

Structural and Institutional Aspects Surrounding Japanese Self-Initiated Expatriates' Career Opportunities in East and Southeast Asian Societies*

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Abstract. This paper investigates how Japanese SIE's labor markets in Asian societies provide career opportunities for young Japanese workers. The number of locally employed Japanese workers in Asia has increased since the 1990s. Previous studies, which have relied on the Lifestyle Migration view, pointed that the primary reason for expatriation is self-seeking and that Japanese expatriates feel finding something worthwhile for their lives by expatriation at the expense of status attainment. However, these studies paid little attention to the demand-side aspects of Japanese SIE's career, which directly determines their opportunities. This study aims to provide some empirical findings based on the structural and institutional accounts that are different from the previous studies. The authors analyze the interview data of staffing agencies and the salary data in Singapore, Hong Kong, Thailand, Indonesia, and China, which the Japanese expatriate workers are likely to choose as destinations. From the qualitative analyses of the interview data, the authors find four dimensions relating to Japanese expatriate's labor market chances; market growth in the local society, the existence of Japanese community, legal restriction of issuing work permits, and the degree of localization of Japanese firms. According to these factors, it is possible to classify the five societies into two groups: one has a premium of Japanese self-initiated expatriate workers, and the other does not. The quantitative analyses using the salary data from a staffing agency also confirm the cross-society difference of economic remuneration. In China, Indonesia, and Thailand which are included in the former group, the salary of native Japanese workers is significantly higher than those of other worker types, but it is not in Singapore and Hong Kong. The authors discuss the differences between the present study and previous literature and the future research prospects in the concluding remarks.

Key words: self-initiated expatriate worker, local employment, career opportunity structure, staffing agencies, local Japanese firm, Asia.

Introduction

Population Dynamics of Japanese Out-Migrants in Asia

Is Japan an inward-looking society? The word 'inward-looking society' means the majority of people in society look to only interests within their home country and do not open their eyes on international or transnational environments. The inward-looking society image in Japan is often debatable [1]. An international comparative survey by CAO (Cabinet Office of Japan) reports that Japanese youth are not much interested in living abroad¹. The percentage of Japanese youth from 13 to 29, who want to settle in other countries, is just about 20% in the CAO's survey.

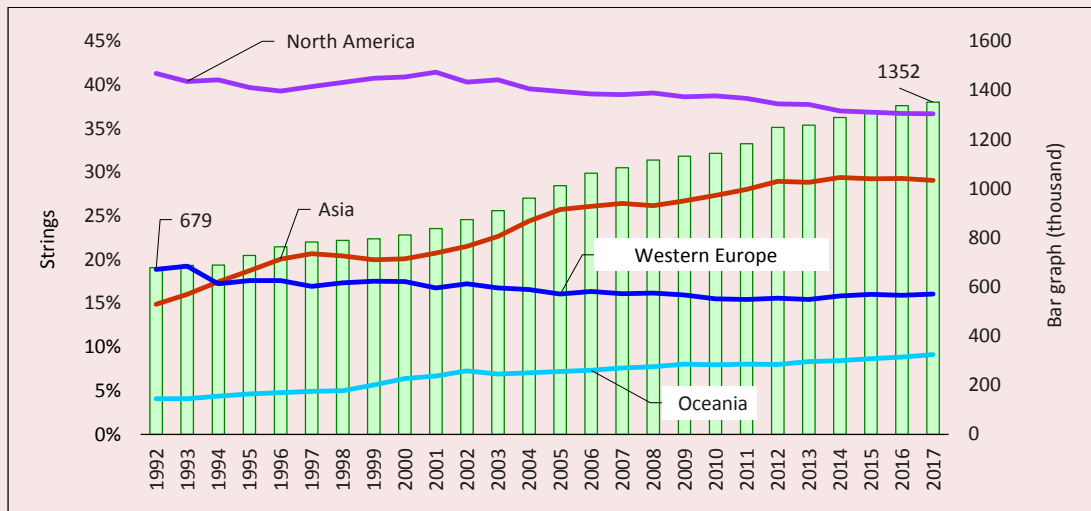
Although Japanese young people seem to be reluctant to live and work abroad, the number

of Japanese out-migrants has increased since the early 1990s. *Figure 1* illustrates the trend of Japanese out-migrant population size across the world and proportions in popular regions where they move. The bar chart in *Figure 1* means the total size of Japanese out-migrants, and it grows up almost monotonically and gets almost twice between 1992 and 2017. In contrast with the Western societies, Asia has gathered more and more Japanese out-migrants for 25 years since the early 1990s, and the increase of the total out-migrant population principally comes from Asia.

