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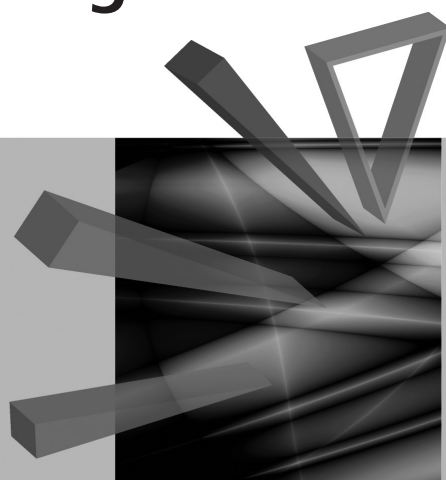
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Innovation as a Factor of the Development of the Asia-Pacific Region



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Copy-editing: Marcin Orszulak

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Anna Maria Dzienis

Okayama University

JAPANESE INTERNAL MIGRATION AS A GROWTH FACTOR

Summary: This paper aims at evaluating Japanese internal migration as a factor favourable for urbanisation, industrialisation and economic growth. High mobility of Japanese, particularly in the 1950s and the 1960s, contributed considerably to welfare growth and reduction in the technological gap between Japan and Western countries. This fact may confirm Drucker's theory that changing demographics is one of the sources of innovation. The simple analysis of Japanese migration against the background of economic development, income inequalities and demographic situation offers a possibility of appreciating its significance for the present socio-economic situation.

Keywords: Japan, innovation, migration, growth, income inequalities.

1. Introduction

Japanese internal migration started with the industrial revolution of Meiji period (1868–1912). Main flows, excluding early 1940s, occurred from rural to urban areas (major municipalities' zones). From the very beginning Tokyo and Osaka dominated in population concentration. This tendency continued until the end of the 1950s. In the 1960s, a shift in migration patterns occurred, characterised by: a) increase in migration rates from the three major city zones (Tokyo, Osaka, Nagoya) to non-urban zones, b) growth in numbers in inter-big-city areas migration, c) augmentation of inter-prefectural migration flows. In the mid-1970s internal migration reached balance, in particular, between non-urban and big city zones. At the beginning of the 1980s an increase in influxes into big city zones was recorded again.¹ The example of Japan proves that migration is a factor changing economic and political geography and produces many innovative opportunities.

In 2005 almost 50% of the Japanese population resided in the three major city zones, while other regions accounted for 49.8% of the total population. According to the National Institute of Population and Social Security Research, by 2035, the areas

¹ T. Kurota, Showa 50 nendai ni okeru jinkogaku no kadai, [in:] *Jinkou mondai kenkyujo nenpo*, No. 20, National Institute of Population and Social Security Research, 1976, pp. 61–63.

of the three big municipalities will have occupied 53.2% of the total population and their working age population will have accounted for 54.7% of the total population.²

2. Japanese internal migration before 1973

In the late 1940s and 1950s, the Japanese population concentrated mainly in Tokyo and Osaka, which means that people were attracted by big cities and their suburbs, mainly due to high economic growth. During that time bipolarisation of the central urban areas (Tokyo, Osaka and Nagoya in particular) and non-urban areas began to be present. Ishikawa points out that intensive migration before 1973 constituted an important factor in successful modernisation and industrialisation in Japan.³

First changes in migration patterns took place at the end of 1960s, when, as it was mentioned before, migration flows multi-channelisation (*maruchichaneruka*) phenomenon was observed.⁴ Other important new tendencies manifested themselves by a rise in U-turn (migration back to origins, finding job there) and J-turn (migration back to a larger city near the home town rather than to the home town itself) migration.⁵

After 1970 high migration flows started to decrease; nevertheless, the three big city zones were invariably the most popular destination locations. Looking at the annual economic growth rate and migration rates, we may assume that there is a strong relation between economic growth and migration into big city areas.

In the period from the 1950s to the 1970s, Japan's population increased by 24.4%. Working age population recorded growth from 50.17 million to 72.12 million people, which accounted for 43.8% growth in this group, while labour force in the years between 1953 and 1973 increased by 32.6% (MIC⁶).

At the beginning of the 1970s there was a second shift in migration factors: attracting and repelling agents become more differentiated and complicated, which manifested itself in U-turn, J-turn and I-turn (city-born people migrate to rural areas) migration flows. As shown in the studies by Ishikawa, before 1973 the most important factors of Japanese internal migration were distance, income gap, employment possibilities, age and education level.⁷

² <http://www.ipss.go.jp/syoushika/tohkei/suikei07/suikei.html> (accessed: 28.04.2011).

³ Y. Ishikawa, *Jinko ido no keiryō chirigaku*, Kokonshoin, 1995, p. 52.

