

CHAPTER III

Shinzo Abe's Domestic Policy and Foreign Policy toward Aging Population

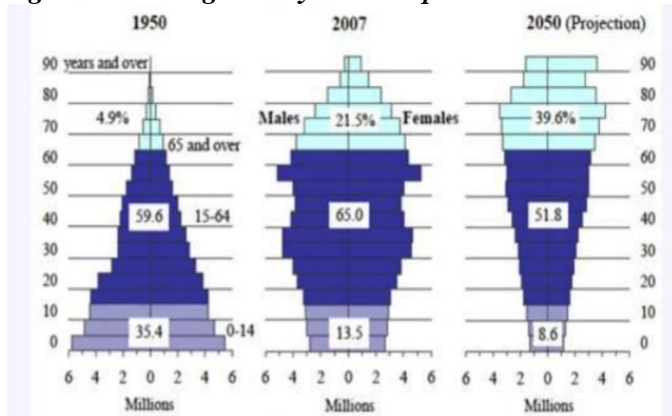
This chapter will discuss how Shinzo Abe's domestic policies as internal actions and foreign policy as external actions to overcome the aging population. In Shinzo Abe's second administration since 2012, there was an economic policy called "Abenomics" to revitalize Japan's economy, which contained "three arrows," one of the concerns of this policy is growth economy strategy that includes policy toward an aging population. In overcoming the aging population in internal, Shinzo Abe has several policies under Abenomics as the domestic policies such as Womenomics, the Robot revolution, and supported by family policy. Womenomics policy is to encourage the participation of women in the workforce. Robot revolution is encouraging to use robotic to increase to increase industrial productivity. While the Family policy is policy to encourage people to have the child by giving allowance. Then in overcoming the aging population by external actions, Shinzo Abe made foreign policy open the door for immigration to overcome the labor shortage caused by the aging population. The immigration policy is included in the Japan Revitalization Strategy as part of the growth strategy of Abenomics. So this chapter will explain the action taken by Shinzo Abe to overcome the aging population.

A. Domestic Policy

Domestic policy is a decision made by the government regarding problems and activities that occur in the country. This includes all laws, planning and government actions concerning internal issues affecting the entire country. In the second administration of Shinzo Abe in 2012 had a domestic policy that focused on the Japanese economy. Shinzo Abe's domestic policy known as "Abenomics" was designed to end deflation, overcome public debt, stimulate private investment and consumer spending, and rekindle economic growth (Tsuchiya, 2013). Abenomics policy consists three arrows: (i) fiscal consolidation, (ii) more aggressive monetary easing by the Bank of Japan, and (iii) structural reforms to boost Japan's competitiveness and

economic growth. The third arrow "structural reforms to boost Japan's competitiveness and economic growth" is a policy that focuses on Japan economic growth, which will overcome all the problems that hinder the growth of the Japan economy. The aging population is one of the problems that hinder Japanese economic growth. Because aging of the population causes a decline in the productivity of the country. In a country, there are three determinants for economic growth: labor, capital, and productivity. So that the severe aging population will run the risk of experiencing long-term economic stagnation.

Figure 3.1 Changes in Pyramid Population 1950-2050



Source: Ministry of Health, Labour, and Welfare.(2008).

Based on the Japanese's population pyramid can be seen (figure 3.1) population changes that occur in Japan, in 1950 the pyramid population shaped expansive model, illustrates that a country has a high birth rate with 35.4 percent and the productive age is more than the older. Whereas in 2007 the Japanese pyramid began to form a constructive model, illustrates that the population of productive age and birth will begin to decrease, and the age of the elderly begins to increase, then it is predicted that in 2050 the birth rate and productive age will decline drastically and the elderly will also increase dramatically (Weeks, 2008). If the constrictive population model continues to

create a breakdown due to the imbalance of young age to sustain old age (Figure 3.1), this will significantly affect Japan's economic growth. According to Morgenthau, the population is one of the essential elements for a country. Morgenthau believes that the country will have a higher power. Without a large population, a country will find it difficult to establish and maintain an industry, where the industry in this era becomes very important for a country in the face of modern technology market competition (Morgenthau, 1985). In overcoming the aging issue, Shinzo Abe's population needs two long-term and short term policies. The internal policy is a domestic policy that will act as a long-term policy to overcome the aging population. In Abenomics structural reforms there are three policies for Womenomics, Robot policy, and Family policy, which are domestic policies to deal with the aging population and low birth rates. These policies have their concerns for overcoming an aging population and low birth rates.

1. Womenomics

a. Background

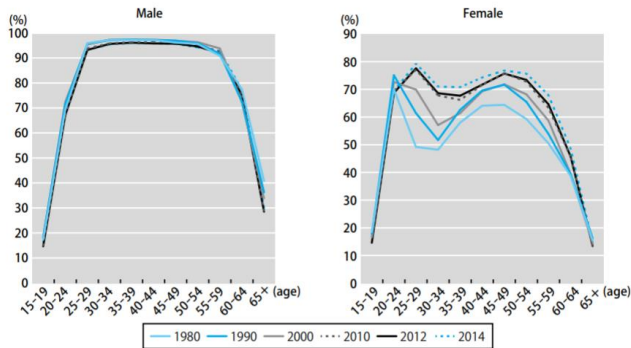
In the world, women have become more important and better understood in politics, especially among industrialized countries. However, Japan is an industrial country that still does not provide opportunities for women to participate in the country's social affairs. Japanese people play different sex roles. Traditionally, men who work and women stay at home to care for homes and children. Traditional attitudes of gender roles that apply in Japan are strongly related to the division of household work between men and women. This led to Japan getting attention and criticism from several international organizations such as the United Nations and the OECD because it involved gender in the economy, politics, and society.