In addition to the overall trend, this official statistics result gives a totally different impression from the one the 'inward-looking' Japanese youth discourse might imply. To describe population changes within the same age groups, *Figure 2* shows the relative sizes of Japanese out-migrants in each year compared

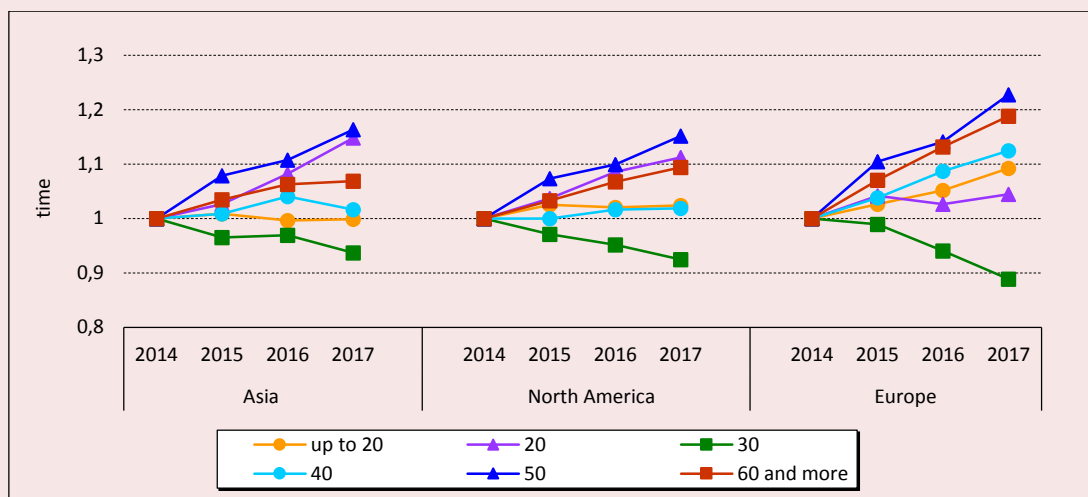
¹ See the website in Japanese (<https://www8.cao.go.jp/youth/kenkyu/ishiki/h30/pdf-index.html>).

Figure 1. Overall number of Japanese out-migrants across the world



Source: Authors' calculation of the Annual Report of Statistics on Japanese Nationals Overseas by Ministry of Foreign Affairs

Figure 2. The relative growth of Japanese out-migrants by regions and age groups



Source: Authors' calculation of the Annual Report of Statistics on Japanese Nationals Overseas by Ministry of Foreign Affairs

to the result in 2014. We calculated them by major three destination regions and age groups². In all three regions, the sizes of Japanese out-migrants in their 20s and 40s commonly grow as well as older age groups such as people in

their 50s and more³ [2]. The proportion of Japanese people in their 30s slight decreases, but the absolute number of them is still much more than younger age groups⁴. In Asia, which

² Japanese out-migrant population size by age group is only available since the 2014 result.

³ Considerable Japanese retiree people choose Southeast Asian societies after their retirements, and results of older people in Figure 2 shows this trend.

⁴ In 2017 in Asia, for example, there are over 63,000 Japanese people in 30's compared to 30,000 in 20's.