⁴ After T. Kurota, *op. cit.*, pp. 61–65.

⁵ Y. Ishikawa, *op. cit.*, p. 53.

⁶ Ministry of Internal Affairs and Communications (MIC), Statistics Bureau.

⁷ Y. Ishikawa, *op. cit.*, pp. 65–89.

3. Japanese internal migration after 1973

The first oil shock in 1973 caused recession in Japan and subsequently migration flows decreased. In the early 1970s a rapid decrease in in-migration to all regions took place. In 1970, the three big city zones received an inflow of 410 thousand people, which diminished to 21 thousand in 1975 and finally in 1976 they turned out to be out-migration zones with an outflow at the level of 10 thousand people (MIC).

In the late 1970s the migration between urban and non-urban areas was almost balanced. However, with the beginning of the 1980s migration flows augmented again. At that time the most intensive in-migration fluxes were registered in Saitama, Chiba, Kanagawa, Shiga and Nara (MIC).

According to Yorimitsu, the 1985 Population Census Data and the fact that during the 1980s the decline in birth rates and the reduction of rural and urban deviations in birth rates were recorded prove that internal migration in Japan came to be the major determinant of population growth in each region.⁸

Summing up, in post-war Japan, during high economic growth period in the 1950s and the 1960s, there was a rapid increase in migrants' influx to the three major city zones. Tokyo was constantly an in-migration zone. Osaka area in the 1950s and the 1960s was also an in-migration zone; however, it became an out-migration zone, following the decrease in in-migration dynamics at the beginning of the 1970s. Finally, Nagoya area has also recorded a visible increase in in-migration flows. People migrated toward those destinations to settle up in the suburbs.⁹

4. The Japanese migrant after the bubble economy period

As shown by the Fourth Migration Survey from 1 July 1996, which describes trends in Japanese internal migration during the years from 1991 to 1996, people who lived in a different residence than five years earlier (in 1991) accounted for 22.2% of all the respondents. The rate was lower than in the previous survey – 26.7% for the 1986–1991 period. Mobility was the highest in the 25–29 age group, which constituted 49.5% of all migrants. Both intra-municipality migration and inter-prefectural migration decreased in the period from 1991 to 1996.

The survey reveals that, in the years in question, people moved 3.12 times on average in their lifetime and the average number of prefectures where respondents had ever resided was 2.13. What is very interesting in the case of Japan is the fact that the average number of moves was the highest among those in their fifties, who were in their adolescence at the time of Japan's high economic growth.¹⁰

⁸ M. Yorimitsu, A review of recent population changes in Japan, a review on determinants of migration, *Hitotsubashi Journal of Social Studies* 1987, Vol. 19, No. 1, pp. 22.

⁹ National Institute of Population and Social Security Research, Department of Population Structure Research, *Population Statistics of Japan* 2008.

¹⁰ National Institute of Population and Social Security Research, *The Fourth Migration Survey*, 1996.

As far as the reasons for move were concerned, the most frequently mentioned causes for migration were moving with “parents/spouse” (30.1%), followed by “housing-related” (22.4%), “job-related” (17.2%) and “marriage/divorce” (16.4%). The aforementioned reasons for migration were the same as those published in the Third Migration Survey. Moreover, according to the Fourth Survey 6.2% of the respondents aged 65 overlived in a different residence from the one in 1991. Moreover, the percentage of those who selected “to live with/near a child” as their push factor for migration was especially high among the movers aged 75 years and over, and accounted for 32.3% of the total respondents. That figure was 21.3% among those aged 65 to 74 years. The proportion of those who selected this reason for moving increased together with the age of movers.

5. The income gap in Japan

The income gap in Japan has been growing since 1980, and the cause of this problem is considered to be the aging society phenomenon. The phrase *kakusa shakai* (“unequal society”) has grown in popularity since 2006, when it was ranked among top-ten of the 2006 buzzwords (*ryukogo daisho*).

After 2002 the income gap became particularly visible in intra-age groups. In Japan intra-age group income grows rapidly among people in their 40s, when inequalities in promotion become clear. Moreover, since 1999 inequalities in consumption expenditures across Japan have also been observed. Otake claims that not a safety net but the tightening of regulations may act as a countermeasure against inequalities in Japan. The growing feeling of income inequalities among the Japanese is also caused by the gap between the actual determinants of income and its subjective sense of worth.¹¹

Another important factor in income gap variation is a change in the structure of Japanese households. Until the 1980s, 25% of the families had four members, while nowadays this group accounts for 15% of all households. One-person households constitute 15% of households, two-person families almost 30% of total units. This shift in family structure slowed down the progress of inequalitisation (*fubyodoka*), yet after the 1990s the trend of growing inequalities has not changed. Low income groups, in particular those represented by males, experience a further drop in salaries. This situation is compared to the situation in the United States of America, where the main causes of income inequalities are said to lie in further increase in earnings in the high income group.¹² Nowadays the fact that many housewives have entered the labour market also contributes to the growing income gap in the society. On the

¹¹ F. Otake, *Shotoku kakusa no jittai to ninshiki, Reality and Awareness of Income Inequality in Japan*, Osaka University, 2007, p. 5.