Japanese women have two challenges to participating in employment because of the culture and social norms that are still believed by the community

such as barriers in the workplace and cultural beliefs of the general public. First, women have several barriers to work because of the company's culture and work practices, especially in the medium-sized private sector organization. The corporate culture is long hours of work, flexibility, long-term loyalty, and career development. Because as we know, women workers in Japan are faced with the responsibility of caring for children, as well as starting from pregnancy and parenting in the family. Based on the data there is a comparison between male and female workers grouped by age. The age of male workers shows a regular cycle, which starts working at the age of 15 and stops when they reach retirement age, while many female workers stop working in their 20s to 30s, this cycle is called M-Curve (Figure 3.2) (The Japan Institute for Labour, 2016). This happens because at that age many women leave the company when giving birth to their first child. Then the majority of companies lack appreciation for women, such as the lack of opportunities for promotion of careers so that when taking maternity leave will make women less likely to return to work and when returning to work women will get positions as temporary workers. According to the Japanese weekly Journal AERA which interviewed 100 female employees in the private sector management positions such as department heads and company managers found that companies barely provided support for career women with young children, as the following statement shows (Aera, 2012):

"In contemporary Japan, after giving birth a woman can only continue to work in a Japanese management team if she has parents who can actively support her with childcare, or she has a partner who takes an active role in parenting, or if she has security finance to be able to finance private child care until the end of the year"

Figure 3.2 Changes in the Labour Force Participation by Sex and Age (percent)



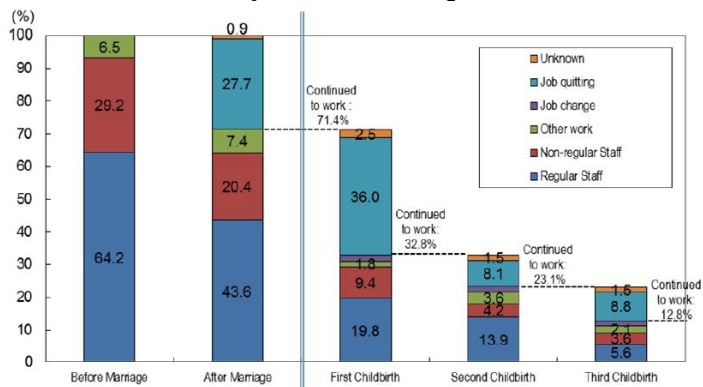
Source: The Japan Institute for Labour. (2016).

Secondly, Japan is very thick with norms held by its people, so that there are several factors such as social norms that continue to encourage women to hold full responsibility for domestic work or called *koyoiku mama*. *Koyoiku mama* is a culture or belief that mothers must educate and care for their children from waking up, going to school and going home from school, courses, teaching, sleeping again, all under the mother's instructions (Thorsten, 2012). In 2012, the Cabinet Office surveyed opinions about the statement that: "the husband must make a living and the wife must take responsibility for the house." 51.6 percent agreed. For the first time since the start of the polls, which began in 1979. The agreement ratio increased compared to previous polls for male and female respondents.⁴⁰ In contrast, in 2014, another opinion reported that 40 percent of men and women aged 20-49 years believed their husbands must work full time and the wife must stay at home, while 60 percent believe that wives must dedicate themselves to childcare when young children (Gender Equality Bureau, 2013). Social engagement with a 'traditional' gender role is the recognition that the workplace culture makes it difficult for women to pursue

career opportunities, especially if they want to get married and have children. The obstacles cause women themselves to strengthen the expectations of the male breadwinner. Therefore, it may be easier to understand why a large number of women and men in Japan still have traditional gender identities, because opportunities for women in the labor market are limited (Yamaguchi K. , 2000).

Because of this social perspective that does not provide opportunities for women to work so that women tend to have a perspective if they are married and having children is a barrier to having a career in the workforce. So if a woman has high dreams in the world of work tends to make her choose to stay single or not married. Because when women are married and become a mother, women will be bound by social norms that are believed by the general public such as women having to care for their children fully until they are three years old. Based on data from the Ministry of Health, Labour and Welfare show the differences in women's participation in work, before and after marriage, and from having the first child so that the third child. The participation of women before marriage was 64.2 percent after marriage decreased to 43.6 percent, giving birth to the first child decreased to 19.8 percent to give birth to the third child to 5.6 percent (Figure 3.3) (Gender Equality Bureau, 2013). Thus Japanese women are in a dilemma, when they want to work but are not supported by the family environment, and when they want to choose both, they cannot balance work and household matters because childcare responsibilities always burden women.

Figure 3.3 Change of Women's Employment Status in Life Events 2011 (percent)



Source: Gender Equality Bureau. (2013).