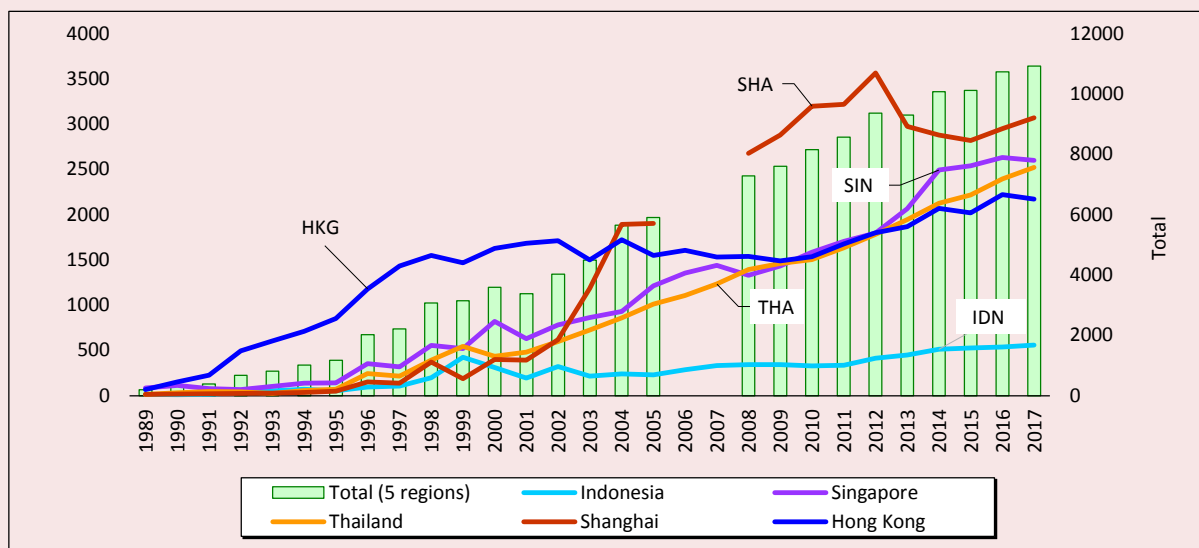
this paper will solely focus on, most Japanese out-migrants are not international students or working holiday makers but employees of private companies. These statistical figures imply that the transnational career experience is progressively emerging.

There are two types of Japanese out-migrants; one is corporate expatriate (CE), and the other is so-called self-initiated expatriate (SIE) [3]. The corporate expatriates are those who are assigned to local branches by their headquarters, and they usually take managerial positions of the local organizations. Unlike the CEs, the SIEs find their positions by themselves and move to the destinations. CE follows the personnel policies and practices by the headquarter in most cases, and its cross-border mobility is located within the organizational career ladder. However, SIE does not have direct employment relationships with the headquarters.

Figures 1 and 2 include both CE and SIE. Unfortunately, there is not an exact figure of SIEs due to a lack of well-designed survey with a focus on them. However, it is possible to approximately see the number of SIEs by that of female employees in private companies. It is because male expatriates dominantly consist of CEs, and a research report of CE figures out that 98.2% of CEs are male workers [4]. The informants of staffing agencies in this study also frequently point that the male-female ratio of SIEs is 50/50 or 60/40. Given that information, the number of male SIE workers in private firms must be close to that of female SIE workers.

Figure 3 depicts the number of female workers employed by private firms in each region. We select five regions that are popular among Japanese SIEs⁵, and the bar chart in Figure 3 is the total amount of them. The total number has increased since the 1990s, and it approaches over ten thousand in 2017, that is

Figure 3. The number of female employees in private companies in major Asian destinations



Source: Authors' calculation of the Annual Report of Statistics on Japanese Nationals Overseas by Ministry of Foreign Affairs.

⁵ Vietnam is also becoming a popular destination, but the Japanese expatriate population there is smaller than other Asian societies.

30 times larger than that in 1990. Hong Kong used to be the most popular destination among Japanese SIEs before the early 2000s, but its relative presence has got smaller nowadays. Instead, Shanghai, Singapore, and Thailand have gathered female SIEs, and the number of them in Indonesia also increases. From these results, there is possibly a similar number of male Japanese SIEs in these societies today.

Research Question and Agenda of the Present Study

The research question in the present study is how the Japanese SIE's labor markets in Asian societies provide career opportunities for young Japanese workers. Previous studies are likely to stress cultural aspects of the Japanese expatriation. A majority of them has focused on how Japanese SIEs interpret their career experiences in their daily lives, because they do not always want to work overseas for higher socioeconomic statuses. Working overseas is a means of seeking one's better way of life, and this kind of expatriation is called the Lifestyle Migration [5][6].

