

## **The Japanese Experience of Labour Export Policy And Its Impact on the Economy**

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### **Abstract**

It was witnessed in capitalist development process that labour export policy has been remained as one of the major strategies of economic development, not only in developing countries but also in most of the developed countries. This was not an exceptional to Japan. The commencement of modernisation or so-called industrialisation of Japan since Meiji Restoration (1868) had been employed this policy as one of the major development policies to overcome its capital needs required by the development process. This had continued until 1993. This policy was contributed to expand its industrial activities while supplying major relief to both macro- and micro-level of socioeconomic problems caused by the process of industrialization based capitalistic theory. This paper mainly aims to examine the policy aspects as well as practical experience of this policy in the process of industrialisation with special reference to Japan's experience since its embarking on modernisation in 1868.

### **I. Introduction**

Today, the developing countries in the world commonly use labour exporting policy as one of major development strategies in their development process. However, this is not a new phenomenon in the development sphere of the world. Historically, presently developed countries, especially Japan and European countries, have had an experience of international labour migration for a relatively long period at the first stages of their modernisation, or so-called industrialisation which commenced since the 19 century. Industrialisation has involved structural change effecting on both macro and micro level of socioeconomic environment, particularly transferring of the surplus labour force from traditional sector to modern sector. However the process of this transfer had not been occurred in smooth manner. This was resulted to employment of the labour export policy during the time of initial stage of economic development. However, development economists in recent years have argued that migration is having a strong relation with economic development in developing countries. For example, Castles and Miller (2003, p.156) noted that the migration transition as a result of all the changes through economic development and demographic transition. In this respect, Japan can be extracted as strange evidence that it used this policy at the very beginning of her modernization. The present study attempts to examine the relationship of labour export policy with the development process of Japan during the period 1868-1993.

## II. Labour Export Policy in Japan: An Overview

According to historical evidence, the labour export policy in Japan can be described under three major periods: first, before Meiji Restoration; second, prior to WWII; and third post-WWII period. Before **Meiji Restoration**: During the feudal age, Japan was not having any socioeconomic pressures from foreign countries. This was continued for over 200 years. During this period, Japan did not have trade and other economic relations with overseas except a small island in Nagasaki.<sup>1</sup> The feudal policy strictly prohibited overseas visit of the Japanese people as well as the Japanese go abroad. However in 1866, the feudal government changed its national isolation policy and started foreign trade with some restrictions under agreements with foreign countries. Although trade relations were commenced under various restrictions, the labour export was prohibited because the feudal government was worried about slave trade and the conditions of Chinese and Indian coolies. Along with the abolition of the slave trade in most labour importing countries in the world, they started to use other strategies to acquire of labour force to fulfil their labour demand. Although the feudal government was not allowed to send Japanese labour force to abroad, the middlemen who were immersed in various forms were resulted to send 153 Japanese labourers to Hawaii, 42 to Guam and 40 to California during the emergence of new government after Meiji Restoration in 1868. This is the first mass labour migration from Japan.<sup>2</sup> However, the new Meiji government had also kept a conservative attitude towards the labour export policy for a long period.

**Prior to World WWII:** In 1869, the Meiji government prohibited inflow of labour force from Japan to Hawaii as a result of worsening condition of working and living of already migrated Japanese people. However, rapid increase of requests of the Japanese people who want to work in overseas has caused signing a bilateral agreement of labour export from Japan to Hawaii with the Hawaiian government in 1886 (Arimoto, 1993, p.58). The conditions of the agreement were as follows: the employees have to send under rules and regulations of the agreement; employment contract limited to three years; the provision of security to all Japanese labourers by the Hawaiian government.

Enomoto Takeaki (1836-1908) is also a main promoter of Japanese labour export and settlement policy. In 1890, he submitted the Opinion Paper on Migration to the Cabinet, which insisted that the government should send farmers and make them settle in the new land overseas. After his assuming as the Foreign Minister of Japan in 1891, he established a Division of Migration in the Ministry of Foreign Affairs. He procured a land in Mexico, and sent around 30 migrants there. Although this project was failed to achieve successful results as expected, it contributed to make a strong legal base for the Japanese migration policy (*ChunanbeiIjyuukyoku*, 1965, p.1). It also helped to diversify the destinations of Japanese migration.