Seeing the conditions that can be concluded that women are one of the main actors in the issue of the demographic crisis that occurred in Japan. Because of the imbalance of the old population and productive age is due to the low birth rate to sustain the next generation. Therefore, Shinzo Abe realizes that women are the assets of the State that must be appropriately empowered for the growth of the State. This made Shinzo Abe formulate a policy that was focused on women, namely Womenomics, in order to balance work and household life.

b. Operationalization Womenomics

Womenomics (women's economic opportunities) are part of the third arrow of Abenomics Growth Strategy. Womenomics policy is a policy that is focused on encouraging women to participate in employment and to overcome low birth rates and increasing population aging. So that this policy aims to support work-life balance, to encourage decisive action for women empowerment, and to encourage women's entrepreneurship (Sakamoto, 2013). With the hope that women who will work can fill the employment gap and

support male workforce to produce GDP growth. In speeches at the United Nations General Assembly in September 2013 and the World Economic Forum in January 2014, Prime Minister Abe stressed that female labor is "the most underutilized resource" and has since stated a commitment to rise the number of women in leadership positions by up to 30 percent in all Japanese society (UN News Center, 2013).

Shinzo Abe has promised to increase the participation of women between the ages of 25 and 44 in the workforce to 73% in 2020, increasing the women positions in leadership from 10% to 30%. % by 2020, and increase the percentage of women returning to work after their first child from 38% in 201 to 50% by 2020. The government has proposed to recruit and promote more women in government, and support women because they stabilize their careers and family life. The government has encouraged women public officials to the top ranking national positions. In 2013, for the first time in 16 years a woman was chosen Deputy Minister of the Ministry of Health, Labor and Welfare. Also, a woman was chosen as Executive Secretary of the Prime Minister (Emma Chanlett-Avery, 2014). In achieving the target of womenomics, Shinzo Abe has made several key performance indicators from womenomics (Kathy Matsui, 2014):

1) Improve child care facilities and nursing

The main reason Japanese women leave careers because of childcare. In 2013 22,741 children were waiting to wait for child care. In the government, Shinzo Abe promised to increase safekeeping facilities so that children who were registered were waiting to be 0% in 2017. To achieve this goal, the government has planned to open more childcare centers using a system of rent and government-owned land; employ new childcare

workers; subsidize small-scale childcare businesses; help unregistered childcare centers seek registration; and support childcare centers in business premises. The government also increase the availability of after-school child care for children in level of elementary school.

2) Extending the benefits of childcare leave.

The government provided incentives to advance fathers to take childcare leave which by increase the goal from 2.6 percent in 2011 to increase 13 percent in 2020.

3) Encourage the private sector to promote more women and provide data on women's progress.

The Prime Minister encouraged companies to actively support women careers within their company, which is to select at least one female sit at executive officer. The administration also has offered companies to supporting female employees to pursue careers and families through tax and subsidiaries amounts. The government also encourages companies to expose information about women's promotion to executive and management positions.

c. Progress of Womenomics

Figure 3.4 Female Participation in Labour Force 2012-2016 (ratio)



Source: The World Bank Group. (2018).

Since the implementation of Womenomics, more than 1 million women have returned to the workforce. Then since 2014, the level of women's participation in employment in Japan has been higher than in the US. Based on data from the World Bank since 2012 the ratio of Japanese female workers experienced rapid growth from 63.64% in 2012 to 68.13% in 2016 (Figure 3.4) (The World Bank Group, 2018). This shows that Womenomics has shown progress with a change in the level of women's participation in the employment field. Womenomics is also supported by ministry programs directly such as 'Project Management 100 Diversity Selection Project' selected by the Ministry of Economy, Trade, and Industry and the 'Nadeshiko Brand' program, which was jointly launched by METI and the Tokyo Stock Exchange (Macnaughtan, 2015). This project attracted the attention of companies in Japan to create best practices and gain visibility as female-friendly entrepreneurs. So some Japanese companies have made changes to employ, retain and promote women, and ensure there are support systems such as career training that focuses on women, provisions for extended labor and shorter working hours for working mothers. However, social norms still state that women are the primary caregivers of children in the family, so working mothers tend not to be offered a client-faced role or career promotion given the culture of long working hours.

2. Robot Policy

a. Background

Japan as a sophisticated industrial country has been using robots since the 1980s, especially in the manufacturing sector, such as the car, electricity and electronic industries. The use of robots in the manufacturing sector has significantly contributed to the increase in labor productivity. This has made Japan a

superior country in the field of robotics and has become the number one supplier of industrial robots in the world in terms of value which has contributed around 50% of the global share (Yuma, 2017). Besides, Japan holds a large portion of more than 90% worldwide in the fields of significant robot elements such as precision decrease gears for robots, servo motors and force sensors (Ministry of Economy, Trade and Industry, 2015). Japan continues to strive to preserve its status as the "Super Robotics Strength" by building strength in a variety of fields of robotics production, utilization, and provision of essential parts, research, and development.

On the other hand, Japan has been faced with an aging population problem and a decline in birth rates unmatched by other countries, and as a result, Japan faces the challenge of decreasing the working age population and higher social security costs as a result of the above problems. Certainly the number of senior citizens aged 65 years and above reached a record high of more than 31.9 million on October 1, 2013, and their percentage of the total population also marked a record of 25.1% (Ministry of Economy, Trade and Industry, 2015). Then, Japan prepares robots for problems that will require systematic actions from all societies such as increasing natural disaster preparedness and increasing old social capital to overcome future disasters. Japan as a superior country in the field of robots, of course, will use its technological sophistication to deal with the current demographic crisis. So robots are one of the solutions that can be used to deal with aging populations that cause labor shortages.