This paper, instead, focuses on the labor market structural factors, like the labor demand-supply relationship in destination societies, directly determines the SIE's opportunity. The previous studies have had relatively few attentions to the demand-side aspects of Japanese SIE's career. This paper investigates their opportunities from the labor demand-side's viewpoint through intensive field interviews for staffing agencies in Asian countries and other statistical information.

The present study illuminates the opportunity structure of Japanese SIE which will vary across Asian societies according to some conditions. With interview data and salary information publicly available, this paper will delineate four dimensions; market growth in the local society, existence of Japanese community, legal restriction of issuing work permits, and

the degree of localization of Japanese firms. Combinations of these factors provide different career opportunity structures to Japanese SIE workers in each society. Detailed analyses will follow the literature review and description of data this paper utilizes.

Literature Review

Significance of the Lifestyle Migration View

The vast immigrant researchers regard economic incentives as pivotal factors to explain international mobilities. In an economic model of immigration studies, international migration is economically rational when people can expect high returns with low costs [7, 8]. High economic returns are pull-factors for migrants in the economic model. This economic perspective particularly helps migration scholars to understand the immigrant inflow process of unskilled workers from developing to developed countries.

The economic model successfully specifies the likelihood of labor migration across societies, but how and why people in an affluent society move to equal or less affluent societies is out of its scope. That is why expatriate scholars in sociology and cultural anthropology have a motivation to construct another analytical framework. When it comes to the middle-class migrants, they do not always have economic incentives for expatriation because pursuing job opportunities abroad is not the only way of their career developments. For them in a high-income society like Japan, it is still substantial to achieve their socioeconomic positions in the domestic labor market. The middle-class migration from higher to lower-income societies cannot but be a residual case in the orthodox economic model of migration.

What Benson and O'Reilly called the Lifestyle Migration sees some rationalities in the migration process. The Lifestyle Migration concept suggests that the migrant's motivation should be the search for a better way of life.

Ordinary people in an affluent society do not have urgent economic matters but face issues in their social lives. Strong social norms and solid interpersonal relationships in their origin societies often restrict one's freedom, and they can be stressful in their daily lives. These negative aspects of the origin society are push-factors for expatriation for some people. From the lifestyle migration perspective, migrants seek the re-organization of their work-life balance, improved quality of life, and freedom from present constraints [5, p. 610]. In other words, expatriation is a means of pursuing one's self-realization.

In addition to the following Japanese cases, there are a lot of previous studies supporting the lifestyle migration perspective. According to them, fulfilling one's middle-class identity is a strong motivation for lifestyle migration. A study focused on professional women from the Philippines in Australia reveals that they used to face with a gendered labor restriction and a severe economic crisis before migration, and they entered into the destination for improving their situations [9]. Young and well-educated Chinese entrepreneurs and working tourists also seek their self-realization and fulfillment of their dreams [10]. These studies show that migration is not only a way of maintaining their positions but of pursuing the middle-class lifestyle such as autonomous and independent daily lives, living in clean environments, having healthy food, and so on. Another example of related studies investigates European highly skilled migrants to Singapore and Japan [11]. Though this study does not rely on the lifestyle migration view, it finds out that the existence of European men who have an orientalist view and enjoy their otherness in these Asian societies. The motivations from the lifestyle migration perspective can be observable in various contexts.

Local Employment for Japanese Expatriates

There are also qualitative studies attempting to describe how Japanese out-migrants define their career experiences in local societies. Most previous researches are likely to conclude that Japanese SIEs have only restrictive career opportunities. That is because of the organizational characteristics of Japanese firms in the local societies, in which CEs have always played a pivotal role in the local branches [12]. The following discussion refers to this point and to what the lifestyle migration means in the context of Japanese expatriate workers.

