



COMMUN X
HISTORICAL CRISIS COMMITTEE

Indo-Japanese Population Crisis

Background Guide

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Letter from the Crisis Head

Dear Delegates,

Welcome to COMMUN X's Indo-Japanese Population Crisis Committee! I, Sarin Chaimattayompol, am excited to be your crisis head this year and would like to thank you for choosing to participate in this committee.

I am in my third year working with crisis committees, having served as both a crisis staff member and now in her second year as a crisis head. I have been a crisis staff member for COMMUN in the past and am now entering my second year as a crisis head. On my part, I will be arbitrating the discussion and working behind the scenes to execute the events and catastrophes you all will be responding to (or possibly creating).

The topic I have chosen for you this year is the Indo-Japanese Population Crisis, a tangled dilemma involving Japan's low fertility rate and India's population boom. Japan's demographic challenge mirrors trends that are beginning to emerge in other countries, including the United States. As America's own fertility rates continue to decline, researchers are increasingly looking to countries like Japan to understand how these demographic shifts affect their economic systems. This issue has far-reaching implications, not just for Japan and India, but for demographic challenges around the world. I'm eager to see how you navigate this issue, as it is one that will shape the future of economic systems for years to come.

I fully believe in Model UN as a way to help students better understand, and one day to tackle the problems across the world and within our communities, and I hope to make this crisis committee an exciting and engaging one for you all. To best facilitate a knowledgeable and interesting discussion, **position papers will be required** to win an award on this committee.

Our committee is a crisis committee, meaning delegates will have to respond to events in real-time, voting on the best course of action for their party. Unlike in a general assembly, in a crisis committee your actions will directly influence the problem, causing it to improve or worsen until the day's end when a resolution will hopefully have been reached.

I hope you're as excited about this committee as I am. If you have any questions about the topic or your background guides, feel free to reach out.

Sincerely,

Sarin Chaimattayompol

Crisis Head, Indo-Japanese Population Crisis

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Useful Terms

- *Shoshika*: the modern decline in birth rate. First used in Japanese government documents in 1992, shoshika has a twofold definition encompassing “the lowering of birthrate and the accompanying decline in child numbers in the family and society.”
- *Populism*: Populism is a political approach that champions the interests of ordinary people against elites perceived as corrupt or out of touch. It can appear on both the left, focusing on economic inequality, and the right, emphasizing nationalism and cultural identity. While it can energize democracy, critics warn it may oversimplify issues and undermine institutions.
- *Fertility Rate*: Fertility rate measures the average number of children a woman is expected to have in her lifetime within a specific population. It is a key indicator of

population growth or decline. Changes in fertility rates are influenced by factors like healthcare, education, and social policies.

- *Migrant Worker*: A migrant worker is someone who moves from one region or country to another for employment, often in search of better opportunities. They play a vital role in many economies but can face challenges like exploitation and limited rights. Migrant workers are common in industries like agriculture, construction, and domestic labor.
- *Multinational Corporation (MNC)*: A multinational corporation operates in multiple countries, managing production or delivering services beyond its home country. MNCs are significant drivers of globalization, influencing economies and cultures worldwide. Examples include companies like Apple, Toyota, and Nestlé.
- *Specific Skilled Worker (SSW)*: A specific skilled worker is someone with specialized training or expertise in a particular field, often sought by countries to address labor shortages. These workers typically require proof of qualifications or experience. SSW programs are common in industries like healthcare, construction, and IT.

Introduction to the Crisis

As Japan struggles with labor shortages and low fertility rates, the country has opened its doors to skilled workers from countries like India to fill the gaps, but this has not been without controversy. What started as a practical solution to a demographic crisis has now sparked a protest among Japanese workers with the rise of the populist movement, *Hataraku Nihon Daiichi* (“Working Japan First”), arguing against reliance on foreign workers and warning that a foreign presence will take opportunities away from native-born Japanese citizens. Protests have erupted across major cities, including Tokyo, and are trending on various social media

outlets—thousands are calling the government to halt its immigration policies and address Japan’s demographic and labor issue in a different way.

Meanwhile, India, with its booming population but staggering unemployment rates, sees Japan as a destination for labor migration—particularly in the business and service sectors. But it is far from an ideal job for foreigners as Japan is notorious for exploiting migrant workers. Part of this is due to Japan’s ‘highly homogeneous society,’ creating friction between Indian workers and Japanese natives due to cultural differences, language barriers, and limited labor rights. Both the Japanese and Indian governments face a delicate balancing act between the need for economic survival and the pressing demographic and cultural challenges within their countries.