b. Operationalization Robot Policy

In his administration, Shinzo Abe proposed in "the Japan Revitalization Strategy was revised in 2014" and updated in 2015 which was called the Robot Revolution and was formed as the "Realization Council of the Robot Revolution." Robot revolution is a policy to increase

productivity by utilizing robotic technology to overcome the issue of aging population and declining birth rates which have an impact on the decline in the workforce. In Shinzo Abe speech in the opening of Japan's Robot Revolution Initiative Council on May 15, He urged companies to "spread the use of robotics from large-scale factories to every corner of our economy and society. (Bremner, 2015). So far, robots have only been used by large companies in the electricity, car and electronic industries. In the future robots are expected to be used for the needs of larger manufacturing fields such as the main food, cosmetics, medical and pharmaceutical industries, service industries. Where robots can serve the needs of small and medium enterprises designed for specialized tasks such as welding or coating and can perform multipurpose tasks while ensuring cost-effectiveness in operating conditions. Based on the revolutionary concept this robot has three pillars (Ministry of Economy, Trade and Industry, 2015):

- 1) The global base for robot innovation and strengthening the creativity

Japan as an advanced industrialized country can become the center of the creation of revolutionary robots, so to achieve Japan, it creates a structure that triggers innovation through the promotion of public-private partnerships, creating further opportunities for matching users and producers, such as adjusting to standardization and normalization under the assessment of resource increase human power, development of next-generation technology and global expansion.

- 2) The community maximizes the use of robot capacity in everyday life

It is intended that Japan can make and use robots entirely truly useful in a variety of manufacturing fields such as services, medical care and care, disaster and infrastructure preparedness,

agriculture and construction, and Japan will continue to advance with strategic development and robotic work while increasing readiness environment as a prerequisite for using robots.

3) The world's primary strategy for the new robot era

In the era of globalization, where the majority of people's lives are digitally based, this means that digital data is used in a sophisticated manner under IoT, which is each object connected within a network and produces large data every day.

The government has set a 5-year target for implementing this policy in the community. The achievement target is divided into five sectors such as the management sector, services, Medical and nursing, Infrastructure, Disaster and construction, and, Forestry, agriculture, Fisheries, and Food Industry (Ministry of Economy, Trade and Industry, 2015):

1) Sector of Manufacturing

- a) Purpose to use more robots in lines such as 25% for large companies, and 10% for small companies
- b) Collect about 30 good practices applied effectively for each application
- c) Develop and market 1,000 products that cannot be operated and can be operated
- d) Expand market integration related to the robot

2) Field of Service

- a) Target 30% penetration of robots for sorting, order taking, sorting, product inspection, etc.
- b) Accumulated around 100 examples of best practices for using robots to prepare food trays, cleaning, and other backroom operations in hotels, restaurants, retailers and wholesalers.

3) Field of Nursing and Medical

- a) Target to increase the nurse-care market to 50 billion yen by 2020
- b) Change of awareness people in use the new treatment methods that use the robotics. Rise the

ratio of caregivers who want to use robots from 59.8% to 80%. Increase the ratio of care recipients who want robots to be used from 65.1% to up to 80%

- c) Can use robots to move sick people, aiming to reduce the risk of caregivers.
- d) A 100-plus project to help put robot-powered medical devices into practical use in a 5-year period starting from 2015.
- e) Faster pre-market reviews for new medical devices: 10 months for priority items, 14 months for regular items
- 4) Infrastructure, Disasters and the construction sector
 - a) A target of 30% using computer-assisted construction technology which increases productivity and also save labor.
 - b) Rise the competence of inspections and repairs in 20% of critical infrastructure through utilize of robotic sensors.
 - c) Performance equals manned operations even in landslides, volcanic eruptions, etc.
- 5) Forestry, Fisheries, Agriculture and Food Industry
 - a) Introducing self-propelled tractors to workplaces in 2020.
 - b) Introduce more types of robots which save labor and contribute to the industry.

To achieve these three pillars, rules are created to promote businesses that are built on the accumulation and utilization of independent data through the interconnection between robots and to win global standards. Moreover, the important is ensuring safety and security rules and standardization for the maximum potential that comes from the new robot era.

c. Challenges of Robot Policy

Based on the above five sectors the government prioritizes the use of robots to be rushed for the medical service and care sector for the elderly. However, some

people still doubt to use robots in service and care, because of high costs, safety problems, and doubts about how useful and friendly to serve elderly patients. According to Dr. Hirohisa Hirukawa, director of robot innovation research at the Advanced Japanese National Institute of Industrial Science and Technology, said that robots only help ease the burden on nursing staff and increase the autonomy of people who still live in homes. "Robotics cannot solve all these problems; however, robotics will be able to contribute to some of these difficulties," he said. Because of initial treatment, people still need psychological resistance. Based on data so far only about 8% of robots have been deployed to nursing homes in Japan. Besides that, the funding needed to produce a robot requires time and of course at a very high cost (Hurst, 2018). According to Takanori Shibata, head of the research scientist at the National Institute of Advanced Industrial Science and Technology said that to create a robot to help care for older adults it took more than ten years to develop and need funding of around \$ 20 million in subsidies from the government (Foster, 2018).

3. Family Policy

a. Background

Japan faces rapid population aging, which is due to a decrease in birth rates and an increase in life span. From 1994 to 2003 the government has made several policies to overcome the low birth rate starting with Angel Plan to Plus One response. The primary role of the male and female roles is to provide working parents. However, some of these policies are considered failed because until now Japan still faces a low birth rate. Japanese society has the perspective of having children is a burden especially for women. Because when a woman becomes a mother, they have to leave the world of work and take care of children in accordance with the

norms that are believed by Japanese society. Then the Japanese government realized that if the population crisis in Japan was indeed a reflection of the crisis in Japanese families, to stop the trend towards people with fewer children, it was necessary to create a favorable environment for raising children.