When Japanese firms started to expand their businesses to Asia in the late 1980s, they mainly dispatched CEs from the headquarters in Japan at first. They have not had a motivation toward localization but tried maintaining Japanese business manners even in overseas branches. One reason for this situation was that the headquarters in Japan did not trust the local organizations and required them to keep frequent contacts [12]. As a result of the internationalization of Japanese firms without localization, the local organizations have just wanted assistant level staffs who can fluently speak Japanese language and understand Japanese business manner. Due to the linguistic and cultural barriers, the local Japanese firms continued to prefer Japanese workers who wanted to work abroad.

At the same time, young Japanese workers' situation has changed. The Japanese youth labor market had shrunk due to a long-term recession since the early 1990s. Firms in Japan had protected their employees and declined their new labor demand for young workers since the mid-1990s as a result [13]. Local Japanese firms in Asian societies such as Hong Kong and Singapore simultaneously started opening job opportunities, as mentioned above.

Young Japanese workers, especially women with an undergraduate degree, struggled with getting their job, and non-negligible size of them felt it attractive to have international career experiences [14]. Even though local organizations of Japanese firms did not pay much for these positions, young Japanese expatriates preferred job opportunities to higher remunerations. The interdependence between Japanese local firms and expatriates have formed labor markets for Japanese workers in local societies [15].

According to previous studies, a unique point of Japanese young expatriate workers is that they rely on the lifestyle migration perspective differently compared to other societies' cases. As was pointed out, the lifestyle migrants except Japan have a strategy of realizing or maintaining the middle-class habits and identities toward their expatriations. A positive selection process works in their expatriation, which means the more successful workers in origin societies seem to go out there for a better way of life. Meanwhile, young Japanese expatriates do not always have more privileges and advantages than Japanese youth staying in Japan have. Even though Japanese labor market situation had got worse from the 1990s to the mid-2000s, Japanese firms had maintained their employment practices, such as long-term employment without a fixed-term contract, seniority-based wage system, and career ladder heavily based on the internal labor market [16]. Under these labor market conditions, it is rational to keep working in Japan in terms of the socio-economic status attainment. Consequently, previous studies have thought the expatriation of young Japanese workers is a negative selection and a vicious cycle of their career because local Japanese organizations have not provided better positions as already seen [17].

Prior researches point out the lifestyle migration perspective makes the Japanese young expatriate workers accept the vicious cycle. Because many of them move to the destinations without clear career orientations, the reasons for expatriation are to explore what they want to do and to avoid the previous work and life [18, 19]. Small successful experiences and living circumstances different from Japan encourage and stimulate young Japanese expatriates even though Japanese firms do not evaluate favorably them [20]. They feel finding something worthwhile for their lives by expatriation at the expense of status attainment. In other words, they make a posteriori justification of expatriation by the lifestyle migration scheme. That is the process of the Japanese expatriate's lifestyle migration, which prior researches have drawn.

It is common for studies relying on the lifestyle migration approach to conclude that the primary reason for expatriation is the self-seeking or realization for a better way of the middle-class life. The Japanese cases are unique in terms of the point that the expatriates define the lifestyle migration as a justification for their worse career experiences than those of non-expatriates staying in Japan. As the subsequent part will discuss, however, there are several points to be argued about the findings from the studies of Japanese SIE career experience.

Structural and Institutional Accounts

It is the first interest that the lifestyle migration approach emphasizes an expatriate gives a subjective meaning of expatriation for one's career experience. In the subjective approach, understanding of the opportunity structure for the Japanese expatriates heavily depends on their perceptions. Although there are many informative findings from the previous literature, it is also essential to illustrate an actual state of the opportunity structure for

them. It is because there might be a significant gap between the subjective and objective pictures of the labor market opportunity in the local societies. Including an investigation of this gap, few studies are focusing on the labor market opportunities for the Japanese SIE workers.

Second, previous studies chiefly have focused on expatriates' situations but have not considered the labor demand side so much. One reason can be that the lifestyle migrant approach is interested in each SIE worker, but the labor market is a result of the interaction between the labor supply and demand sides. In order to investigate the career opportunity independently from the expatriates' perceptions, the information from the labor demand side is necessary.