According to various research findings, most Japanese migrant workers were subjected to be maltreated like slaves at the destination countries in the earlier time: most of them were died in illness, overwork and accidents, under the unaccustomed climate (Wakatsuki and Suzuki, 1975, pp.57, 73). The contract migrants under the Japan-Hawaii agreement resulted in relatively better conditions compared to other destinations because they had tried to improve the working conditions through diplomatic negotiations, but the migrants of other destinations were faced serious difficulties and hard situations. Except Hawaii, the Japanese government did not have any legal contacts with other countries which used by Japanese migrants as major destinations for their overseas works. As a result, problems relating to working and living of migrant workers were deteriorated during this period. In addition, the increase of private companies and brokers, which were worked as agents of migrant workers, resulted to further deterioration of the workers' socioeconomic condition in foreign countries. This was occurred because the migrant agents exploited the people who decided to work in foreign countries (Ishikawa, 1972; 1970, p.90). In April 1894, the government issued the Regulation of Protection for Migrants (*Iminhogokisoku* in Japanese) to protect the migrants and to crack down on a dishonesty services employed by migrant agents. Under this Act, it not only protected migrant agencies, but also rights of migrant workers. In 1896, the regulation was upgraded to legislation of Protection of Migrants. Since 1898, the government started to keep data under the following categories: *Imin* and non-*Imin*. The first group, *Imin*, was regarded as labour migrants, and the second one consisted public servants, business persons, students, and tourists. The all acts which enacted on this subject mainly aimed to protect the rights of the migrant workers. The government had revised the legislation of migration for three times until 1907. This legislation was the only one chief regulation concerning for international migration.

Migrant agencies had played a major role in labour exporting policy in Japan. However, labour importing countries had gradually imposed restrictions towards foreign labour force. For example, the anti-Japanese movement was increased along with the annexed of Hawaii by the United States in 1898. As a result, the US gradually imposed various restrictions on accepting foreign labourers, particularly Japanese immigrants. Similar situations had been also seen in Australia and Canada. This made further difficulty to increase of Japanese migration. Since then, the Japanese government started to find other labour importing countries, which had less anti-Japanese movements. As a result, Japanese migrants started to move to the Latin American countries as well as Southeast Asia and pacific islands after 1903. Thus, the destination of Japanese migrants became more diversified mainly because of the restriction of immigration policy in advanced countries.

From the Taishou era (1912-1926) downward, an advance of Japanese migrants to abroad became more brisk up, and the government began to introduce more encouraging policy towards migration (Ishikawa, 1972). For example, the government established an association for promoting migration to abroad in each prefecture after

1915 while integrating six migration agencies into a new enterprise called *Kaigaikougyou* in 1917. In 1921, the government subsidized the new migration agencies and bought a land in Brazil. Moreover, after the Great Kanto Earthquake in 1923, the government provided the expense needs for migrants who were victims of the earthquake. The later this subsidy system was expanded to the other general applicants too. At the same time, the government abolished the applicant's payment duty paid as service charge of the formalities for going abroad to migration agencies. In addition, the government was compensated the same amount of that to the enterprise charged (Ishikawa, 1972, p.133). Through the clear vision of economic development policies, the government promoted export, and supported international migration and settlement and foreign investment (Matsuno, 1997).

In 1927, the government introduced much more reinforcement towards migration policy with enactment of the Act of International Migration Union in order to support an enterprise on its labour sending business. After the following year, the government placed an accommodation for pre-migrants' temporal stay near the Kobe port, and established the "Latin America & Amazon corporations" to send migrants to these specific destinations. When the Great Depression broke out in 1929, *Takumu-Shou* (the Ministry of Migration and Settlement) was established to control Japanese migrants and migration projects as a main migration institution.<sup>3</sup> However, the Brazilian government revised its immigration policy in 1934 that aimed to limit Japanese migrants. These restriction laws imposed in these countries resulted to decline of Japanese except Japanese territories and colonies.<sup>4</sup>

**Post-WWII Period:** Along with the defeated of Japan in the war in 1945, it lost its territories and colonies mainly in Asian region. The war also destroyed most of the economic structures and industrial bases, resulting to face serious socioeconomic difficulties<sup>5</sup>. Moreover, having been ruled by the Allied Forces between 1945 and 1951, Japan had been isolated from the world, and had not been allowed to hold its own diplomatic initiatives (Wakatsuki and Suzuki, 1975, p.79). During this period, Japan was not having its own policy of international migration. However in May 1948, the plenary session of the House of Representatives adopted the following three resolutions aiming to solve Japanese population problem: an industrial development; a birth control; and an international migration (The Diet minutes search engine web site).