Japanese Family Policy is a policy to respond to the increasing number of women working and low birth rates and working family conflicts. This policy tries to release working mothers from raising anxiety and stress and encouraging childbirth by offering several types of child support. This will make people motivated to have children. Family policies in Japan are seen as contributing to achieving equality through gender work and social roles (Vainio, 2017). Childcare and parenting policies are intended to provide higher incomes but result in improved maternal services in the workplace and reduce home involvement with children (Yamaguchi S. , 2016).

b. Operationalization Family Policy

In overcoming the low birth rate and the long aging of the Japanese population the Japanese government also made family policies formulated by the Gender Equality Bureau of the Office, as well as the Ministry of Health, Labor and Welfare or Ministry of Economy, Trade, and Industry. This policy includes several points regarding child support and health services (Katsumata, 2014).

1) Universal Child Support

Under a strong political initiative, the Child Benefit Act was enacted in 2012. Amended child benefits are paid to households with children up to 15 years, with the base of income as recorded in Table 3.1. The amount differs from 5,000 yen to 15,000 yen which based on the age of the children and the level of household income.

Table 3.1 Income for Child Allowance

Number of Dependents	Household income allowance (in, 10,00yen) after tax deduction (A)	Household Income allowance (in 10,000 yen) before tax deduction (B)
None	662	833.3
1 person	660	875.6
2 persons	698	917.8
3 persons	736	960.0
4 persons	774	1,002.1
5 persons	812	1,042.1
More than 6 persons	+38.0/person	

2) Child Care Allowance (for single-parent households)

Childcare benefits are given to single parents with limited income raising children 18 years or younger. Monthly allowances are ¥ 41,430 for a child, 5,000 yen for the two child, and an additional 3,000 yen for each child.

3) Special Child Care Allowance (for disabilities children)

This Special allowance are given to parents who care for their disabled children at home. The monthly allowance of children under the age of 20 is 50,400 yen for the first level and 33,570 yen for the second level disability. Besides, welfare benefits for severely disabled children are also given to the parents whose care for them at home. The monthly allowance is 14,280 yen. Furthermore, the monthly allowance is 26,260 yen for children over the age of 20 years. Also children over the age of 20 receive the right to a national disability pension in accordance with their level of disability.

4) Child care center for children

The city government is forced by the Child Welfare Act to provide child care centers for children who parents are unable to care for them for reasons such as illness, work and care for other family members. Usually the Child care centers provide 8 hours of care for children start aged 0 to the age of kindergarten or elementary school, but demand for an extended time has increased. Hence Determination of staff and other qualities is strictly regulated by the city government. The costs for child care centers for children vary from 20,000 to 50,000 yen per month. This costs is according to the municipality, the age of the children, and the level of income of parents.

5) Public health actions for mothers and children

The local government provides health checks and counseling to expectant mothers from the 23rd week of pregnancy and up to free three-year-olds. The Mother and Child Health Record Book, called "Boshitecho" in Japanese, is given to all pregnant women.

Based on domestic policies above each achievement target in the long term and still in the adjustment to implement it in society. Such as, womenomics which has many challenges due to social norms that are believed by the people. Because it is rather difficult to change a perception that has been believed by society for a long time ago, it takes a long time to implement womenomics, likewise with the robot policy, the majority of which are targeted in 2020, and there are several challenges such as the relatively expensive cost of producing a sophisticated multifunctional robot for each field. Then some people still doubt the use of robots for service and care for the elderly. Whereas based on the population pyramid can be seen if the condition of the Japanese population must

be addressed immediately, if not it will make a breakdown or the Japanese economy will decline due to the need for productive age to fill the vacancy and to continue to support the economic growth cycle of Japan. So that a short-term policy is needed to overcome the aging crisis of this population immediately.

B. Foreign Policy: Immigration Policy

Foreign policy is a set of goals sought, values, decisions made and actions were taken by states and national governments acting on their behalf, in the context of external relations of societies (Razak, 2014). Foreign policy within a state is a set of decisions that explain how a country interacts to pursue its national interests with other countries or the international arena in terms of the economic, political, social and military fields, so the foreign policy process is a process of decision making. The aspects that underlie foreign policy making are based on aspects that exist within the country. The domestic situation of a country has a significant influence on the formation of domestic and foreign policy. Here Japan is facing the aging population as a domestic issue which was caused by a massive labor shortage. This massive labor shortage cannot overcome only by domestic policy. Hence Shinzo Abe is taking action to overcome the aging population by making foreign policy to pursue the national interest toward immigration as a short term solution to overcome the aging population impact.