At present, a new challenge has emerged from multinational corporations (MNCs) operating within the country. Companies such as Toyota, Panasonic, and Hitachi grow worried about the increasing popularity of the “Working Japan First” movement and their anti-immigration sentiments.

Many major corporations have made it clear that restricting foreign workers would lead to significant project delays, increased operational costs, and a loss of international competitiveness. They warn that a restriction could also stifle their efforts towards innovation. Industries, such as manufacturing, healthcare, and construction, which have long depended on foreign labor, are particularly at risk.

In response, supporters of the populist movement have accused MNCs of misplaced priorities, arguing that they value profits over Japan’s cultural and economic sovereignty.

Japan is caught between the pressures of populist movements and the interests of multinational corporations (MNCs). The government must address the concerns of nationalist

movements and protests while also appeasing MNCs, whose investments and innovations are crucial for advancing Japan's economy and digital transformation.

History

Japan

The conditions that led up to Japan's current underpopulation crisis can be traced back to the post-World War II period. At the start when the soldiers returned home from the war, Japan experienced its first baby boom, with a crude birth rate of 34.3 live births per 1,000 people. In the 1950s, the average urban 45-year-old mother would have four kids and the average rural 45-year-old mother would have five kids. By 1974, the average number of children had declined to 1.4 kids per mother, remaining well under Japan's replacement level for half a century. The Japanese Dictionary has even dedicated a word to this trend: *Shoshika*—Japan's modern decline in birth rate. Not only are birth rates declining, the number of marriages also declined.

Additionally, the average age at marriage has been rising. Between 1930 and 1990, women between the ages of 25-29 had the highest fertility rates. However, today, most Japanese women do not marry within that age range. The average marriage age for women is 28.8 and 30.5 for men. Both shortening the fertility period for women and postponing marriage "accounts for more than half of the fertility decline in Japan".

and declining birth rates, it is essential to examine the country's cultural dynamics. Low marriage rates can be attributed to differing gender expectations and precarious career prospects for young men. For women, marriage offered little incentive, as the traditional roles of managing household chores and childcare seemed unappealing, making the "marriage package" less attractive. Additionally, Japan's highly competitive education system amplifies the pressures of motherhood, as women are expected to shoulder the responsibility of supporting their children's

success. While women worldwide typically handle more childcare duties than men, this disparity is particularly pronounced in Japan. For men, the difficulty of establishing a stable and secure career at a young age discourages them from settling down and taking on the role of providing for a family.

India

India's overpopulation crisis can be traced back to the 1920s, when the government introduced public health measures to combat widespread diseases like malaria. As a result, the national mortality rate dropped significantly, from 40.4 deaths per thousand people between 1921 and 1931 to 16.3 in 1965. Between 1920 and 2020, India's life expectancy increased by an average of 4.8 years per decade. In comparison, life expectancy in the U.S. rose by an average of 2.55 years per decade over the same period. Additionally, India's infant mortality rate, which was 204.4 deaths per thousand in 1915, has now fallen to 32.

The population surge is a direct consequence of increased life expectancy, which allowed for more children to be born while fewer children died in infancy. India's population was 318 million in 1921, and it has now surpassed 1.4 billion, overtaking China as the world's most populous country. By 2024, the mortality rate had dropped further to 6.6 per thousand.

Overpopulation has proven to have dire economic consequences. In recent years, a rapidly growing population has led to increased unemployment and homelessness. According to the 2024 census, there are 1.77 million homeless people in India. The Indian National Sample Survey Office reported that 5% of households are headed by someone unemployed. In April 2023, a financial club in Mumbai opened up 8,000 job positions and received 650,000 applicants.

Recent studies have shown that only 40% of India's working-age population is employed, creating a significant social welfare issue closely linked to the country's overpopulation.

India–Japan Relations

Japan’s declining birth rates and extended life expectancy makes foreign labor a crucial part of Japan’s economy. Currently, Japan is projected to have 5.91 million foreign workers in 2040, 1 million short of what the government needs to achieve their economic goals.