The third research interest is the validity of assumptions of the lifestyle migration approach for the Japanese SIEs. Given Japanese youth labor market with fewer employment opportunities and the CE dominant Japanese firms in the local society, it is reasonable to infer that the Japanese SIEs rely on the lifestyle migration perception for justifying their restricted career opportunities. However, the Japanese labor market has not always been in a bad situation. Since the late 2000s, the labor market opportunities for youth in Japan have been on a recovery trend. The employment situation in Japan is different from the long-term recession period from the 1990s to the early 2000s when the previous studies intensively had research interests. In respect of the local Japanese firm's organization, the number of CEs from Japan has decreased for a long time [12]. The decline of the Japanese CEs is due to the extremely high cost of assigning them to the local branches, and it has become difficult for many Japanese firms to

maintain the international personnel system which they used to have. It might not be adequate to generalize the findings from prior research under a different social and economic environment.

Because previous studies have a central interest in the individual expatriate's thoughts in the light of these three points, there has been little attention to the institutional and structural aspects surrounding the Japanese SIE workers. Several Japanese scholars consider these dimensions in discussing the opportunity structure of the expatriates, but they are still minorities [21, 22]. Country-level immigration policies such as the generosity in issuing work permits for immigrants will affect the volume of labor demand for the Japanese expatriates. The circumstance of market competition in the local society also appears to be relevant for the expatriate's career opportunities. It will determine Japanese firms' autonomies in the local economic markets, and they have to take isomorphic behaviors with leading companies under a strong global competition in the local society [23]. To follow and adopt in the competition successfully, an organizational structure deviant from a global standard possibly raises the cost for maintaining economic relations with other competitors and causes the risk of isolation from organizational networks.

A comparative approach is relevant for investigating the structural and institutional aspects of the Japanese SIE's career opportunity. Previous researches concentrate on a single-country (society) case study by the qualitative method. While this approach provides in-depth information about the expatriates in the local society, it is difficult to synthesize the findings from different

social contexts or explain differences among those results. The expatriate population size has increased in a variety of Asian societies, but institutional and labor market settings are significantly different from each other. That will mean the opportunity structures for the expatriates will also vary. A cross-society comparison is the first step to investigate the variation of the Japanese SIE's career opportunity from a comprehensive viewpoint. It is a shortage in the research of Japanese transnational career to explain different labor market situations for the Japanese expatriates across societies. The present study fills the blank with both quantitative and qualitative data.

Strategy and Data in the Present Study

Research Strategy and Regions

This paper investigates the career opportunity structures for the Japanese expatriate workers in five Asian societies; Hong Kong, Singapore, Thailand, China, and Indonesia. If we presume the male-female ratio among SIEs is 50/50 as already argued in the previous section, there is estimated at over twenty thousand Japanese SIE workers in these five regions. This number takes up about 67% of the total SIE workers in Asia. Although the five societies do not cover the entire Asia completely, it is possible to extend findings of this study to other Asian societies in the future researches.

This paper focuses on local Japanese firms and investigates the degree of (dis)advantage for the Japanese SIE's labor market condition in these Asian societies. Local Japanese firms play a crucial role in the local labor market because they provide most of the job opportunities for the expatriates. There is no accurate and representative statistics about this, but there is some information supporting that more than the majority of the Japanese SIE workers are

employees of local Japanese firms according to some media and the authors' interviews⁶. Not all of the expatriate workers, but a plausible approach to the Japanese SIE career is to concentrate more attention on the labor demand from local Japanese firms.

In order to shed light on how local Japanese firms provide career opportunities to the expatriates, this study utilizes information from staffing agencies engaging in recruiting Japanese SIEs. It is difficult to find out which local Japanese company hires the Japanese expatriates due to lack of sufficient data. However, the staffing agencies have rich information about local Japanese firms that have demand for the Japanese expatriates. It is because those firms usually rely on the staffing agencies at the early stages of recruitment. The staffing agencies also know well the expatriates who want to work in the local societies. Approaching the agencies is a reasonable way to get information on both sides in the local labor market.