Soon after the signing of San Francisco Peace Treaty in 1951, the Japanese government took an initiative to introduce some policies towards international migration, mainly permanent migrants. In the same year of the Peace Treaty, the Brazilian government agreed to accept 5,000 Japanese migrant families as permanent migrants. Along with the positive outcomes, the Japanese government made several plans to send Japanese permanent migrants to Brazil. The Ministry of Foreign Affairs of Japan also expanded the migration institution from an office into a division level of international migration. At the same time, the Ministry established the Federation of Japan Overseas Association as a central organisation, and the Regional Association of International Migration in

each prefecture as a subordinate organisation in order for them to take charge of a practical migration service (Wakatsuki, 2001, p.15). In 1954, the Ministry of Foreign Affairs did further expansion of the institution as International Migration Affairs Bureau. Moreover, when Prime Minister Shigeru Yoshida visited the United States in 1954, he officially received US\$ 15 million loan from three American banks, and decided to utilise those financial assistance on development of Japanese international migration scheme such as establishing the Council of International Migration and Japan Emigration Promotion, Co., Ltd. (*ChunanbeiIjyuukyoku*, 1965, pp.84-89; Consul of Department of International Migration, 1971, p.307). This new migration corporation was aimed to finance Japanese permanent migrants and the companies in the destinations which employed Japanese workers. The Japanese government subsidised to cover all overhead expenses of the new migration corporation (Wakatsuki, 2001, p.54). The Ministry of Foreign Affairs had eagerly sought wherever countries to accept as destinations for Japanese permanent migrants. The following countries were accepted as major countries to send Japanese migrants: Paraguay, Argentine, Bolivia, Peru, and Dominica. Since then, the Japanese government had promoted mass permanent migration policy focusing on Latin America and Caribbean countries. In this respect, the Ministry of Foreign Affairs had been the main actor of the international migration, which used about 83 per cent of the total budget for necessary expenses needed for the permanent migration service during the period 1952-1968. It could be also noted that the Ministry of Transport, the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of Construction were also involved in Japanese international migration services but not that much like the Ministry of Foreign Affairs.

In addition to sending permanent migrants to Latin American countries, there were also labour export policy with the United States and West Germany. Japanese government made an agreement with some related associations in California in 1956 and decided to send young Japanese labourers to farms under three-year contract. This was expected train Japanese workers and help to Japanese people to save some money to invest after return to Japan (Suzuki, 1992, p.358). Moreover, the Ministry of Labour of Japan made an agreement with the West German in 1957 to send Japanese labourers to meet the shortage of coal miners there (Suzuki, 1992, p.260).

However, along with the decline of Japanese applicants for overseas migration in the beginning of 1960s, the Japanese government ceased the labour export policy to the United States and West Germany. The major reason for this can be recognized as not only the various immigration restrictions imposed by the US, but also the rapid economic growth in Japan made high demand for the labour domestically. In December 1962, the meeting of the Council of International Migration took these internal and international circumstances into consideration, and made a philosophy of international migration policy (*ChunanbeiIjyuukyoku*, 1965, p.116). According to this definition, the philosophy of Japanese international migration policy for the future should be regarded as the mobility of human resources with talents and skills for development of both internal and international societies, not

just any old type of a mobility of labour. From 1963, the Ministry of Foreign Affairs had reconsidered the policy of international migration, and planned to rationalise the permanent migration services. In this respect, Japan Emigration Service (JEMIS) was established through unifying the Japan Emigration Promotion, Co., Ltd. and the Federation of Japan Overseas Association, as a semi-government agency affiliated with the Ministry of Foreign Affairs. This new institution rolled as major agency of recruiting and sending of Japanese migrants. In the regional level, municipal governments worked as major institutions to promote Japanese international migration. One year later of the liberalisation of Japanese overseas travel in 1965, the Japanese government intensified the promotion of international permanent migration, and subsidised a fare of going abroad by ship instead of loan system through JEMIS (Yamada, 1998, p.225). Although JEMIS had supported a fare of ship of permanent migrants, the number of migration had never increased. As a result, JEMIS finally stopped this supporting system and sending of migrants by ship in February 1973 (Yamada, 1998, p.227). However, JEMIS had continued financing the Japanese settlers in South America with low interest. In 1974, JEMIS was taken over by Japan International Cooperation Agency (JICA) and continued the financing programme for the Japanese settlers. In 1978, JICA started sending Japanese professionals and skilled permanent migrants to Australia.<sup>6</sup>

