

(Provisional Translation)

**Seven Proposals for Japan to Reestablish Its Place
As a Respected Member of the International Community:
Taking a Global Perspective on Japan's Future**

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Council on Population Education/ Akashi Research Group

These proposals have been compiled by the Council on Population Education chaired by Yasushi Akashi. From March 2008 to September 2009 the Council held a number of meetings under the general theme of “Considering the Future of Japan”. Experts in relevant fields presented their reports which were followed by discussions.

In March 2010, a Public Forum was held on the same theme to present the results of our deliberations, and a summary was prepared. These proposals are the result of nearly two years of research and discussion. It is hoped that they might form a valuable resource for the legislative and administrative branches of government in formulating and implementing policy for the future of Japan.

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Table of Contents

Proposal 1: Japan should emerge from the state of “withdrawal”

Proposal 2: Japan should develop a family policy which can serve a model for societies experiencing a declining population

Proposal 3: Japan should develop a model immigration policy with the slogan of “Opening Japan to Human Resources”

Proposal 4: Japan should invest more in women and youth

Proposal 5: Greater international cooperation should be provided to developing countries experiencing periods of demographic bonus

Proposal 6: Japan should take responsibility and revive and increase its ODA Budget

Proposal 7: What Japan should do now as a mature and responsible nation

Proposal 1: Japan should emerge from the state of “withdrawal”

From the 1960s to the 1980s, Japan was able to exercise a significant influence on the international community because of its economic prosperity. However, this influence has declined sharply as a result of the period of prolonged stagnation following the so called “lost decade” of the 1990s, and its worsening financial situation. In contrast, the relentless pace of globalization has enabled emerging countries, most notably China and India with their large populations, to develop much stronger economic and political power. Japan is caught up in this same global process of dynamic change.

The challenges now facing Japan need to be considered as part of the major structural changes taking place in the 21st century. From 2005 Japan is now a society with a declining population and one which is experiencing significant changes in the age structure of its population. The greatest concern is that the decline of the working population, the motor of economic growth, is being accompanied by an increase in the aging population leading to rising social security expenses and lower international competitiveness. At this critical juncture, when the effects of globalization on Japan are becoming ever stronger, it is vital that we take seriously the need to accept foreign workers in a positive way and work to foster public understanding of this course of action and other related issues.

At present we are surrounded by people both here and abroad who rushing to label Japan as “The withdrawn nation” or are indulging in “Japan-bashing” or the theory of “The passing of Japan.” However we should not be lured into the trap of a facile pessimism and instead work with determination to devise and implement positive measures so Japan can regain its former position of influence in the world.

Rather than giving in to the prevailing mood of pessimism or seeking unrealistic solutions to these questions of an aging and declining population, we need to develop a comprehensive and integrated strategy which combines both short term and long term perspectives and has the right balance of policies to be able to respond flexibly and effectively to these challenges.

Demographic changes should be considered as opportunities rather than risks. We need to respond to demographic changes flexibly and swiftly. If we take this approach then we will be able to develop a raft of policies to meet the many different tasks which

are facing us. We should regard the current situation as an excellent opportunity to review all existing policies in light of Japan's position in the international community.

We hope that Japan will be able to free itself from its current apathetic state of withdrawal and make a fresh start as a nation which is able to make positive contributions to the international community.

Proposal 2: Japan should develop a family policy which can serve a model for societies experiencing a declining population

In Japan, the total fertility rate (TFR) or the number of children that a woman will bear in her lifetime, an indicator of population aging and lowering fertility, was 1.26 in 2005 and 1.34 in 2007. Japan also enjoys the longest average life expectancy in the world. It is important to note that this situation is not unique to Japan. As of 2008, 26 countries in Europe and Asia have TFRs of 1.5 or lower. Korea recorded a TFR of 1.08 in 2005 and 1.26 in 2007, both of which are lower than those in Japan. Lowering fertility is a worldwide trend affecting almost half of the world. In devising policies, we should keep this fact in mind. Indeed when we seek measures which will reverse this lowering fertility, we need to clear about why this phenomenon is occurring in many different parts of the world and not confine our view to Japan alone.

Japan should take this opportunity and develop the kind of model policies which will show the world how to address this situation of extremely low fertility rates and a rapidly aging population. Just as Japan took the lead in Asia in developing rapid economic growth, we should be first to create a model family policy seeking to enhance the well-being of individuals, couples and families in our society, and present it at the earliest occasion to the world. We have already seen examples particularly in Western Europe of how a society can make it more gender-equal and thus benefit from women's increased participation in society. Learning from such examples, Japan should create a comprehensive family policy that can serve as a model for other Asian countries.