One of the government's goals is to pursue a “long-overdue national digitization effort.” The country’s hope is to tap into India’s vast pool of 1.5 million engineering graduates either by bringing them to Japan or setting up Japanese companies in India, such as Rakuten and Mercari. In the 2024 World Digital Competitiveness Ranking, Japan placed 31st, showing no improvement from the previous four years. As Japan scrambles to play “digital catch-up” with other countries, India produces 1.5 million engineering graduates per year. In the past, Japan signed the Memorandum of Cooperation on Technical Intern Training Program (TITP) with multiple East and Southeast Asian countries such as Vietnam, China, Cambodia, and Thailand because of their cultural similarities. In 2017 Japan signed with India after realizing Indian recruits “offer independent, out-of-the-box thinking that Japanese companies need to kick-start their innovation efforts,” as professor Kotaro Kataoka, acting as a “matchmaker” between Indian graduates and Japanese companies, commented. Despite attempts to provide training and technical skills to supplement Japan’s labor shortages, Japan’s poor oversight has led to poor working environments and accusations of labor mistreatment.

In 2019, Foreign Secretary Shri Harsh Vardhan Shringla and Japanese Ambassador Suzuki Satoshi signed the India-Japan Memorandum of Cooperation on Specific Skilled

Workers. Under the MoC, Japan will grant workers in one of the 14 specific industry fields the status of “specific skilled worker.” Through this framework, both countries hope the agreement will “promote the movement of skilled workers from India to Japan.”

Roles

Indian Representatives:

Narendra Modi (Prime Minister of India)

Narendra Modi, the Prime Minister of India since 2014, has focused on addressing India’s demographic challenges, including its overpopulation. He has advocated for population control measures and sustainable development to manage the country’s growth. Modi’s government has also encouraged greater global engagement and labor mobility, particularly through initiatives like the Skill Development Mission, which aims to equip Indians with skills for international employment. In recent years, Modi has highlighted Japan as a key destination for skilled Indian workers, particularly in sectors like technology and engineering, as Japan faces an aging population and labor shortages. He has sought to strengthen bilateral ties with Japan, promoting opportunities for Indian professionals to contribute to its economy.

Dharmendra Pradhan (Minister of Skill Development and Entrepreneurship)

Dharmendra Pradhan, the Union Minister of Education and Minister for Skill Development and Entrepreneurship in India, works in mitigating issues such as youth unemployment, lack of education, lack of rehabilitation, etc. He supports creating employment opportunities domestically, and internationally.

Mansukh Mandaviya (Minister of Labor and Employment)

Mandaviya has approached this crisis with a focus on safeguarding the rights and well-being of Indian workers in Japan. While recognizing the economic benefits, such as remittances and skill development, he should emphasize fair wages, safe working conditions, and job security for Indian workers. He will focus on advocating for agreements that ensure ethical treatment, prevent exploitation, and provide access to legal protections, social welfare, and grievance mechanisms. Additionally, the minister will be interested in pushing for skill development programs to ensure workers gain valuable experience that benefits India upon their return, balancing economic growth with the protection of workers' rights and long-term national development.

Subrahmanyam Jaishankar (Minister of External Affairs)

Subrahmanyam Jaishankar, the Indian Minister of External Affairs was the former Deputy Chief of Mission at the Indian Embassy in Tokyo from 1996 to 2000. He has had a wealth of experience cooperating and forming agreements with foreign countries, including implementing the Basic Exchange and Cooperation Agreement (BECA) with the United States, allowing for an increase in shared intelligence between the two countries. He has the power to implement treaties and influence the Indian government's cooperation with other countries.

Nirmala Sitharaman (Minister of Finance and Corporate Affairs)

Sitharaman, the Indian Minister of Finance and Corporate Affairs, has served since 2019. Sitharaman has often offered concerns about Indian population growth and the adverse effects of overpopulation.

Ramesh Sharma (Labor Union Leader)

Ramesh Sharma represents Indian workers' rights and interests, particularly regarding wages, job security, and working conditions. He's advocated for balanced labor mobility—ensuring workers sent abroad are protected and India's domestic industries aren't undermanned. He has the power to influence negotiations between the government, businesses, and laborers, ensuring fair treatment of workers.

Shikha Sharma (Axilor Ventures)

Shikha Sharma represents Indian startups and business interests, focusing on innovation and entrepreneurship. He's helped promote India's position as a global tech hub and sees opportunities in sending skilled workers to fill technological labor gaps in countries like Japan. He has the power to drive private sector initiatives, encouraging Indian tech startups to collaborate with foreign markets like Japan.

