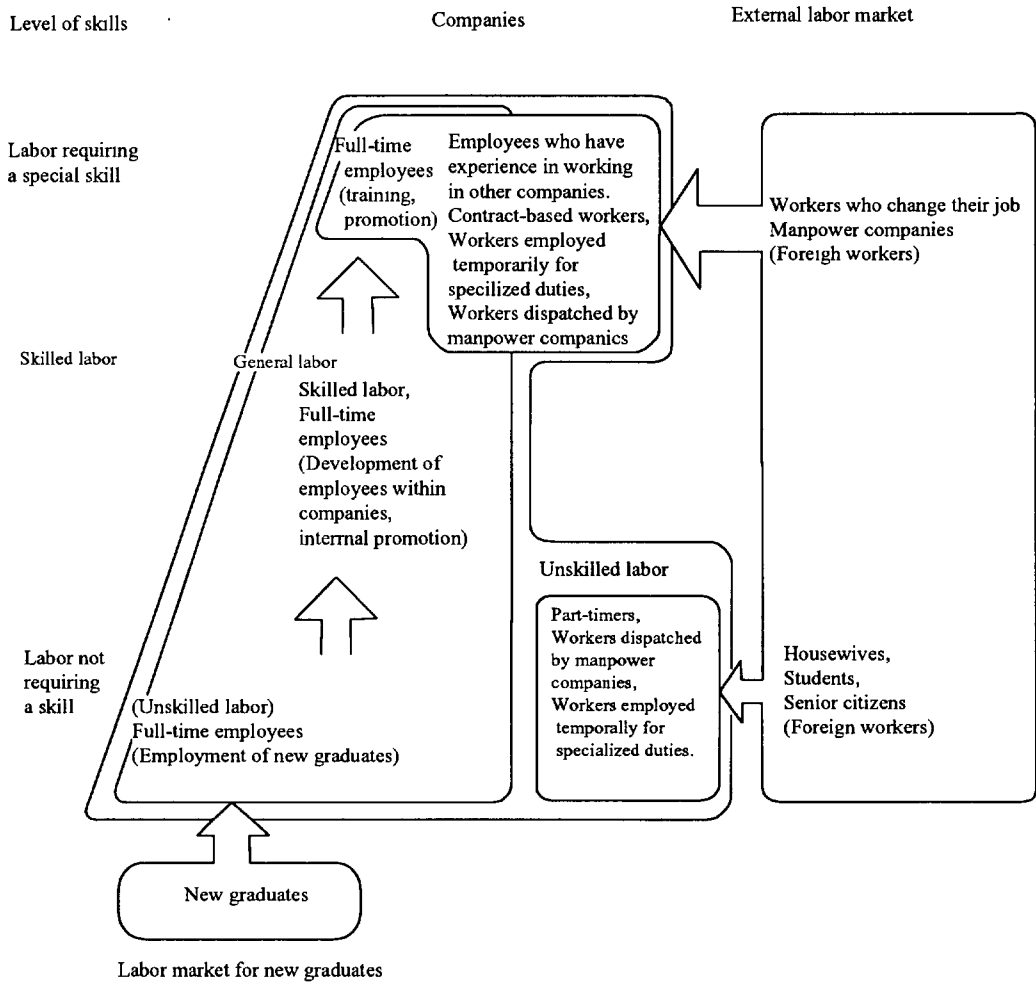
Japan has maintained the Japanese management system which is different from that of Western Europe and the United States, and the foreign worker problem in Japan should be discussed in relation to the Japanese labor system. This section will center on the relation between the foreign worker problem and the Japanese labor system.

As known well, the Japanese labor market is not based on job classification. Workers are educated and trained by the companies they work for. In other words, the Japanese labor market does not have such cross-job categories as skilled, semi-skilled and unskilled labor, and the labor system is divided according to companies. Job classification is not fixed, and some jobs overlap each other in some places. Jobs are regarded as the stages that workers have to pass through in process of time.

Japanese workers are versatile and do not aim to be a job specialist. A large number of foreign workers who were accepted as manual laborers by Western European countries in their high economic growth period remained in the same job for 10 to 20 years. In France, foreign workers began demanding increased opportunities for promotion, accompanying with the progress of rationalization.

The people called manual laborers are divided into two categories in Japanese companies. One is unskilled workers who are expected to be promoted to skilled workers and then to higher positions in the companies. Full-time employees who join a company after graduating from school often start their career as unskilled workers.

FIG. 2 GENERAL IDEA OF THE JAPANESE LABOR MARKET



Source: Planning Bureau, Economic Planning Agency, (ed.), *Gaikokujin rodosha to keizai shakai no sinro*, (Foreign Workers and the Course of the Economic Society), Printing Bureau, Ministry of Finance, 1989, p.99.