Countries which currently have low fertility rates have all reached their current state after a process of development moving from primary industries (agriculture, forestry, fisheries), and secondary industries (manufacturing), to tertiary industries (service-based industries). In this sense, low fertility and rapid population aging are general

phenomena which are occurring in industrialized countries. However when we tackle this problem of population decline we need to consider not only the quantitative aspect of the rate of decline, but also consider that such changes have been accompanied by great improvements in the quality of the social and economic environment.

Some have warned that it is inevitable that Japan will enter a phase of decline. However it is much too facile to conclude that if a nation experiences a decline in the numbers of their young people it will automatically lose its influence in the world. Instead of focusing purely on its population size, Japan, as one of the core industrial countries, should strive to earn the reputation as a country which has been able to develop the values and attitudes to produce model policies to meet the socio-economic challenges shared by so much of the world. However if this is to become a reality then there needs to be nothing short of a paradigm shift in the nature of policy discussions on this question.

In other words, we should not see the ongoing population decline merely in terms of numbers, but rather we should consider how we are going to cope with the required long-term structural changes.

For this purpose, it is essential to consider how to create a family policy which will nurture coming generations, and ensure that the elderly, women and young people can participate more freely in all aspects of our society. In this context it is salutary to remember that Japan currently allocates only 1.11% of GNP to family related policies, while France and Sweden spend around four times as much.

We should be aiming to build a society where women can enjoy a rich life both having a family and working, a society in which young people can have hopes for their future, a society in which elderly people can continue to work and share the benefits of their experience while they are healthy, and a society where the elderly who are no longer able to work are given the best care and the highest respect. If such policies are to be realized, it will require financial support paid for in part by a raising of retirement ages as well a change in the consciousness of educators and the general public at large.

Proposal 3: Japan should develop a model immigration policy with the slogan of “Opening Japan to Human Resources”

Immigration policy has long been an issue surrounded by taboo in Japan. However, it is now time to address this issue directly and openly. First, the need for immigrants should be recognized and an immigration policy formulated with a long term perspective. If capable people from all over the world are attracted to Japan, our society will be invigorated and reenergized. Immigrants will become a key source of human resources for the development of Japan.

In 2008 the number of domiciled foreigners living in Japan as registered aliens was around 2,217,000 representing 1.7% of the total population. At government level, discussions are continuing on how the system can be improved to accommodate them. Japan needs to become an internationalized nation, and open its doors to such important human resources. Many Japanese business corporations have become multinational corporations so we should acknowledge openly that our manufacturing sector can no longer remain exclusively Japanese. The existing policy of not accepting unskilled labor is unrealistic, and needs to change. We have much evidence of how the increase of highly motivated foreign students can help to invigorate universities and other educational institutions in Japan. We propose that an Immigration Law (Law to support domiciled foreigners) be enacted and an Immigration Agency (provisional title) be set up so that all questions related to immigration policy can be dealt with in an integrated and comprehensive way. Political will and leadership will be required to take the necessary action for the enactment of such a law.

In practical terms we need to make the necessary preparations to accept around 10 million immigrants as domiciled foreigners in preparation for the time 50 years hence when the population of Japan is projected to fall to around 90 million. In parallel, we should initiate a wide ranging campaign of public education to change the prevalent narrow minded attitudes of superiority arising from a closed society and prepare the ground for the development of a more multicultural and harmonious society.

While positively receiving foreign students, we also need to implement a policy to help immigrants adapt to Japan. The long term decline in the birth rate has resulted in a smaller student population and therefore many extra spaces being available at the college level. These spaces should be made available to foreign students to learn

Japanese language and culture as well as technical skills. Such courses should be provided to students soon after their arrival. Furthermore, vocational and professional training courses should be provided for various professions not just nurses and nursing care workers. Good quality foreign students will certainly have a positive impact on colleges in Japan struggling to recruit enough students to fill places.

At the same time, there needs to be a concerted campaign of public information to raise awareness and interest of these matters in society in general. It is indispensable to educate the nation, including the media, on the course Japan should take in the future for the next 100 years. It is clear that if Japan does not change its conventional exclusive and closed attitudes it will not be able to establish its position in the world. Japan has already reached the point at which it must make a definite shift to becoming a nation that actively welcomes foreign workers. The number of Japanese students studying in universities in the west has declined in recent years. If Japanese people are to take part in intellectual work at the international level, more serious efforts should be made to ensuring that Japanese educational institutions are raised to the highest international standards. At the same time, Japanese who return after finishing their studies abroad should be offered a broader range of employment opportunities.

If we were to draw up a balance sheet of the advantages and disadvantages of having immigrants in Japan, we would be looking at a plan for Japan's future very different from its present closed attitude. The key fact to remember is that foreign workers in Japan will be making a vital and necessary economic contribution to the development of the whole of Japanese society.

