

# **An Answer to Aging Populations Demands for Services?**

When the world's oldest man died recently, no one was terribly surprised to learn that both he and the woman who assumed the title were Japanese. Whether because of good doctors, genetics or green tea, more and more Japanese are living longer and longer.

Here's the problem: Their offspring are having fewer and fewer kids. That's skewing the age curve of the Japanese population. By 2050 almost 40 percent of the country will be 65 or older. Unless benefits are drastically cut -- as toxic a proposal in Tokyo as in Vero Beach, Florida -- that means a shrinking population of able workers will somehow have to support a growing pool of senior citizens.

Japanese seem paralyzed by this prospect. The most obvious remedy -- to lift the barriers to immigration that have made Japan one of the most homogenous societies on earth -- is dismissed as a political impossibility. Even the supposedly fearless prime minister, Shinzo Abe, refuses to touch the issue.



That's one reason analysts remain skeptical of the structural reforms proposed as part of "Abenomics," the prime minister's plan to revive the Japanese economy, as detailed in the August edition of Bloomberg Markets magazine. Without new workers to keep the economy growing and to spur innovation and entrepreneurialism, Japan is hardly likely to rebound the way

Abe and his fans are hoping. If Abe can't win this fight -- indeed, if he won't even wage it -- then his chances of overcoming other vested interests look dim, too.

## Immigrant Nation

There is an obvious way for Abe to start talking about this issue now, regardless of next month's upper-house elections to the Diet. Many Japanese don't realize that in small but unmistakable ways, their country is already becoming a nation of immigrants. In recent years the government has experimented with programs designed to attract particularly desirable categories of migrants. A Canada-style points system targets highly skilled, high-income knowledge workers. Deals with Indonesia and the Philippines bring in nurses and aides for the elderly. For years now, Japanese universities have made a push to attract foreign students, especially from other parts of Asia.

These programs haven't drawn more flak because, for the most part, they have struggled. Thus far only a few thousand foreigners have qualified for permanent residency under the points system. Meanwhile, only 47 out of 415 Indonesian and Filipino nurses managed last year to pass the test -- in Japanese - - required for their continued employment. Japan today counts a mere 2 million immigrants among its 127 million residents. That hardly presents an ethnic threat, much less demographic hope.

Such stumbles suggest a way forward. Politicians -- including members of Abe's own Liberal Democratic Party -- have repeatedly made grand proposals for transforming Japan into a multicultural society. All have failed. On the other hand, as Jeff Kingston, head of the Asia program at Temple University's Japan campus, points out, simply fixing and expanding already existing programs would quickly boost the number of foreigners in the country. Bureaucrats could raise the target numbers for skilled workers or for foreign students without prompting much of a backlash. The requirements for nurses could be simplified: In one study, almost all passed the exam when tested in English

instead of Japanese.

Abe's government could also be doing more to reshape the debate around immigration. An influx of software entrepreneurs and trained nurses should be seen for what it is -- part of the solution, not part of the problem. Leading Japanese businessmen now support the case for welcoming foreigners: With the country seized by the need to revive the economy, their backing should be featured prominently.

### Positive Lessons

In parts of Tokyo and elsewhere, local governments have come up with small, innovative programs to better integrate newcomers. Abe's administration should be studying these efforts and highlighting their successes. Although the government cannot prevent media hyperbole, the Justice Ministry could do much more with its crime statistics, which belie the common perception that immigrants are to blame for increases in petty crime and drug abuse.

Over the years, a narrative has formed around the immigration issue in Japan, one that assumes any shift in the country's racial makeup will spark the unraveling of its tightly knit society. In fact, the opposite is true: In depopulated parts of the countryside, for instance, Chinese and Korean brides have revived villages and kept their traditions alive. Sometimes the only way to save the old is to welcome the new.