The other group of workers who belong to the category of manual labor is non-skilled workers who remain unskilled. This group of workers exist outside of the Japanese management system and are often represented by part-time workers including housewives and students.

According to the research by a group that analyzed the influence of foreign workers on the Japanese labor market, labor in Japanese companies consists of the following three types; (1) labor that requires special abilities, (2) general labor composed of skilled labor and unskilled labor and (3) non-skilled workers. The research group explains that the future trends in foreign workers can be predicted using these categories. The influence of foreign workers on the Japanese labor system will be examined below, using these categories¹⁰.

Increase in foreign experts and specialists

The category of labor that requires a special ability includes engineers and specialists, for which demand is increasing with intensified international competition and rapid technological innovation (see Fig. 2). Japanese companies increasingly depend upon various types of workers such as those who have moved from other companies, contract-based employees, those employed temporarily for specialized duties and those dispatched from manpower companies, because it is difficult to supply these types of workers sufficiently through education and training within a company. The typical example of this type of workers are computer engineers and data processing specialists.

Demand for foreign workers is increasing from the same reason. It is not impossible, in principle, to hire foreign workers who can work in the computer and data processing fields. However, foreign workers that Japanese companies can hire legally are limited to those who belong to the specified job categories of engineers and specialists, and the employment of foreign workers is not expected to expand to the general managerial positions and executive positions. The positions of executives are filled up by Japanese full-time employees through promotion. Foreigners are employed from the external labor market by changing their jobs or limiting the term of employment.

In most cases, foreigners who are engaged in labor that requires a special ability are expected to have linguistic ability and special knowledge required for internationalization. Most foreigners are engaged in the work related to interchanges between Japan and foreign countries, including the fields of foreign languages and research. Some Japanese ability is often expected of them.

On the other hand, it is difficult for Japanese companies to employ foreigners who literally have "special ability" that can be used all over the world by offering a higher salary. Japanese companies that put emphasis on equalitarianism cannot give them special treatment, which means that foreigners with special skills do not enjoy any special benefits from working in Japan. Japanese companies have to set up a special organization in foreign countries and hire such specialists based on an overseas salary system to compete with large foreign companies such as International Business Machines Corp. for securing top flight experts and researchers. But, in reality, it is very difficult for them.

¹⁰ Planning Bureau, Economic Planning Agency, ed., *Gaikokujin rodosha to keizai shakai no sinro* (Foreign Workers and the Course of the Economic Society), Printing Bureau, Ministry of Finance, 1989.

Japanese management system that does not require foreign workers

Those who are engaged in the field of general labor in Japan are full-time employees who usually follow the typical path of entering a company after graduation, being trained within the company and getting promoted internally. The career track is strictly controlled by the Japanese management system, and it is impossible to incorporate foreigners into such career path. The Japanese management system is based on the employment of new graduates and long service, and foreigners tend to be placed at a disadvantage because many of them have experience in working for other companies and can not be expected to serve the companies for a long time.

In fact, the field of general labor is closed to foreigners, and very few foreigners work there. In addition to such organizational features of Japanese companies, their ethnocentrism cannot be ignored. What indicates it clearly is long-lasting employment discrimination against foreigners living in Japan. Many of these foreigners are still excluded from the field of general labor, although they have excellent abilities and a good command of Japanese.

Under such circumstances, it is hard to believe that a large number of foreign workers are entering employment. Recently, however, an increasing number of foreign students who studied in Japan have obtained jobs in Japanese companies. They can follow the general labor course there as new graduates, but it is difficult for foreigners who have been educated in foreign countries to find employment in Japan.

Increase in foreigners engaging in non-skilled labor

Unlike unskilled workers, non-skilled workers are not employed as full-time workers. They include part-timers, workers employed temporarily for specialized duties, those who come to large cities in the agricultural off-season and subcontractors. Those non-full-time workers are said to account for about 20% of the labor market. Companies try to hire as small a number of full-time employees as possible and promote the use of outside suppliers and diversified forms of employment. Their purpose is to cut personnel cost and adjust employment.

The fields where non-skilled workers are employed feature low wages and poorer working conditions which result in the shortage of workers. Thus, a dual structure already existed in Japanese companies.

Many foreign workers are concentrated in these fields. Using cost reduction and employment adjustment as an excuse, companies employ foreign workers as temporary and cheap labor. However, since the wage disparity between workers in Japanese companies is not that wide, employment in Japan is quite attractive to workers from Asian countries where the wage differentials between workers are substantial.