In 1979, the Brazilian government asked the Japanese government to close a local corporation of JICA, as its response, the local corporation of JICA retreated from Brazil in 1981. In the internal situation, the training centre for Japanese pre-emigrants ceased to exist. In 1993, the government closed recruiting and sending of Japanese migrants but, there still had kept the related budget of the Ministry of Foreign Affairs. In 1974 there were four units of affairs relating to the Japanese international permanent migration service in JICA, but they were integrated into one division. In October 2003, the institutions related to Japanese permanent emigration functioned under the government were completely abolished. This was occurred when the JICA reformed from a special public institution to an independent administrative institution in 2003. As a result, the policy of international out-going-migration of Japan has come to an end.

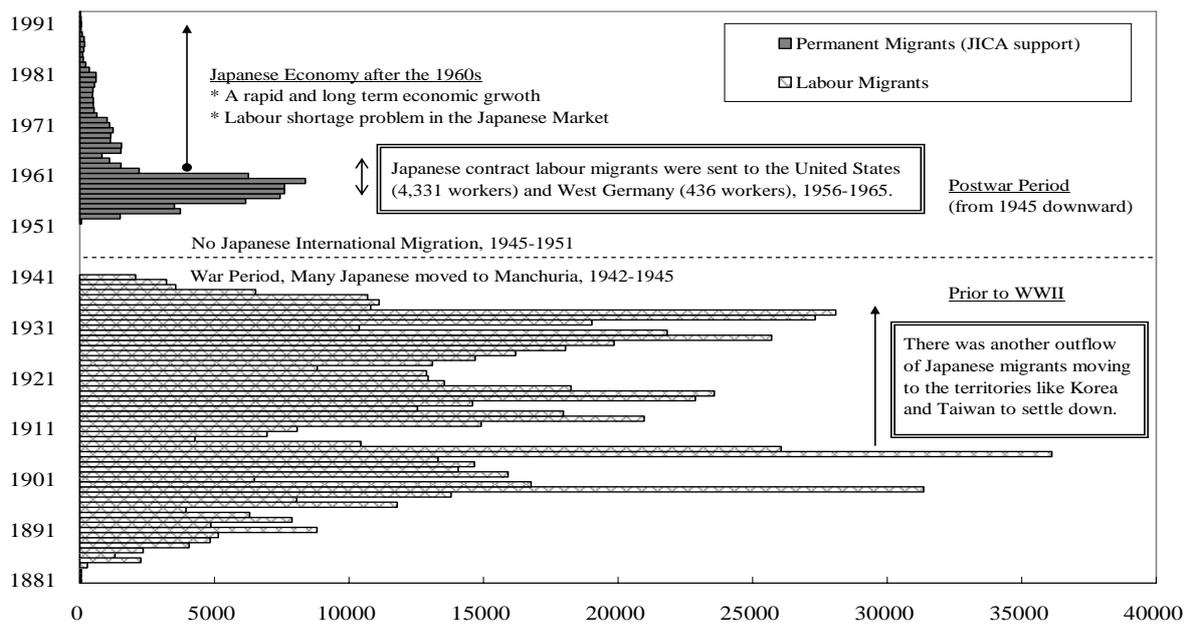
### **III. Impact of Labour Export Policy on the Economy of Japan**

#### **1. Trends of Japanese Labour Migration**

There is a distinctive difference in the trend of Japanese migration before and after WWII (FIG. 1). It can be recognized that diverse socioeconomic factors were caused the changing pattern of the Japanese out-going-migration. In particular, pushing factors of supply side in Japan and pulling factors of demanding side in