We cannot, of course, close our eyes to the social and educational costs incurred by introducing immigrants. We must take seriously our responsibility to ensure that the best of our traditional culture is passed on to the next generation. We must also begin to address as early as possible the issues of public order, language, and local community development that are unavoidable in a multi-ethnic society as we know from the experience of western countries.

Proposal 4: Japan should invest more in women and youth

There is clear evidence from a number of surveys that women do wish to marry and

have children against the background of lowering fertility. The decline in fertility is not therefore the result of people actively wanting not to have children. Fertility rates continue to decline because the status of women remains unequal and, particularly in their working life, they encounter much prejudice and disadvantage. As a result, women enjoy less freedom than men. To devise measures to halt the decline in fertility rates, we need to view this situation from the viewpoint of women. Any serious policy will need to include a focus on issues of gender and women's empowerment in society. It is time to change our model of what a family should be from one headed by the man as the sole breadwinner for the family to a "gender-equal family model.

At the same time, we need to make major investment in the education of our young people. In the OECD survey, Japan is ranked very low in terms of its investment in the enhancement of quality of human resources. The level of education of children attain is now directly proportionate to family assets. However, investment in education for coming generations is a major task for the whole nation. It is regrettable to find that many couples refrain from having more children because of the high costs of education.

Even if Japan were able to recover its fertility rate to the 2.07 level with various population policies, demographers predict that the total population would continue to decrease for some time. Indeed once the trend to falling low fertility rates has become established, there is no guarantee that the Japanese population would stabilize at even the 70 million level. Japan's population may actually go into a spiral of decline. In order to moderate the population decline, appropriate TFR targets should be set at 1.7 or 1.8.

Another important task of a family policy is to provide youth with gender education. One reason that many women are choosing to have children is because of they often have to shoulder the heavy burdens of housework and childrearing alone. Therefore, at an early age, we need to change outdated attitudes towards gender roles. In this context we can learn from the experience of the developed countries in Europe. The higher rate of fertility has been achieved in the countries with the higher rate of working women. This is also observed in part because of the increased role which men play in housework and childcare. A further question concerns the issues of children born out of marriage. In many countries in Western Europe, such children are recognized socially and culturally. It is desired that the remaining barriers against children born out of marriage be gradually removed in Japan.

The increase in the number of unemployed and underemployed young people is a major social issue in Japan. If they remain in this state it will be difficult for them to obtain sufficient income to be able to marry and bring up children. It is a matter of great urgency for the whole nation to take measures to narrow the disparity of income levels for young people and address economic problems as a whole.

Along with the promotion of the wider social participation of women who occupy a half of the population, public and private sectors should strive to build a society where youth can have dreams and realize their dreams through playing useful roles in society. To help young people prepare for the challenges of globalization, special care needs to be taken to develop an education which can provide a balanced and comprehensive range of skills and knowledge. In particular, foreign language education, international and development education should be strengthened.

There needs to be an urgent commitment to examine from various angles the many ways in which we can invest in women and young people. Currently, Japan is hardly making the best use of these key population groups who have the potential to play a much more active and energizing role in society.

Proposal 5: Greater international cooperation should be provided to developing countries experiencing periods of demographic bonus

If we examine the population structure in developing countries, it could be noted that many countries, which have conducted successful family planning programs, have achieved lowering the fertility rate, leading to the change in population structure. This change has created favorable conditions for economic development with the increase of the working population. The greatest challenge in the 21st century is to find the most effective way to deploy the potential of this population group for the economic and social development of the world. The leaders of the world have the power to decide whether this group will remain largely unemployed, or ensure that they can be socially productive.

Any increase in the number of the unemployed may have extremely negative consequences including a rise in terrorism and the number of refugees and ethnic

conflicts. If, however, the group can be involved in economically positive activities, they will constitute what we may call a “demographic bonus.” Indeed in our own recent past we had such a demographic bonus in the young workers who made possible the period of rapid economic growth in the 1960s.

Therefore, we strongly believe that Japan should increase international cooperation to developing countries to help them take advantage of this period of their “demographic bonus.” Since Japan itself has the experience of being able to use such a period positively as a spring board to becoming a successful developed country, we are in a position to show the world a model. In the near future, many countries in Asia and Africa will enter such a period of “demographic bonus.” It is important to help them develop and make full use of their human resources. Japan, with its experience of successful development itself, is able to offer international support to develop such human resources. Both the government and private sector can extend their cooperation across a wide range of human resource development activities, most notably, how to increase productivity through education, training and technical guidance. These countries should be considered not as our economic competitors but to be our partners to whom we can offer the Japanese model of human resource development.

Furthermore, as a part of a reformulation of foreign policies, we should work with developing countries on empowering women and developing programs for young people. Indeed the insufficient social participation of women is certainly one reason preventing these countries from taking off. Therefore, a foreign policy should be developed which focuses on women and youth. The policy needs to be comprehensive so that it can embrace such tasks as the promotion of education, vocational training, reproductive health and rights for women.

