

Economic Study on the Generation Effect of Immigrants
and the Reform of the Social Integration Policy in Japan

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The aim of this research is to explore determinants of generation effect of second generation of foreign residents and to provide comprehensive integration policy recommendations for Japan.

Currently more than 2 million foreigners are registered as legal residents in Japan, but there has been a tendency for the government to favor implementing initiatives that attract new foreign talents over promoting policies that foster greater social inclusion of foreign residents already living in Japan.

According to results from past research, status change among migrant children compared to their parents, commonly referred to as “generation effect,” have been largely positive. However, in the Japanese context, generation effect may be working in the opposite direction. To investigate, this research analyzes determinants of generation effect and proposes solutions to improve the social environment surrounding second generation of immigrants in Japan.

The composition of Japanese foreign residents has shown a remarkable shift in recent years. In the past, Chinese, Koreans and Brazilians were the top three largest ethnic groups in Japan. However, due to the global economic crisis (Lehman shock), the number of Brazilian immigrants have gradually declined while Filipinos have steadily increased to a point where they now exceed the population of Brazilian immigrants. According to Borjas (1991), not only investment by first generation but also ethnic capital, that is, the average quality of the ethnic group that a migrant can gain from its ethnic group network, has large influence on the success of immigrants. Thus, with the change in composition of Japanese foreign residents, there is an urgent need for research on social environment of foreigners in order to improve current social policies.

The author has investigated determinants of generation effect of migrant children by using micro-data that have been obtained through questionnaire survey on foreign residents in Japan. Due to the small sample size, the author has decided to place focus on statistical analysis of high school advancement rate and not college advancement rate.

The econometric analysis has discovered that not only the academic background of first generation and length of stay in Japan of second generation but also willingness for permanent residence and ethnic capital have significant influence on high school advancement rate. If migrant children cannot advance to high school, that becomes a major disadvantage for them in trying to improve their social status.

The results indicate that 1) a plan that clarifies the stance on long-term residence in Japan for individual families is important for second generation's education since many of the students wonder whether or not their family will go back to their home country after several years of work in Japan and 2) Filipino children are a vulnerable group due to a shortage of ethnic capital and thus social support for their education is deemed critical for preventing inequality within their ranks. Given such results, the author emphasizes importance of social inclusion policy reform.

Recently, the Japanese government has been pursuing "Global Talent Cultivation/Education," but in reality, the initiative is not providing a proper environment for the second generation population who has very powerful potential in contributing to the Japanese society. It is a great loss if the government is truly seeking "global talent". It is recommended that the government actively demonstrates a serious interest in the talents of second generation group and provide for increased number of opportunities especially for individuals that possess familiarity of both Japan and their home country. To achieve this undertaking, the author recommends that teachers and career advisors work together with immigrant families to support building a long-term life plan in order to encourage second generation children to continue to advance in their education.

Finally, second generation Filipinos who are relatively new to Japan show a significant lower rate of high school advancement compared to second generation students belonging to other ethnic groups. Therefore, academic support such as after school classes and summer schools should be offered in areas where many second generation Filipinos reside.

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