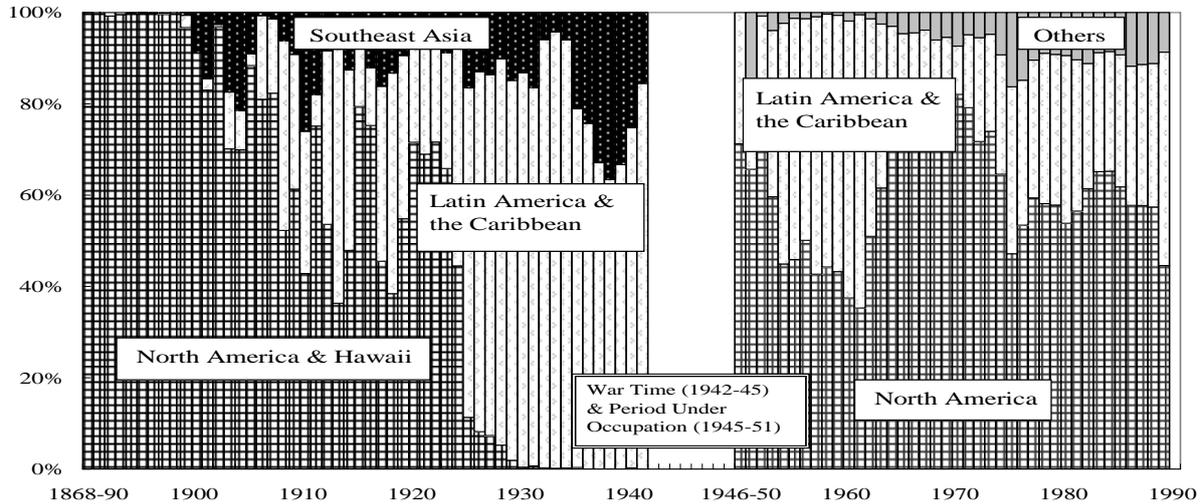
overseas relating to migrant labourers have been largely affected to changing pattern of the Japanese migration. Prior to WWII, particularly before 1930, people in Japan could move and stay relatively freely following market forces in the frontier or labour host countries without facing a strict immigration control. However the situation had been gradually changed after the Great Depression in 1929, the host countries started to impose various restrictions to limit the inflow of foreign labour. This impact was clearly seen the change of trend of the destination. For example, the share of labour migrants toward the United States and Hawaii declined and disappeared after the 1930s (FIG. 2). However the situation changed dramatically after WWII. The most obvious different points were the size of international migration and the trends of destinations. The number of Japanese international migrants had drastically decreased especially after the 1960s. However the share moving to the North America as permanent status had been constantly high, especially between the latter part of 1960s and

FIG. 1 OUTFLOW OF JAPANESE INTERNATIONAL MIGRANTS 1878-1993  
(Labour Migrants: 1878-1942; Permanent Migrants with JICA support: 1951-1993)



Source: Okamoto, Mitsuji. (1997). "Senzen no Nihonjiniminshi nikansuru Tyousa/kenkyu no Seirihoukou nitsuite: Roudouidou no Shiten wo Chuushin nishite", *Bulletin of Niigata Sangyo University, Faculty of Economics*, 17, 7-42; JICA (1994). "Kaigai Ijyu Toukei", pp.116-119; Consular and Migration Policy Division, the Ministry of Foreign Affairs (2006); Suzuki, Joji. (1992). "Nihonjin Dekasegi Imin", pp.258-260, Heibonsha.

FIG. 2 TRENDS OF THE DESTINATIONS 1868-1989  
(Labour Migrants: 1868-1942; Permanent Migrants: 1946-1989)



Source: JICA (1994). Kaigai Ijyuu Toukei, JICA.

the beginning part of 1970s. Every year of during the 1950s, over 50 per cent permanent migrants had moved to Latin America and the Caribbean under the government (JICA after 1974) support to settle as farmers.

According to Table 1, this total number of migrants<sup>7</sup> before WWII increased slowly and met a peak during the 1910s, but started to decrease after the 1920s. After WWII, however, it has grown rapidly after the 1970s, and the share of Japanese going abroad as the total population become over 10 per cent after the 1990s. While the outflow of Japanese labour before WWII showed constantly high trend, and its share kept roughly around 50 per cent of the total Japanese going abroad. After the 1930s, Japanese migrants started to move into Manchuria as rural settlers, and its number was massive. However after WWII the number of labour migrants going abroad dropped and disappeared from the Japanese international migration statistics. The available data of labour migration after WWII reported that there were 4,767 Japanese migrants, which was only 0.6 per cent of total Japanese going abroad, between 1956 and 1965. The number of permanent migrants has also decreased and the share of Japanese permanent migrants as a total Japanese going abroad became very small, especially after the 1960s. On the other hand, both periods of the number of Japanese resident in overseas are of increase trend, but dropped dramatically during war period.