1. Background

Since long time ago Japan was known as a country that was strict in accepting foreign nationals or immigration into its country. In 1967 under Eisaku Sato's administration was formulated in the First Basic Employment Action Plan, which states that foreign workers are not permitted to enter the country. Then this principle is maintained in the 1973 Second Basic Employment Action Plan and the Third Basic Action Plan for 1976 (Kazuo S. , 2016). However, in the late 1980s under, Japan experienced a bubble economy and a yen

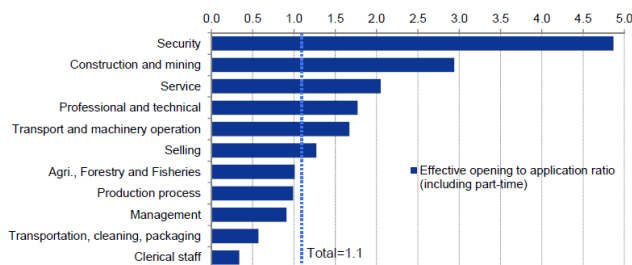
reevaluation which caused labor shortages such as in the manufacturing and construction industries. The shortage of labor in the manufacturing and industrial sectors is due to inflation from the bubble economy, which is increasing demand in markets that are not balanced with production. So that many companies need labor in the sector of low-paying manufacturing and construction. While the Japanese people are famous for three undesirable Ks: *kitanai* (dirty), *kitsui* (difficult), and *kiken* (dangerous) which young people do not want or refuse to work in low-paid sectors or as unskilled workers (Sugimoto, 2010). So that immigrant labor becomes one of the sources to get low-cost workers. However, in the beginning, the Japanese government confused about whether it should continue to close the door for immigrant or open workers to fill empty employment fields (Kuwahara, 2005).

Finally under Noboru Takeshita's administration in 1988 Japan finally decided to accept Immigrants as laborers by confirming two necessary policies: (i) specialized and technical labor will be actively recognized; (ii) acceptance of what is called simple labor (Atsushi, 2015). The policy adopted regarding these two categories is to enable immigration of professional and technical workers, but to accept unskilled workers with strict immigration controls. There are three categories of Loopholes for Unskilled Workers. The three of Loopholes for the unskilled worker are the immigrants who have a Nikkei identity (emigrants from Japan and their descendants) from South America, for trainees and technical interns who come from China and other Asian Countries, and irregular migrants who come from South Korea, the Philippines, and China. So during the bubble economy, Japan need low-cost workers to fill the labor shortage in the manufacturing and construction sectors to balance demand and production. In 1989 the Immigration and Refugee Recognition and Revision Control Act came into force in 1990, where the year the status of the "residence" of the trainees was introduced and the foreign worker skills training system was founded in 1993 and the

population status system allows people, foreigners, to live in Japan. So between 1990 and 2000 Japan experienced the largest immigrant population.

In 2008 the number of immigrants living in Japan was 2.22 million as the highest percentage in history (Chizuko, 2015). At the same time under Taro Aso's administration throughout 2008 and 2009, Japan faced a global financial crisis that hit the Japanese industrial economy. The Lehman Shock caused the crisis then following the bankruptcy of the Lehman Brothers company in the United States which caused economic development to stop, especially in the manufacturing sector. Export demand shrank, prompting many employers to lay off their foreign workers. In responding to this crisis, the government made a "Pay to go Program" policy to reduce the Japanese economic burden. The Pay to go program is a policy that sends back immigrants to their home country by providing cash payments to leave Japan. The pay-to-go scheme, which existed from 2009 to 2010, offered around the US \$ 3,000 to workers and \$ 2,000 per dependency willing to leave Japan (Green, 2017). In 2009, the Immigration and Recognition Refugee Control Act was amended, and "technical training" was established as a new status of residence. In July 2012, the Act was amended again, along with other laws. With this, the Foreigner Registration Act was abolished, and a new residential management system was introduced (Kazuo S. , 2016). Since May 2012, highly skilled workers have received special immigration treatment based on the point system, as part of the government's efforts to assist the acceptance of immigrant.

Figure 3.5 Sector are acute Labor shortage 2011(ratio)



Source: Ministry of Health Labour and Welfare. (2011).

As is known in 2011 Japan began to experience an aging population increasing in age 65s and above and declining birth rates. This has caused a massive labor shortage that immediately requires workers who can fill jobs quickly so that economic growth continues. The shrinking population is increasingly evident in the form of shortages of acute labor in various industries. The overall ratio of effective job offers for applicants stands at seven years 1.1X, the ratio for the security and construction services sector stands as high as 3-5X, meaning that for every person looking for work, there are 3-5 jobs available in the industry (Kathy Matsui, 2014). Based on data from the Organization for Economic Cooperation and Development (OECD) in 2011 Japan was the country that had the most substantial vacancies that were not filled with a total of around 680,000 million (Ducanes, 2013). This clearly shows that the population of the productive age of Japan cannot fill the existing jobs, so external support is needed to fill the vacancies in employment. The solution is to accept immigrant labor to fill the vacancy in the job. The solution to accepting immigrant labor is not new to Japan as is known when the bubble economy of Japan receives immigrant labor because it requires low-cost workers. However, in the Shinzo Abe era, immigrant labor recruitment was a short-term solution to overcome the effects of labor shortage from the aging population. Then in the Shinzo Abe era, there were a

large number of immigrant workers to overcome the labor crisis in various sectors of employment. In response to this phenomenon, Shinzo Abe made the 2014 Japan Revitalization Strategy which is part of the growth strategy of Abenomics. One of the contents of this policy was to utilize the immigrant labor to fill the labor shortage with several revisions made to the policy.