The shortage of non-skilled workers has been surmounted through automation, promotion of labor saving and improvement of the working environment. Several important alternatives for the Japanese future labor system include automation and mechanization to eliminate the need for manual labor, the improvement of working conditions to attract more workers, the introduction of foreign workers to expand manual labor, or the combination of the above measures. However, as will be discussed below, the use of foreign workers will help maintain and expand the dual structure in Japanese companies including small and me-

dium-sized companies.

Many small and medium-sized companies exist around large companies in Japan. Most of the workers hired by the small and medium-sized companies belong to the above-mentioned category of non-skilled workers. A large structural gap lies between large companies and their subcontractors and outside suppliers, and then the labor market itself is divided into two. The so-called segmentation of the labor market is progressing.

Subcontractors and outside suppliers are suffering from a labor shortage, because generally speaking, wages are low, the labor environment is unpleasant and most of the work there is dirty, dangerous and hard. The number of workers fluctuates sharply according to the season, and the companies' dependence upon non-skilled workers is much higher than general companies. Subcontractors and outside suppliers have been facing a severe labor shortage for a long time and many foreign workers have been employed as a solution to the problem.

As seen above, foreign workers have been introduced not into the central part of the Japanese industry but into its peripheral or external areas. As a result, they are likely to help maintain and expand the dual structure in Japanese companies.

In addition, internationalization is not progressing uniformly at every level of labor. The future labor system in Japan may take on a structure with a certain number of foreigners, mainly Western European and American engineers and specialists, are employed in the upper level of large companies, the Japanese management system remains unchanged by avoiding internationalization, and foreign workers, along with part-timers and workers employed temporarily for specialized duties, are hired at the lower level. Foreign workers will tend to be concentrated in small and medium-sized companies and subcontractors, and even at local companies on a larger scale in the future.

Three fields of labor and international migration of labor

The features of the Japanese labor system allow the acceleration of the introduction of foreign specialists at the upper level and of foreign manual labor at the lower level, but the introduction of foreign workers into the general labor force at the middle level will be minimal.

The biggest reason is that the employment of foreign workers for general labor is not permitted by law, but even if the regulations are relaxed, an inflow of many foreign workers into general labor will not occur. What prevents the entry of foreign workers is the Japanese management system which requires that foreigners fully understand Japanese.

Most Asian workers in Japan at present have a high educational background and high occupational status in their home countries. However, they are forced to engage in manual labor illegally. They have experienced the downgrading of their occupational status and sometimes lost their skills. Since the wages in Japan are thirty or forty times higher than those in Asian countries, most of the workers from these countries want to find employment in Japan even though their occupational status is downgraded.

The internationalization of general labor at the second level of the Japanese labor system cannot be expected due to legal restrictions and the nature of the Japanese labor organization. In Western Europe and the United States, the labor market is classified by the types of job, and workers can find employment beyond the national borders.

For example, such international migration of labor is possible between the countries that

belong to EU and the Commonwealth of Nations. However, international migration of labor hardly occurs in Japan where companies put emphasis on the employment of new graduates and lifetime employment.

Thus, the acceptance of foreign workers and the internationalization of the Japanese labor system should be considered separately, because an inflow of foreign workers does not help internationalize the Japanese labor system. For the Japanese management system, internationalization means upgrading into a universal system which can be introduced into foreign countries rather than the promotion of multi-nationality within companies through the introduction of foreign workers. This Japanese system can be compared with European and American systems at various levels in Asian countries and the United States. Competition among management systems can be observed.

Needless to say, each system has advantages and disadvantages. As is often said, one of the advantages of the Japanese management system is the stability of employment, while a disadvantage is vague evaluation criteria of ability. The Japanese system prevents companies from hiring people with special abilities.

Today, many multinational corporations have moved into Japan with the development of borderless economy. Highly educated young Japanese women who often become a target of sexual discrimination and exclusion in the Japanese management system are likely to choose to get a job in foreign-affiliated firms where employment conditions are relatively equal. Somewhat, selecting a management system is becoming possible within Japanese society.

As mentioned above, Japanese companies are facing two types of internationalization¹¹. However, these two types of internationalization must be distinguished from each other.

One of them is an increase in foreign workers and the progress of multiculturalism and universalism that help improve the working environment for foreign workers. The other is a problem related to the Japanese labor system and the selection of a system. The Japanese foreign worker problem is complicated because these two types of internationalization are closely connected to each other. The Japanese foreign worker problem must be discussed in these two contexts which are distinguished from each other.

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¹¹ Takamichi Kajita, *Gaikokujin Rodosha to Nippon (Foreign Workers and Japan)*, Nippon Hoso Shuppan Kyokai, 1994, pp.237–246.