TABLE 1: JAPANESE MIGRANTS AND RESIDENTS SINCE 1881

Period or Year	Migrants with Japanese Passport							Migrants Toward Manchuria	Resident of the Japanese in Overseas	
	Total	Labour Migrants (Imin)		Permanent Migrants						
		total	(%)	total	(%)	Permanent Migrants (JICA support)		Total	Total	year
					total	(%)				
1881-1890	38,977	20450	52.5	n/a	-	-	-	n/a	n/a	
1891-1900	251,358	116,723	46.4	n/a	-	-	-	n/a	n/a	
1901-1910	291,127	147,289	50.6	n/a	-	-	-	n/a	138,591	1904
1911-1920	486,015	167,273	34.4	n/a	-	-	-	n/a	541,784	1920
1921-1930	310,318	160,048	51.5	n/a	-	-	-	n/a	740,774	1930
1931-1940	221,989	146,561	66.0	n/a	-	-	-	144,760	1,421,156	1938
1941-1945	n/a	2,071	-	n/a	-	-	-	125,247	n/a	
1951-1960	257,128			116,298	45.2	46,014	39.6	-	n/a	
(1956-1965)	805,556	4,767	0.6	116,493	14.5	49,122	42.0	-	n/a	
1961-1970	2,428,258			63,301	2.6	18,498	42.2	-	325,285	1968
1971-1980	26,900,758	0	0	54,886	0.2	6,379	29.2	-	445,372	1980
1981-1990	63,364,552	0	0	25,916	0.0	2,023	11.6	-	620,174	1990
1991-1993	37,722,601	0	0	n/a	-	121	-	-	728,268	1993
Present (2005)	17,403,565	0	0	n/a	-	0	0	-	1,012,547	2005

Source: Okamoto, Mitsuji. (1997). "Senzen no Nihonjinminnshi nikansuru Tyousa/kenkyu no Seirihoukou nitsuite: Roudoudou no Shiten wo Chuushin nishite", *Bulletin of Niigata Sangyo University, Faculty of Economics*, 17, 7-42; JICA (1994). "Kaigai Ijyu Toukei", pp.116-119; Consular and Migration Policy Division, the Ministry of Foreign Affairs (2006). "Annual Report of Statistics on Japanese Nationals Overseas", pp.206-209; Suzuki, Joji. (1992). "Nihonjin Dekasegi Imin", pp.258-260, Heibonsha.

## 2. Impact of Labour Migration on the Economy

### (1) Remittances and Balance of Payments

Private transfers consists in one of Transfers items in the Balance of Payments of which Japanese labour migrants had contributed to make up a large share of the private transfers. This has been recognized as private remittances. According to Table 2, the private remittances had increased during the former part of the twenty century, even though other components showed deficit trends. The increase rate until the 1920 was significantly high. Remittances differs from other sources of foreign exchange. In the case of balance of trade, it is regarded as one of foreign incomes, but it is easily fluctuated by the conditions of external market such as recession in trade partner, emergence of competitors, and drop of the international commodity price, especially when the country belong to the earlier stage of industrialisation. Even under these economic conditions, remittances enable to keep stable trend, as well as increase its value as the number of labour migration expands. This is also seen through the experience of Japanese economy prior to WWII.

TABLE 2: PRIVATE TRANCEFERS AND CURRENT ACCOUNT 1881-1970  
(VALUE IN ¥ MILLIONS 1881-1944; US\$ MILLIONS 1946-1970)

<i>Period</i>	<i>Balance of Trade</i>	<i>Service &amp; Incomes (net)</i>	<i>Net Transfers</i>	<i>Private Transfers (net)</i>	<i>Current Account Balance</i>
1881-1890	-5.2	-1.8	0.9	0.8	-6.1
1891-1890	-35.7	-4.3	42.4	8.9	2.5
1901-1910	-40.3	-28.5	10.3	16.8	-58.5
1911-1920	71.6	182.5	18.9	40.0	273.0
1921-1930	-413.0	165.1	20.1	54.9	-227.8
1931-1940	76.5	-185.3	59.2	81.2	-49.6
1941-1944	91.1	-1115.6	351.8	351.8	-672.7
1946-1950	-190.2	-69.6	404.8	14.4	145.0
1951-1960	-151.5	212.5	2.9	33.7	63.9
1961-1970	1558.2	-958.9	-115.0	6.4	484.3

Source: Yamazawa, Ippei and Yamamoto, Yuzo. (1979). "Foreign Trade and Balance of Payments", vol.14, Toyo Keizai Shinposha, pp.218-231.

