

Social Capital, Health, and Well-Being: The Case of Foreign-born Laborers in Japan

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INTRODUCTION AND RESEARCH PROBLEM

According to the UN/MOJ the Japanese population is predicted to fall to less than 100 million by the year 2050 and, furthermore, to less than 80 million by 2100 (MOJ 2010). At the same time, the country has the highest elderly population in the world as a percentage of the total population.

Since 1990, the number of registered foreigners in Japan has nearly doubled from 1,075,317 to 2,078,480 people. In 1990, foreigners accounted for 0.87% of the overall population and accordingly this number too doubled to 1.67% by 2011. Both of these figures (total and overall percentage) are by far the lowest amongst all industrialized countries of the world (OECD 2014).

In their case study on the Hamamatsu Nikkejin, Tsuda and Cornelius used multivariate models to examine wage determination on immigrant Brazilian workers in Japan. Their results showed that every social capital variable except for marriage status had a positive effect on wages. Immigrants with access to social capital in the form of immigrant networks, gender, and ethnicity are able to obtain jobs with higher wages in Japan (Tsuda and Cornelius, 2002). To sum up,

their results showed that for immigrant workers in Japan, social capital leads to higher wages and easier access to employment.

Social capital has been shown to have numerous positive effects on an individual's life. Empirical research has proven that those with higher social capital enjoy such benefits as: longer life expectancy, better health, higher self-rated happiness. Lastly, Nakamura (2009) uses elements of Borjas' influential work, *The Economics of Immigration* (1994), to argue that, as opposed to decreasing native wages, an increase in the number of foreigners can actually have a positive effect on native wages.

Through the accumulation of data from an original survey conducted by the authors, it is our intention to shed some light on the current status of foreigners living in Japan while offering insights and ideas on future immigration policy.

METHODOLOGY

An original survey of the foreign labour population in Japan (Foreign Labourers N = 500), along with a comparative survey of native labourers (Japanese Labourers N = 300). The survey was an anonymous multiple choice survey consisting of 20 questions pertaining to occupation, income, labour status, health status, educational background, Japanese language ability, social class status, etc.; and 22 questions regarding social capital. The social capital section consisted of a series of questions that asked respondents to list whether or not they can gain access to particular resources or services within a week's time. This is based on a form of social capital measurement known as the 'Resource Generator' and is standard in terms of measuring social capital (Van der Gaag, 2005).

Using multivariate regression, discrete choice and multilevel analysis, we compared the levels of several types of social capital by several regions in Japan (Tokyo, Osaka, Shizuoka, Fukuoka). In addition, we categorized social capital into four types (bridging or bonding, individual level or area level) and investigated the impact of each type of social capital on health, well-being and labour productivity.

RESULTS AND FINDINGS

Estimation results from multilevel analysis and discrete choice models showed the significant positive association between social capital, self-rated health and subjective well-being of foreign workers. In addition, stronger Japanese language ability is highly correlated to high levels of bonding and bridging social capital and the participation in the labour market. Therefore, language ability can be deemed to be a very important variable affect social capital amongst foreigners living in Japan.

In addition, bridging social capital and individual level social capital are also associated with their wage levels in some regions in Japan. However bonding social capital and area level social capital are not correlated to them very much.

CONCLUSIONS, IMPLICATIONS AND SIGNIFICANCE

According to the estimation results, some types of social capital of foreign workers in Japan lead to high levels of well-being and improve their labour productivity and health statuses among broad generations and regions. Therefore, we need to reconsider what sort of policies improve foreign workers' quality of lives from the viewpoint of the improvement of social capital. It is important to focus on the process of generating bridging social capital and

individual social capital, including the concept of the position generator.

Considering these results, if the Japanese government is serious about increasing the number of foreign labourers, it would be prudent for the government to consider Japanese language promotion, not only domestically for current foreign residents, but also abroad for future sojourners who will set foot in Japan.

Additionally, as Japan is considered to be quite homogenous and insular, cultivating social capital between native citizens and foreign labourers can be considered to be a central point toward helping increase labour productivity in the future. Possible methods include common forms of community trust building such as cultural exchanges, education/informative meetings, and mutually beneficial projects.

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