2. Operationalization Immigration Policy

The cabinet approved this policy of Revitalization Strategy on June 24, 2014, which included the use of foreign workers as one of the main points (Ministry of Justice Japan, 2015). This policy aims to strengthen the competitiveness of human resources for the growth of the Japanese economy by providing a good environment for immigrant high skilled workers and the second is to revise the fundamentals of the training program (Kodama, 2015). At the Press conference on 24 June 2014 Shinzo Abe stated as follows (Speech and Statement by the Prime Minister, 2014):

"For Japan, which is facing society with a shrinking population, I believe that is important to call outstanding human resource to Japan in order to further revitalize the Japanese economy and boost competitiveness. Toward this end, we intend to actively press forward with expanding the acceptance of highly skilled non-Japanese human resource and relaxing requirements for residency. We will also move forward in utilizing the non-Japanese human resource in the field that is necessary for Japan such as accepting human resource in the field of construction. At the same time, it believes that care is needed for what is called accepting immigrants, in light of the various difficult experiences that other countries have had"

However, as known as Japan it is not immigration or state that is very strict in accepting immigration to enter its country. So even though Japan is experiencing an aging population crisis, it remains selective in choosing immigrants who will be accepted to enter Japan. The Japanese government did not accept or not recognize the unskilled

worker to work in Japan. So that the Japanese government formulated many policies in accepting immigrants' work with several selection principles. According to Eytan Meyer, there are two parts to explain how a State formulates immigration policy. These two parts are the Immigration control policy and immigration policy.

The Immigration control policy is a set of rules and procedures governing the selection and acceptance of the immigrant. While the immigrant policy situation are provided for resident immigrants such as housing conditions, and educational opportunities (Meyers, 2004). In accepting the immigration Japan government already sets up the rules and procedures in accepting immigrant that attached to the Japan Immigration Control Act 2016 which has three main categories of immigrants (Masaki, 2017):

a. Promotion of the Acceptance of Highly-Skilled Foreign Nationals

In 2014, it was stipulated in the immigration law that the status of new high-skilled residence for the poor had been determined. The government supports an increase in the number of foreign residents, especially skilled workers or professionals. More revenue from highly skilled professionals is expected to contribute to the growth of the Japanese financial industry. In accepting high skill three categories of: (a) Advanced academic research engaging activities in the fields of natural sciences or humanities based on a contract entered into a public or private organization in Japan; (b) Advanced specialized/technical activities engaging in the fields of natural sciences or humanities based on a contract entered into a public or private organization in Japan; (c) Advanced business management activities are engaging in the operation of business operations in Japan.

b. Technical Intern Training program

The technical intern training system is the certification of pre-employment training for developing countries which aims to contribute internationally through the transfer of skills that can be obtained in Japan, then bring these skills back to their home countries to be utilized. The period of technical intern training is a maximum of three years and, in principle, further training is not permitted. However, there are calls for an extension of the training period because three years are not enough to acquire more advanced skills. In the revision, a more detailed category is made and set the quota of trainees to be accepted according to that category. The technical intern training system was introduced in 1993 based on the fact that the training system has become the norm, and although there were initially 17 subject jobs, it has now increased to 71 work activities such as in agriculture, fishery, construction, textile, machinery and metal, nursing, etc. (Japan International Training Cooperation Organization, 2010).

c. Response to the International society and international situation through the Economic Partnership Agreement (EPA)

In strengthening the Japan partnership in economic activities based on the Economic Partnership Agreement (EPA) with the Philippines, Indonesia, and Vietnam. Japan has been accepting foreign workers from these countries (Masahiko, 2010). As a result of a rapidly aging population, and high demand for care for childcare. So EPA is an economic collaboration devoted to accepting foreign citizens through a formal framework from the perspective of strengthening bilateral cooperation in economic activities.

Immigrant Policy is about facilities provided for resident immigrants (Meyers, 2004). As is known Japan is very strict in accepting immigrant workers so that in its policies made several categories in providing certain

facilities for immigrants. In the category of high skilled workers, the Japanese Government provided some facilities as benefits. The facilities provided are high standard health facilities at a low cost, immigrant's children will get free education facilities for the elementary school to junior high school, and get free educational facilities to support their careers. Then high-skilled spouse got permission to work and was permitted for their parents to enter Japan under certain conditions. Then the period of stay required in applying for a highly skilled permanent residence or green card is reduced from the previous five years to three years (to one year for human resources with extraordinary abilities).

Technical Intern Training has facilities such as accommodation, health insurance, and employment insurance (Japan International Training Cooperation Organization, 2010). Increased strict protection systems to prevent the technical intern training system are not used as a means for simple labor or low-paid labor and to protect technical interns. Then prohibitions and penalties for actions for implementing organizations or supervisory organizations such as those confiscating passports or cards for residency of technical interns. While Nurse and Care worker will get education facilities such as scholarship systems and budget allocation for nursing educational institutions. Both of Nurse and care worker will receive a Japanese language training including 40 hours training on caregiving (Japan Foundation, 2016).