A comparative view is the other approach which the present study takes. As discussed in the previous section, diverse contexts will generate different opportunity structures. Through a comparison among popular destination societies for the Japanese SIE workers, this paper can investigate what aspects have impacts on their career chances. Because the research motivation of this study is not to understand the Japanese SIEs' opportunities within a single society but the whole picture in East and Southeast Asian societies, it is necessary to consider institutional and

⁶ *DACO*, a free Japanese magazine issued in Bangkok, is an example. It conducted an original survey and reported that 67.9% of Japanese SIE workers belong in local Japanese firms (p.16 of No.493 in November 2018). In addition, staffing agencies in Asian societies, who the authors visited, also mentioned Japanese SIEs were likely to find their job in local Japanese firms.

structural differences among destination societies in scrutinizing the characteristics of the expatriates' opportunities.

Data and Methods

In the following part, this paper utilizes two types of data. One is a set of qualitative data which the authors originally collected through interview surveys in the above-mentioned five societies, and the other is a quantitative data of the salary from a staffing agency.

The first one is a set of interview data which the authors originally obtained from August in 2018 to April in 2019. We visited nine agent organizations and one local Japanese firm which employs Japanese expatriates, and two agent organizations in Japan. The total number of informants is 23, and all of them are Japanese. The authors conducted the surveys in a semi-structured manner and recorded the interviews with the informants' consent. Each interview has 1.5 to 2 hours in length. In the interviews, the authors principally asked informants labor market and career situations surrounding local Japanese workers from the late 20s to 40s. In the following analyses, the authors refer to interview scripts relevant with results of the entire surveys. Their statements are in italics, and the names and organizations of informants are anonymized.

As the second source, the authors constructed a dataset of the annual salary level that local Japanese firms offers⁷. This publicly available bulletin reports salaries which firms offer, and it is possible to see the information by countries, positions, and type of workers. In this study, the analytical dataset contains information only for non-managerial positions in local Japanese firms. It is because most SIE workers are less likely to get managerial positions. The type of workers comprises four groups: local staff, local English speaker, local Japanese speaker, and native Japanese. The SIEs are Japanese native speakers, and it is possible to examine the extent of the expatriates' (dis)advantages in terms of career opportunities in the local labor markets. Using the natural logged salary in the U.S. dollars as the outcome variable⁸, the authors estimate the SIE's economic premium by OLS regression. The independent variable in the regression model is the type of workers, and the local Japanese speaker is the reference category. We use three dummy variables; local staff, local English speaker, and native Japanese. The SIE's economic premium is the difference of the natural logged salary between local Japanese speaker and native Japanese.

Table 1. Summary of the field interviews

	SIN	HKG	THA	IDN	CHN (SHA)		Opportunity
(1) Economic Growth	-	-	+	+	+	->	+
(2) Japanese Community	-	-	+	+	+	->	+
(3) Employment Restriction	+	-	+	+	+	->	+ / -
(4) Localization	+	+	-	-	-	->	-

Source: Authors' interview data.
Note: Signs (+/-) in each cell mean relative senses among societies, not absolute ones.

⁷ See *The Salary Analysis in Asia 2019* by JAC Recruitment Group (<https://corp.jac-recruitment.jp/en/sa/>)

⁸ Each value of the outcome variable is intermediate value between minimum and maximum values.

Results

A Variation of Opportunity Structures for the Japanese SIE among Asian Societies

At first, we demonstrate the labor market circumstances surrounding Japanese SIEs and local Japanese firms in Asia from the interviews to the staffing agencies. *Table 1* is a summary of the interview surveys. The field interviews find out the four dimensions which influence the career opportunity for Japanese SIE workers, and each factor has a positive or negative impact on their chances. These dimensions are mutually interdependent, and the composite of them will result in the different degree of Japanese SIE's advantage in each local society.

Institutional and Structural Dimensions Influencing the Career Opportunity

Four factors are (1) the economic growth, (2) the size of the Japanese community, (3) the employment restriction, and (4) the degree of localization in each Asian society. (1) and (2) have positive impacts on the volume of well-paid positions in the local labor market. It is merely because Japanese firms advance their overseas organizations toward markets with more business chances, and some agents referred to that point as the following examples.

