

Japan and Germany

A comparison of demographic and foreign policy

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Japan and Germany, which are both nations that were defeated during the Second World War, have developed into stable democracies. The two countries' politics have certain similarities and differences that are both advantageous and disadvantageous. This essay will focus on these key differences and present a detailed comparison of certain areas in which either country has achieved more success. Firstly, it will discuss how Japan and Germany have sought to mitigate their demographic issues. Secondly, the essay will examine foreign policy by examining the different states of both nations' regional ties following the Second World War. Finally, it will also evaluate how Japan's relationship with regional adversary China has had greater success than Germany's relationship with Russia.

I. POPULATION DECLINE

Firstly, Japan is currently experiencing a massive demographic decline. Clark et.al (2010) notes that while population and workforce decline are not a process unique to Japan, the nation will likely experience this decline first. It is projected that Japan's workforce will have declined by more than a third in the first half of the 21st century and that this impact will be even more significant in per centage terms (Clark et al. 2010). Due to Japan's high life expectancy, the working population is expected to shrink faster than the overall population, leading to an overall lower share of the population able to work (Clark et.al 2010). This overall decline in the working-age population will slow economic

growth and raise pressure on the country's social security system (Clark et al. 2010).

Germany faces similar demographic issues. Its natural population growth has been negative since 1972 and also has an ageing population along with low birth rates (Goldenberg 2020). In 2020, 1 in 15 Germans were over the age of 80 compared to 1 in 100 in 1950 with projections showing this will reach 1 in 10 by 2040 (Goldenberg 2020). Both countries' responses can be roughly divided into efforts to reduce the scale of the demographic problems and to mitigate their consequences.

The German approach to managing its demographic problems has some differences from that of Japan. Firstly, Germany has managed to temporarily offset its population decline through large amounts of immigration (Arnold 2020; Fuchs 2017). The 2015-2016 European Migrant Crisis led to a large inflow of young working-age people into the country. This resulted in German population growth returning to positive levels after a steep decline in the early 2000s (Arnold 2020; Fuchs 2017). In comparison, Japan has faced several issues in attracting immigration to solve its demographic issues. The innate conservatism and homogeneity of Japan mean that opposition to immigration is much stronger (Evaniuk 2017; Strausz 2022). Several initiatives to promote immigration to Japan have also largely been unsuccessful (Strausz 2022). Meanwhile, in Germany, large waves of migration have occurred since the 1950s which has led to a greater acceptance of immigrants (Evaniuk 2017).

While Japan may struggle to promote immigration by traditional means, it could play a larger role in the intake of refugees. The intake of refugees in Japan has historically been low compared to other developed countries (Strausz 2022). In the year 2020 for example, there were approximately 4000 applications in Japan for refugee status and special residence permits however only approximately 100 applications were approved (Nippon 2021). In comparison, there were approximately 1.8 million people with a refugee background in

Germany in 2018 of which 72% had approved applications for asylum (Keita & Dempster 2020). Approximately half of these refugees have since found work or are involved in the workforce through other means (Keita & Dempster 2020). Therefore, if Japan were to increase its humanitarian intake, the shrinking of Japan's workforce may be reduced in line with the German experience.

Likewise, Japan and Germany's policies for incentivising higher birth rates have significant differences. In Germany, generous policies for working families with children have been credited with raising the country's birth rate from 1.33 children per woman in 2007 to 1.57 in 2017 (Arnold 2020). However, policies directly incentivising having children have largely not been implemented due to the historical legacy of similar policies implemented in Germany during the Nazi era (Evaniuk 2017). Despite this lasting influence, the German government did implement a program during the Covid-19 pandemic that provided a one-off bonus to families that had children in the year 2020 (Seibel 2020). Meanwhile, in Japan, similar policies have proved successful. The birth rate in Japan rose from a low of 1.26 in 2005 to 1.46 in 2015 (Holodny 2010). The areas where births increased the most were places where bonuses were paid for having children (Holodny 2010). Should Japan extend the granting of funds for having children and work to support working families, this may help further increase birth rates. Similarly for Germany, directly incentivising having children and expanding upon the 2020 one-off payment may be another step to raise its birth rate provided it is considered culturally acceptable.

Japan and Germany have also placed significant emphasis on managing the impacts of their unfavourable demography. In Japan, the comprehensive long-term care insurance policy implemented in 2000 offers a variety of ways to care for the elderly mitigating healthcare costs (Sze-Yunn & Arivalagan 2020). Additionally, the development of robots and research into new medical treatments seek to automate processes and thus mitigate and reduce future shortages in the workforce (Sze-Yunn & Arivalagan 2020). In Germany, steps to

mitigate the impact of demographic issues have taken a more economic focus. The country has already legislated an increase in the retirement age from 65 to 67 by the year 2029 and there are discussions of raising this further to 69 soon (Scuster 2021). Furthermore, restrictions on private pension plans have been eased in an attempt to incentivise private savings (Bonin 2009).