Ravi Kumar (Nasscom Representative)

Ravi Kumar has advocated for India's IT industry and promotes the global mobility of Indian professionals, particularly in technology. He supports partnerships with Japan to address its technological labor shortages while boosting India's IT exports. He has the power to influence government policies and industry strategies, enhancing the flow of Indian IT professionals to global markets.

Mukesh Ambani (Chairman and Managing Director of Reliance Industries)

Mukesh Ambani has acted as the chairman of Reliance Industries Limited (RIL), one of India's largest conglomerates with diverse interests spanning petrochemicals, refining, telecommunications, retail, and renewable energy. RIL has been a global powerhouse, particularly with the launch of Jio, a telecommunications venture that revolutionized India's digital landscape by offering affordable high-speed internet. Given the economic power held by Reliance Industries, Ambani will have the ability to influence policy in a very direct manner.

Sibi George (Indian Ambassador to Japan)

George has been focused on advocating for enhanced labor and economic collaboration to address Japan's demographic challenges, emphasizing India's skilled workforce, particularly in engineering and technology, as a solution to labor shortages and digitization goals. Pushing for expanding bilateral agreements like the Specific Skilled Workers Memorandum, ensuring worker rights and fostering trust, and promoting increased Japanese investment in India's tech sector will all be imperative for George. Given the current social climate, George should look to enhance educational and cultural exchanges to ease integration for Indian professionals and position the partnership as a strategic alliance for mutual benefit and regional stability.

Dharmendra Pradhan (Minister of Education)

Pradhan, the Indian Minister of Education, has occupied an interesting position as this crisis develops. For Pradhan, this collaboration is a dual-edged opportunity. On one hand, he might prioritize enhancing technical and vocational training programs to align with Japan's labor market needs while fostering language and cultural education to prepare workers for integration

abroad. On the other hand, he could express concerns about a potential brain drain, with India's most talented professionals leaving to contribute to foreign economies. To balance this, Pradhan might advocate for policies that encourage circular migration, where skilled workers gain international experience in Japan but return to India to share their expertise. They might also seek increased Japanese investment in India's education and innovation sectors to ensure that the partnership benefits India's domestic growth as much as it supports Japan's workforce challenges.

Japanese Representatives:

Fumio Kishida (Prime Minister of Japan)

Fumio Kishida had led Japan's government, focusing on policies to address the nation's declining population and labor shortages. He supports attracting skilled immigrant workers to sustain critical industries and boost economic growth while balancing cultural and demographic sensitivities. He sets national priorities and directs legislation to manage immigration, economic growth, and population challenges.

Toshiko Abe (Minister of Education, Culture, Sports, Science and Technology)

Abe focused on fostering mutual understanding and cultural integration, recognizing the need to bridge cultural gaps between Indian workers and Japanese society. She viewed the influx of Indian professionals as an opportunity to enrich Japan's multicultural landscape while expressing concerns about preserving its cultural identity. Abe supported programs like language education, cultural orientation, and shared heritage initiatives. She also encouraged collaborations in arts

and education to strengthen ties, ensuring Indian professionals contributed positively to Japan's society while respecting its norms.

Katsunobu Kato (Minister of Health, Labour, and Welfare)

Katsunobu Kato has overseen Japan's healthcare, labor, and welfare policies, including strategies to combat the aging population and workforce gaps. He has advocated for reforms to expand labor participation and carefully integrate skilled immigrants into Japan's workforce. Kato has helped implement policies on employment, healthcare, and immigration, directly impacting labor supply and workforce demographics.

Hiroshi Nakano (Chairman of Keidanren, Japanese Business Federation)

Hiroshi Nakano has led Japan's most influential business lobby, representing corporate interests across industries. He has strongly supported increasing immigration of skilled workers to address labor shortages in key sectors like technology, manufacturing, and healthcare. He has helped shape public and government discourse on economic policies, as well as advocating for businesses' needs.

Keidanren (Japanese Business Federation)

Keidanren is a coalition of leading Japanese companies that shape economic and labor policies. They have proclaimed that immigration and workforce diversification as essential to sustaining Japan's economy amidst a shrinking population. They have the power to influencing government policies and promoting collaborations with countries like India to attract skilled labor.