Prior to the first half of 1920s, most Japanese labour migrants preferred to move to the United States and Canada, because they were the frontiers of immigrants from all over the world. Moreover, in those days, the United States became the most industrialised country with high technology and good wage rates, and had enjoyed the economic boom, and needed labour force especially in construction, agriculture and mining sectors to fulfil the shortage problem in the labour market. The remittances from these two countries in 1918 and 1926 accounted for about 143,692,000 Yen (per capita remittance is approximately 1,075 yen) and 49,552,000 Yen (per capita remittance is approximately 818 Yen ) respectively. The total remittances from the world during this period (1918-1926) amounted to 234,174,000 Yen (Suzuki, 1992, p.254).

TABLE 3: RELATIVE POSITION OF REMITTANCES 1881-1970  
(VALUE IN ¥ MILLIONS 1881-1945; ¥ BILLIONS 1946-1970)

<i>Period</i>	<i>Remittances (10-year-simpl e average)</i>	<i>As a percent of all current account receipts</i>	<i>As a percent of Merchandise Exports</i>	<i>As a percent of Trade Balance</i>	<i>As a percent of GDP</i>
1881-1890	1	1.32	1.46	15.28	0.13
1891-1900	9	5.02	5.66	24.94	0.52
1901-1910	17	3.57	4.40	41.62	0.53
1911-1920	40	2.64	3.37	55.85	0.55
1921-1930	55	2.09	2.67	13.28	0.38
1931-1940	81	2.03	2.67	92.24	0.45
1941-1945	352	7.94	17.55	0.99	0.71
1946-1950	14	11.52	12.75	7.57	0.53
1951-1960	34	2.97	4.17	22.24	0.43
1961-1970	6	0.61	0.75	0.37	0.07

*Source:* Yamazawa, Ippei and Yamamoto, Yuzo. (1979). "Foreign Trade and Balance of Payments", vol.14, Toyo Keizai Shinposha, pp.216-231; Ohkawa, Kazushi; Takamatsu, Nobukiyo and Yamamoto, Yuzo. (1974). "National Income", vol.1, Toyo Keizai Shinposha, pp.200-201.

During the war period between 1941 and 1945, Japan lost its profitable trade partner like the United States, so the remittances as a proportion of merchandise exports became quite large at 17.55, and the value as a proportion of the GDP grew at 0.71 from about 0.5 percent before that period (Table 3). After the war, the value

of remittances as a percent of GDP had been at the same level as it was in the pre-war time, but its proportion has dropped dramatically after the 1960s. Since around 1960, the Japanese economy recovered from the war, and entered a high growth period, and finally the position of remittances became negligible afterwards.

This reveals that the private remittances from workers abroad could support the time of early stage of economic condition.

## **(2) Labour Export and Socioeconomic Problems: Surplus Labour**

It was commonly known fact that the agricultural sector remains as a dominant sector of the economy at the very beginning of the development process of in any country. This sector is also holding surplus labour force with simple and low technology. These characteristics are not an exceptional to Japan before its embarkation of modernization in the Meiji Era. However, agricultural sector is having vital contribution to accelerate the accumulation of capital through efficient usage of land, labour and tax system.

In the case of Japanese modernisation, there was no strict monetary tax system under the feudal era, so the new government allowed private property rights, and converted the feudal land tax in kind into an annual money tax (Ogura, 1982, p.374). This is the first step of accumulating capital in Japan. However this tax system made the other socioeconomic problems such as increase of tenant farmers, expansion of the gap of income and wealth or so-called inequality, increase of rural poverty and unemployment. It could be noted that the heavy burden of the tax was the main reason for all these problems. In addition, the industrial sector, which was required mainly female labour force because of its domination of light industries rather than technologically sophisticated heavy industries. As a result, absorbing of surplus labour from agricultural sector to industrial sector had been very slow. Therefore, it can be argued that this surplus labour problem became a main push factor of the labour export policy until the mid of 1910s. Since WWI period, industrial sector with heavy industries were gradually developed, absorbing male workers in the rural sector. Even though the Japanese industrialisation was advanced on that time, the potential to absorb surplus labour was remained at slow and lower level. For example in 1923, there were nearly 1,000,000 dismissals of factory workers in Japan, in which about 30 per cent of them returned to farming. This returning farmers increased to 43 per cent (650,000 dismissals) in 1931 (Kondo, November 1978, p.12). These figures simply reveal how unemployment problem was remained as a serious issue during those periods. Moreover, since mid-1920s, population explosion became a serious issue in Japan, making grave consciousness on food security and land scarce problems. There was only 20 per cent of arable land available in Japan (Kondo, November 1978, p.13). In 1930, some foreign researchers reported their apprehensive