¹² *Ibidem*, p. 2.

other hand, the group of single mothers has grown considerably and this may be responsible for almost 40% of income gap growth from 1979 to 1996 (MIC).

Otake assumes that the sense of income inequality began in the period of bubble burst. He suggests that Japanese companies should transfer from the wage system (*chingin seido*) and the seniority system (*nenkojoretsu*) to the currently operating performance concept (*gyosekishugi*). Furthermore, they should reduce the number of full-fledged employees (*seishain*), and create more opportunities for part-time (*pato*) and temporary (*haken*) workers to restore the competitiveness and innovativeness of the Japanese economy.¹³ At this time, the latter two groups make the income gap spread.¹⁴

The Japanese Ministry of Health, Labour and Welfare calculates and publishes Gini index for Japan in surveys on income redistribution (*shotoku saibunpu chosa*). In these statistics, pretax income values are adequate to be compared with other developed countries' Gini index levels, among which Japan is in the middle rank. As to the intra-age group income inequalities, Otake states, "If the society keeps aging, the level of inequalities in the whole economy will continue to rise. If the changes in the population characteristic are the source of growing inequality, we can call it a 'seeming inequality growth'".¹⁵

Summing up, the main causes for the expanding income gap may be seen in part-time workers' low wages and the lack of career opportunities, change in household structure and the aging society phenomenon.

6. Japanese internal migration and economic growth

Population growth in Japan achieved high rates in the prosperity period (*Jimmu keiki*: December 1954 – June 1957, *Iwato keiki*: July 1958 – December 1961, Tokyo Olympic Games: 1964, *Izanagi keiki* November 1965 – July 1970). During the time from 1953 to 1973 Japan experienced a period of surplus working population and dynamic migration helped maintain high economic growth. The first oil shock in 1973 slowed down the economy and in-migration decreased to the three major city zones.

In that period people were prone to migrate to regions of high productivity, which produced economies of agglomeration effect, leading to the emergence of business clusters, which is considered important for sustaining high economic growth. Harada and Yoshioka (2004) state, "Before 1970s, Japanese economy propelled growth and people migration, responding to the technical gap between Japan and Western countries. A lot was invested in private as well as public capital".¹⁶ In the years from

¹³ F. Otake, Shotoku kakusa o kangaeru, [in:] *Yasashii keizaigaku*, Nihon Keizai Shimbun, 2000.

¹⁴ <http://www.iser.osaka-u.ac.jp/~otake/paper/shotokukakusa.html> (accessed: 11.03.2011).

¹⁵ *Ibidem*.

¹⁶ After Y. Nawata, *Sengo Nihon no jinkoido to keizaiseichoritsu*, Daisan tokubetsu chosa, Keizai no purizumu No. 54, 2008, p. 25.

1970 to 1975, GDP growth rate presented the following levels: 8.2%, 5.0%, 9.1%, 5.1%, 1.2%, -0.5%, 4.0%, which meant a sharp downturn in economic performance and the end of high economic growth era in Japan (68 SNA¹⁷).

The Comprehensive National Development Plan (1962) (*zenkokusogokaihatsu-keikaku*) and the following: 1969 – *shinzenso*, 1977 – *sanzenso*, 1987 – *yozenso*, allowed for considerable public investments. The wave of industrialisation went from the three big city zones to other regions where firms continued to locate their factories due to a lower level of wages. The gravity force of regional manufacturing industry has increased since the late 1960s.¹⁸ The manufacturing industry of the three big city zones fell from the peak 66.6% in 1965 to the level of 58.0% share in 1990, while other regions recorded growth in this share from 33.4% to 42.0%. Looking at the breakdown of the three big city zones, we can state that Tokyo zone's share shrank slightly from 33.9% in 1965 to 29.0% in 1990. Osaka area's share accounted for 23.3% in 1955 and 15.7% in 1990. The change in Osaka's share may have been caused by the curbing of the factory location investments towards the capital zone and the Kinki area. The phenomenon of the diminishing income gap between provinces and cities began in the mid-1960s (MIC).

In the years from 1970 to 1980, there was a fivefold increase in public works' costs. In 1980, higher in-migration rates to the three big cities returned and public works spread as well. The drop in in-migration rates during 1970s falls on *nippon retto kaizou bumu*¹⁹ (Japanese archipelago reconstruction boom) period.²⁰ On the other hand, *dankai*²¹ generation, which supplied migration to big cities settled down during the 1970s, which might have contributed to decreasing migration rates.