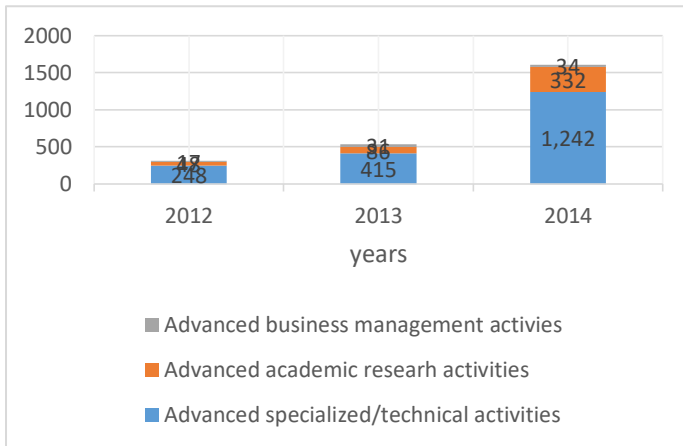
Then, to anticipate the emergence of problems caused by immigrants, the Japanese government made the basic rules of immigration which are included in immigration policy, which regulates immigration and foreign population based on "population status." This population status system is used to limit the work rights of foreign residents in Japan. Japan gives a certain limit to immigrants in Japan for. As for technical intern training programs, Japan has a maximum limit of three years. This

is intended to prevent problems when they are too long in Japan. Then, when immigrants will enter Japan a series of mandatory landing checks is carried out to identify the personal information of immigrants or foreign nationals. The identification process is carried out such as checking fingerprints and face images on the application during landing. Through the introduction of this system, Japan only accepts immigrants who have been registered in the system to prevent illegal immigrants from entering the Japanese criteria.

3. The progress of immigration policy

Shinzo Abe's statement in the June 24, 2014 speech can be concluded that the statement stressed that the condition of Japan facing a shrinking population would recruit qualified human resources to revitalize the economy and increase competitiveness. This states if the government fully supports the recruitment of foreign workers with highly skilled workers and easing the terms of stay. Acceptance of high skill workers is significant for economic growth, in order to always compete globally in the commercial industry. Since May 7, 2012, the government has given special immigration treatment to workers' high skills, such as academic background, professional career, and annual salary. As a result, the number of foreign nationals recognized as highly skilled professionals has increased 2012 313 people increased to 1,608 in 2014 (Figure 3.6). In the graph, can be is seen the most category is specializing in technical activities. Because in domestic policy Japan has a policy of robot policy, which requires a lot of high skill workers in research to find innovations to create multifunctional robots in various sectors.

**Figure 3.6 The Number of High skilled worker
2012-2014(million)**

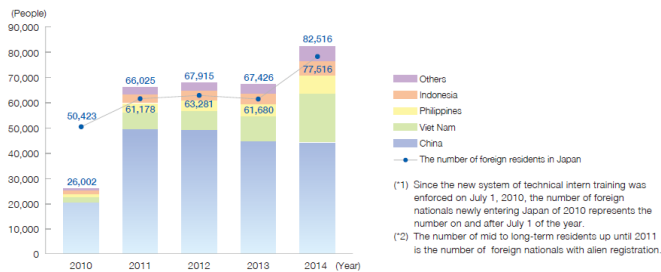


Source: Ministry of Justice Japan. (2015).

The statement of government will also continue to use foreign workers in certain sectors in need such as construction and nursing. The intended easing of Japanese immigration is the extension of residence permits and an increase in the number of workers' quota for specific sectors. An increase in the number of labor quotas in certain sectors is found in the Technical Intern Training program and EPA cooperation. As it was known, Japan firmly stated that it did not recognize unskilled workers. However, the reality seen from the Technical Intern Training program is that workers who fill in are from unskilled workers. When viewed from the objectives of the Technical Intern Training program aimed explicitly at transferring skills for developing countries, in reality, this program is one way to overcome labor shortages due to an aging population. At first, there were 17 subject jobs, and now it has increased to 71 jobs and 123 work activities in the Technical Intern Training program. The Technical Intern Training program has contributed a lot in overcoming labor shortages and in the

Japanese economy. Currently based on data on immigrants with Technical Intern Training status numbering 67,000 in 2013 and increasing to 82,516 in 2014 (Figure 3.7). Then the technical intern training has a maximum limit of three years, but there are calls for an extension of the training period because three years is not enough to acquire more advanced skills. It can be seen if Japan is highly utilizing unskilled workers to fill jobs with specific policies.

Figure 3.7 Changes in the Number of Technical Intern Training 2010 – 2014



Source: Ministry of Justice Japan. (2015).

Then in overcoming the shortage of nurse and care workers, Shinzo Abe has collaborated through an Economic Partnership Agreement (EPA) with Indonesia, the Philippines, and Vietnam. Nurse and Care workers are sectors that have a high demand for labor. Because Japan not only has an aging population but also as a population with the highest life expectancy result, the aging population will continue to grow but not much reduced. Then in domestic policy womenomics, one of the measures to balance women's lives between careers and domestic affairs is by increasing childcare facilities. So that in the nurse and care worker two parts must be fulfilled to care for the elderly and children. Based on data The number of nurses and certified care workers accepted until 2016 pursuant from EPA was 1,792 from Indonesia, 1,633 from the Philippines, and 470 from Vietnam" (Masaki, 2017). Through cooperation based

on strengthening these bilateral relations, many have contributed to a shortage of nurse and care workers.

From the elaboration above it can be seen that Shinzo Abe has made two domestic policies and foreign policies to overcome the aging population. In domestic policy taking internal steps as a long-term policy to overcome the aging population with three policies of womenomics, robot policy, and family policy. Then to support subjective measures, short-term policies are needed to support domestic policy. So immigration's foreign policy is a short-term solution to overcome the aging population. This foreign policy is also a supporter of achieving some domestic policies that have been made such as increasing the care of childcare with nurse workers through the collaboration of EPA and high skill workers to support robot policies in creating quality robots that are based on advanced technology. Then the internal technical program is widely used to fill various sectors of employment so that it can be concluded that immigrants contribute a lot to the Japanese economy due to the aging population.