for Japanese commencement of war with pointing out the Japanese facing social problems of excessively high population expansion, but there was no place to send Japanese surplus population to relief the pressure (Kondo, November 1978, p.13).

However, it sounds a contradiction that labour shortage in the rural sector became a serious problem during the WWII period. In those days, the military authorities mustered young males, and the number increased as the war became severely. However after the war, the situation changed, there were much returnee and veterans returned from abroad to Japan that created serious shortage of food during the latter of 1940s and the 1950s. Consequently, the government enforced international migration policy again, focusing on permanent or settlement to acquire land abroad in order indirectly to secure foods for Japan. This was continued until the early 1990s.

#### **IV. Conclusion**

This paper overviewed the Japanese international migration policy since the Meiji Restoration. The study learned that the government introduced this policy to overcome some major socioeconomic problems like scarce of land, increase of surplus labour especially in rural area, expansion of inequality, increase of unemployment faced by Japan along with its development process. The migration largely aimed to find an immediate solution to the above problems while finding new markets and lands in other countries needed to achieve a sustainable industrial development at home. All these reveal that Japan's intention to use this policy as one of the most effective strategy to implement the modernization without social unrest while using this policy to improve the capital accumulation in some level.

However, it should be noted that the international migration or labour export policy, which employed Japan as a government-sponsored policy cannot be recognized as major contributory factor of the Japanese economic development. It can be considered that Japanese migrants prior to WWII could contribute to stabilise balance of payments in some level through inflow of remittances of workers.

Japan met a migration transition in the 1960s ceasing labour export policy as a result of shortage of labour in the domestic labour market. Today Japan became labour importing country. Thus, ending up the labour export policy seems to be a beginning of new stage of economic development.

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## End Notes

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<sup>1</sup> The small island called, *Dejima*, and the place was only allowed to trade with Dutch. In actual situation, during the Tokugawa era, there were some other areas to facilitate trade with foreign countries, like Korea, Ryukyu (Okinawa), Ainu (Hokkaido).

<sup>2</sup> In 1868, E. M. Van Reed, an American businessperson, sent a group of Japanese migrants to work sugar plantations, and this unauthorised recruitment of labours is known as *Gannenmono*.

<sup>3</sup> The Great Depression started in 1929 until 1936 when world trade, partly through protection and the cautious fiscal policies of national economies, suppressed the level of economic activities (Rutherford, Donald 2002, Routledge Dictionary of Economics, 2<sup>nd</sup> edition, London: Routledge, p.239).

<sup>4</sup> In 1931, Japan attacked Manchuria, and the government started a project of Japanese migration and settlement in the region since the following year as a national project. The Ministry of Migration drew out the Outline of Scheme of Farmer Migration in Manchuria, and planned to subsidize all the related expenses for the agricultural migrants. In 1935, the government established Corporation of Manchuria Migration to procure land and to finance. Furthermore, the government, especially the military authorities, send armament migrants to the region and recruited young Japanese boys. The number of Japanese migrants to Manchuria had dramatically increased after Japan lost other destinations in the world.

<sup>5</sup> As of September 1949, there were 11,797,000 increased Japanese population, including 6,249,000 veterans and refugees from overseas, and 6,377,000 natural increased by birth, regardless of the deducted number of foreigners (Consul of Department of International Migration, 1971: p.8).

<sup>6</sup> Back in 1965, the emigration of Japanese professionals and skilled workers started in Canada (<http://www.janm.org/projects/inrp/english/overview.htm>).

<sup>7</sup> The total number of Japanese migrants according to passports include all types of migrant status; permanent and temporary, and their purposes like travel, business, working, studying and official.