Nowadays, migration rates are decreasing; nevertheless, Tokyo area and Aichi population is in constant increase. In other regions the most attractive locations for migrants are the following cities: Sapporo, Sendai and Fukuoka.²²

7. Change in the factors affecting Japanese demography

Facts such as demographic transition, suburbanisation, population concentration in major municipalities, J-turn, U-turn, I-turn and aging society constitute important factors which affect Japanese demography.

¹⁷ National Accounts of Japan.

¹⁸ Y. Nawata, *op. cit.*, p. 28.

¹⁹ Tanaka speech in 1972, just before he became prime minister, concerning development plan for Japan.

²⁰ After Y. Nawata, *op. cit.*, p. 29.

²¹ Generation born during the first baby boom or shortly after the Second World War in Japan.

²² H. Nishioka, M. Shimizu, Y. Chitose, S. Koike, H. Kojima, Recent migration trends in Japan: Overview of the results of the sixth national survey on migration (2006), *The Japanese Journal of Population* 2010, Vol. 8, No. 1.

In the 1950s the size of population of Kyushu, Okinawa and the Kinki region was almost the same as the size of population of the Tohoku region. After 1970, population continued to grow in south Kanto and Kinki (Kanto population increased from 15.5% to 23.0% of the total population, Kinki from 13.8% to 16.6% of the total population), while in Tohoku, Kyushu, Chugoku and Shikoku the population decreased (MIC). A simple interpretation of this phenomenon is that in a given period the economic growth in Japan was high and people migrated to places where they had access to bigger markets.

From 1950 to 2005 population of Japan increased by 43.65 million; however, 80% of this growth took place in the three big city zones. According to Malmberg, Japan was the first Asian country to complete the demographic transition and reach the old age phase (in the late 1980s). In the 1950s only one in twelve Japanese was above 60 years of age. Since then the number of elderly people has grown rapidly, and since 2005 almost one in three Japanese has been above 60 years of age. Japanese economic, social and political development since the late 19th century has been strongly influenced by the age transition.²³

8. Conclusions

In Japan internal migration on a larger scale began with the industrialisation process in the Meiji era. The main recorded migration flows were those from rural areas to urban ones. In particular, the most important destinations were Tokyo, Osaka and Nagoya and these city areas seem to be the most attractive for migrants at present time. Almost half of the population and nearly half of the working age population in Japan lives in major urban areas. Intensive internal migration helped maintain dynamic economic growth, Japan's competitiveness and innovativeness. Changing demographics is both a highly productive and highly innovative opportunity.²⁴

The analysis of Japanese statistical data shows some similarities in people's propensity towards migration, annual economic growth rate and regional income disparities. However, there has been recently a lot of discussion about growing inequalities in job opportunities and social promotion stemming from the expanding share of non-regular workers. This may mean that bipolarisation of living standards in Japan will appear unless a new approach (legal and social) towards non-regular workers is taken.

In the end, the significance of internal migration flows (as well as foreign influxes) might grow further, as Japan faces the abovementioned problems and the aging society phenomenon.

²³ B. Malmberg, K. Tamas, D. Bloom, R. Munz, D. Canning, *Various Studies on the Policy Implications of Demographic Change in National and Community Policies, Global Population Ageing, Migration and European External Policies*, Bo Malmberg Institute for Futures Studies Stockholm Sweden, Final report, Contract VC/2005/0637, Nov. 2006.6.2, p. 65.

²⁴ After P. Drucker, *Innovation and Entrepreneurship*, Harper & Row, New York 1985, p. 98.

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JAPOŃSKIE MIGRACJE WEWNĘTRZNE JAKO CZYNNIK WZROSTU

Streszczenie: Celem niniejszej pracy jest przedstawienie ogólnej oceny migracji wewnętrznych w Japonii jako czynnika sprzyjającego urbanizacji, industrializacji i wzrostowi gospodarczemu. Wysoka mobilność Japończyków, zwłaszcza w latach 50. i 60. ubiegłego wieku, znacznie przyczyniła się do wzrostu dobrobytu oraz zmniejszenia się różnic technologicznych między Japonią a Zachodem. Fakt ten zdaje się potwierdzać teorię Druckera, która mówi, że demografia jest jednym ze źródeł innowacji. Prosta analiza migracji na tle rozwoju ekonomicznego, różnic dochodowych i sytuacji demograficznej kraju pozwala na dostrzeżenie jej znaczenia dla obecnej sytuacji społeczno-ekonomicznej.

Słowa kluczowe: Japonia, innowacyjność, migracje, wzrost, nierówności dochodowe.