Koji Sato (CEO of Toyota)

Sato has acted as President and Chief Operating Officer of Toyota, assuming that position in 2023. Given Toyota's position as a large automobile manufacturer, Sato has been sympathetic to the economic incentives of importing skilled workers.

Takao Kato (CEO of Mitsubishi)

The Mitsubishi group represents a group of autonomous Japanese multinational companies in a variety of industries. The three main entities, informally known as the "Three Great Houses," (*gosanke*) are Mitsubishi UFJ Financial Group (the largest bank in Japan), Mitsubishi Corporation (a general trading company), and Mitsubishi Heavy Industries (diversified manufacturing companies). A 2020 estimate determined that the Mitsubishi companies combined generate 7.7% of the total revenue of all publicly traded companies in Japan, and the group's assets amount to 433 trillion yen. Mitsubishi has recognized the skilled labor shortage as a significant obstacle to economic and strategic growth. Given the immense economic significance of the group, and large lobbying power, Mitsubishi will be focused on increasing labor immigration while maintaining low labor costs.

Christophe Weber (CEO of Takeda Pharmaceutical Company)

Takeda is the third largest pharmaceutical company in Asia, and has over 49,578 employees worldwide, achieving US\$19.299 billion in revenue during the 2018 fiscal year. Takeda saw a 57% drop in profit in its 2023 fiscal year, mostly driven by increasing generic competition for its ADHD treatment Vyvanse. Its sluggish stock price and profit margin has resulted in a slew of

recent layoffs and buyouts, both in Japan and abroad. As Takeda tries to maintain its position as a healthcare giant, its interests in cheap labor will likely inform policy interest.

Kazuyuki Inoue (President of Shimizu Corporation)

Shimizu Corporation is an architectural and general construction firm, headquartered in Tokyo, generating annual sales of approximately US\$15 billion and widely recognized as one of the top 5 contractors in Japan. The construction industry in particular has struggled with labor shortages. A legal cap on overtime, enacted in April of 2024, deeply impacted the availability and productivity of labor, further escalating labor costs. Furthermore, the company recently announced a significant downward revision of its earnings forecast for the fiscal year ending March 2024, predicting an operating loss of 33 billion yen—a first since its listing. While the final net profit will be salvaged through the disposal of cross-held shares, the operating loss marks a significant blow, primarily attributed to cost overruns in large-scale projects caused by surging material and labor costs, with the construction division's gross profit margin for completed projects plummeting to an astonishing negative 3.3%. Given the particular strain placed on Shimizu Corporation, their policy interests will certainly be in favor of inexpensive (immigrant) labor, but they will be more incentivized to take action quickly and directly.

Keiichi ONO (Japanese Ambassador to India)

ONO has been focused on deepening economic and technological ties to support Japan's workforce needs while contributing to India's economic development. ONO's position has reflected both a desire to build economic prosperity and an interest in protecting the interests of the Japanese people.

Hana Takahashi (Movement Leader)

Takahashi has emerged as a leader of the growing Working Japan First movement. Protecting national sovereignty, halting immigration, and increasing work opportunities for native Japanese workers has been the priority of Takahashi, who here acts as a representative for the (organized) movement as a whole.

Ren Yamamoto (Dissent Leader)

Yamamoto has emerged as a dissent of the growing Working Japan First movement, giving voice to those criticizing the movement for the disruption it has caused to the Japanese economy, claiming the stress it has placed on the supply chain has caused more harm than good. Yamamoto has focused on weakening the Working Japan First movement and collaborating with both Indian officials and Japanese industry.

Hisashi Kanazawa (Chairman of National Trade Union Council)

Kanazawa was the sitting Chairman of the National Trade Union Council, a national confederation of Japanese labor unions. Politically, the council has held close ties to leftwing organizations. The unions covered under the council have represented numerous foreign workers, including the National Union of General Workers Tokyo Nambu (often referred to as simply *Nambu*), a union which represents workers in southern Tokyo and Eastern Japan; the National Union of General Workers, Tokyo (also known as Tokyo Union), which represents parts of Tokyo and Saitama Prefecture, the General Union, headquartered in Osaka, representing Western Japan, and the Fukuoka General Union, representing Kyūshū. Kanazawa has focused on promoting not only foreign labor but safe and fair pay for international workers.

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