II. POST-WAR REGIONAL TIES

Furthermore, a key area where Japan could take inspiration from Germany is in its reproach of former enemies of the Second World War. Germany has normalised openness about its role in the second world war and the atrocities of the Holocaust, allowing the nation to forge strong partnerships with its former enemies and retain a greater degree of independence from the United States. Meanwhile, Japan's actions are often seldomly discussed. This has made Japan's neighbours wary of it and caused several disputes (Gauder 2017). These disputes have significant economic consequences for Japan.

An example of Japan's unwillingness to recognise the effects of its actions during the Second World War is the current trade dispute between Japan and South Korea, which began as a result of court rulings that ordered Japanese companies to compensate wartime labourers and families (Ezell 2020). The ruling led Japan to reintroduce several export controls on trade with the country (Ezell 2020). A particular economic area which could be harmed is the Japanese chemical industry, which has many connections to South Korea's semiconductor industry (Ezell 2020). Japan's problems in finding regional partners ultimately leads to its continued dependence on the US. This increases the extent to which Japanese security is dependent on accommodations from the United States. Tsuruoka (2018) notes that while Japan was spared from the Trump administration's demands to increase defence spending, many European NATO allies were faced with a less accommodating United States. Should a future American administration be less willing to

guarantee Japanese security, Japan would be left considerably exposed (Tsuroka 2018). If Japan is to further ensure its security, it should seek to diversify its ties with other regional neighbours. The recent trade dispute with South Korea, along with other disputes Japan has with its neighbours regarding its actions during the Second World War, needs to be resolved to do so.

In comparison, Germany has pursued effective rapproach with its former enemies. This has been done through economic and political integration with its neighbours. This is particularly the case with France with which Germany once shared a centuries-long enmity but is now considered its closest partner (Krotz 2014). Additionally, West Germany under chancellor Willy Brandt pursued a policy known as “Ostpolitik” (Eastern Policy) in the 1970s in which he successfully pursued reconciliation with the then nations of the eastern bloc in Europe (Grau 2003). While Germany continues to have disputes regarding the payment of reparations from the Second World War with countries such as Greece, the normalisation of relations has mostly stayed intact and has not led to major trade disputes on the scale of Japan and South Korea (Deutsche Welle 2021). Japan could thus attempt a similar undertaking with its regional neighbours.

III. REGIONAL ADVERSITIES

Japan’s experience in conducting diplomacy with adversaries appears largely advantageous when compared to that of Germany. Under the leadership of chancellor Angela Merkel, the country’s approach to bilateral relations with Russia attempted to separate political differences from economic opportunities (Falk 2022). Through this approach, Germany became dependent on Russian gas and has indicated it would be unable to sanction gas trade with it in response to the country’s invasion of Ukraine (Von der Burchard & Segue 2022). While Germany has made commitments to reduce its dependency on Russia, these are long-term measures that will not have an immediate

effect (Atlantic Council 2022). Germany's dependency on Russian gas relates to its energy needs. With the country planning to phase out nuclear energy by the end of 2022 and phase out coal in the longer term, gas is an important transition fuel (Fenkse 2021; Wettengel 2022). Therefore, its dependence on Russian gas has placed it in a situation where it must factor in both geopolitical and domestic factors. Meanwhile, Japan has engaged China both as an important trading partner and a geopolitical adversary. Under Japanese prime minister Shinzo Abe, the "Free and open Indo-Pacific" strategy was launched which had the initial goal of countering Chinese influence in the region (Wan 2022).

This approach however was not directly confrontational and allowed room for cooperation with China on certain Belt and Road Initiative (BRI) projects (Wan 2022). Japan also successfully led ratification efforts for the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a grouping which did not include China (Wan 2022). At the same time, Japan was one of the major parties in the ratification of the Regional Comprehensive Economic Partnership (RCEP) which did include China (Wan 2022). The Japanese approach to its adversary China is therefore one of both countering and cooperating with it to ensure stable relations. In comparison, Germany's economic dependence on Russia for gas supplies has weakened its position.

IV. CONCLUSION

Overall, Japan and Germany have different approaches to demographic and foreign policy issues. Both countries face major demographic problems, however, Germany's approach appears to be more effective and could inspire future Japanese policy. Likewise, Germany has encountered more success in building regional partnerships with its former Second World War enemies. On the other hand, Japan appears more effective at handling relations with its regional adversary, China,

as opposed to Germany's relationship with Russia. This analysis shows that both countries have differing strengths and weaknesses in developing their international relationships following the Second World War.

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