A youth policy can make an important contribution indirectly to the process of building a peaceful country. Successful nation building gives young people in the country a vision of a bright and hopeful future and preempts the need to suppress terrorism with military force.

Japanese foreign policies in the past have placed their emphases on infrastructure development. The technical cooperation projects have tended to focus on the training of personnel in governmental agencies. Now, the range of human resource development should be widened and support given to community-based NGOs who are

working across a wide range of activities. As cooperation projects are funded by tax-payers, it is all the more necessary to expand international cooperation which reaches directly to people in developing countries.

Proposal 6: Japan should take responsibility and revive and increase its ODA Budget

This Research Group submitted its “Proposal on Official Development Aid (ODA)” on October 1, 2007 to the Prime Minister, relevant Cabinet Ministers, and the legislative branch of government. In the proposal, we requested a qualitative and quantitative increase in future international cooperation. Unfortunately, ODA, one of the most essential diplomatic strategies of Japan has continued to suffer severe reductions. Japan has already relinquished its honorable title of “ODA superpower,” and has come to exert little influence on ODA in the world. Japan was ranked first in the world in terms of the amount of its contribution as recently as 1997, but has now slipped rapidly down to 5th with the tendency to decline further.

Japan is committed to playing a role in world peace and security without the use of military strength. However in spite of its national policy to play its role through diplomacy and peace building and peace keeping activities, it is extremely regrettable that it has been so reluctant to take any action. Even after the Democratic Party took power in the latest general election, the trend of the ODA budget decreasing has continued. While other developed countries have been increasing their ODA budgets after the 9/11 incident in 2001, only Japan appears to have become more inward-looking. It seems that Japan is becoming a “withdrawn country” in diplomacy and development and is thus unable to maintain its presence in the world. Japan has reduced its ODA contributions over the past 14 consecutive years since 1997, and the amount of ODA has fallen almost by half to date.

For 2010, Japan has further reduced its voluntary contributions by 15% from 2009 to the United Nations Population Fund (UNFPA) and International Planned Parenthood Federation (IPPF) which support developing countries on issues of population, gender and health. The reduction of contributions of this scale in a year is historically unprecedented. This reduction has caused many projects to be terminated or suspended. Personnel development and the transformation of consciousness for

solving problems are supported by the steady efforts from international agencies and governments in developing countries. The 15% reduction of its contributions to these organizations will bring negative results for Japan.

If this trend of reduction of ODA budget continues in the future, Japan will suffer an extreme loss of credibility, and its past efforts to establish itself as a trustworthy nation will have been in vain. While it is understandable that Japan's contribution in the international community should be reviewed periodically, the current major reduction might also affect ODA projects by lowering them in quality.

Together with other international cooperation and support organizations, we strongly urge the Japanese government to resume its strong commitment and leadership, and that its ODA budget should be revived and increased for the sake of solving population issues.

Proposal 7: What Japan should do now as a mature and responsible nation

In the 65 years following its defeat in 1945, Japan underwent a period of rapid economic growth and established a presence as an economic power after overcoming many difficulties. In the process, the government was able to steer the country on a firm course by putting forward appropriate policies to respond to the needs of the times.

However, the continued relevance and adequacy of many of the policies formulated after the war is being called into question today. A thoroughgoing review of existing policies and a “paradigm shift” in thinking are needed so that these policies can be more in tune with global values and contexts.

Japan is expected to play a role in the world commensurate with its status as the world's second largest economy. This position may be relinquished to other nations, yet Japan should continue to take leadership in the international community. To do so, as we have repeatedly stressed in this proposal, Japan must cease to be a withdrawn and inward-looking nation. Both the administrative and legislative branches of government must show true leadership and give a produce a bold and enlightened vision of a future which can influence the public. We wish that Japan open its doors widely to the world now that changes are demanded both inside and outside the country. It is

clear that what is required is a third opening of the country to follow those which occurred after the Meiji Restoration and World War II.

We believe that we should become a “mature and responsible nation” and that we should not forget our postwar desire and determination “to occupy an honored place in an international society” in our diplomacy. When the entire nation shares this idea, we will be treated as an important and influential member of the international community.

As Japan is becoming a mature society, we should consider demographic phenomena such as low fertility and aging population as a favorable opportunity and devise and implement comprehensive policies that look 50 years and 100 years ahead. It is clear that the policies and measures produced after the war are no longer appropriate to today’s reality and should be changed. Through vigorous public discussions, we hope that the Government and the Diet will strive to design and build a new Japan.

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The Research Group has looked at Japan from a global perspective, and considers it necessary to begin to draw a clear and realistic picture of Japan in the future. Considering Japan’s long-term development and based on its concept as a nation, and fully aware of the need to make sincere efforts for the country, we hereby announce the seven proposals.

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