“Shanghai’s market is still growing up, and Japanese young workers can experience management tasks in the early stage of their career through these positions”. (M1, a past agent in Shanghai)

“I think the labor demand for Japanese workers is expanding in Thailand and Vietnam. Indonesia also increases labor demand, but Vietnam is becoming more popular”. (F1, an agent in Japan)

Because it takes much cost to assign CEs to local branches, local Japanese firms gradually hire SIEs for intermediate positions in the local organizations. In addition to the cost issue,

the SIE workers can smoothly communicate with both CEs and local staffs. CEs as the top managers in the local branches have to supervise local staffs adequately, but they do not know them well in usual. SIE workers more understand the attitudinal and behavioral manners of local people than CEs. They perform a brokerage role in the organization, which is sociologically beneficial due to filling the structural holes [24]. The following narrative is a brief statement of this point.

“Because Japanese firms are not confident with managing local staffs by themselves, they feel having to hire Japanese workers in the local society and entrust them to the management of local staffs”. (M2, the head of an agency in Thailand)

Japanese community size also affects the degree of career opportunity for Japanese SIEs. With a large supply chain which consists of almost only Japanese firms, it plays a role like an ethnic enclave which immigrant studies define as an area concentrates co-ethnic workers and enterprises [25]. If the Japanese community is weak, however, it cannot guarantee those exclusive opportunities due to a lack of its autonomy. An agent referred to it.

“In Singapore, the Japanese community’s market barrier is low. It cannot ignore British, American, and Canadian companies in its business. In Thailand, it is possible to do business within local Japanese firms only”. (M3, the head of an agency in Thailand)

The extent of employment restrictions in each society has complicated implications toward the career opportunities for Japanese SIEs. Hong Kong does not have a specific restriction on immigrant employment, though immigrant workers need to prove that Hong Kong people cannot meet their skills in applying for their work permits. Meanwhile, the rest of societies have some restrictions.

The quota rule is one of the most critical restrictions, and firms have to hire several local workers in exchange for the employment of foreign workers. It is because of protecting the employment of local people. Thailand and Indonesia have those rules, and it is also applied to one type of work permits in Singapore. Those quota rules primarily make it difficult for Japanese expatriates to find positions because the local Japanese firms have a priority of assigning CEs in filling the limited slots of work permits. As the number of local staffs increase, however, the local organizations become to need the locally employed Japanese workers for the bridging role between local staffs and CEs.

Another important restriction is about the characteristics of positions or workers. There is a minimum salary level for work permission in Singapore, and firms cannot hire immigrant workers under the minimum level. It is usually much higher than the average salary among local Singaporean workers, and it means local Japanese firms must offer Japanese SIE workers positions that need specific skills local Singaporean workers cannot satisfy. China has a rank scheme for immigrant workers, and immigrants cannot work in China unless they satisfy the criteria. The rest of the societies also requires a high level of expertise toward Japanese expatriates. The selection process of Japanese expatriates in each society seems to decline the quantity of employment opportunity for them. However, local Japanese firms can guarantee Japanese expatriates better positions after they pass the prerequisites.

Under these restrictions, there have been more and more competent Japanese SIE workers these days. They should have been able to get a job in large Japanese firms and expected to work overseas in youth, but these large firms

become less likely to assign them as CEs due to the high cost as mentioned above. M2 said that the gap between hopes and realities motivated them to try working in local Japanese firms abroad.

“I have frequently seen locally employed young Japanese workers who are much more highly talented than corporate expatriates. They are competent enough to get a job in large Japanese companies. However, most of them do not usually send young staffs to their overseas organizations. Those young workers who hope to work overseas know that and cannot but find positions as locally employed staff in local Japanese firms. They are so determined that they do well”. (M2, the head of an agency in Thailand)

The last thing which influences the career opportunity is the degree of the Japanese firm's localization. Almost all agents pointed out local Japanese firms little adjusted their organizations to the local societies. They maintain CEs as the top of the organization, and Japanese SIE workers and local staffs follow them. The low degree of localization relates to the Japanese community size and encloses employment opportunities for the expatriates.

Such a structural characteristic is pervasive in Asia, but local Japanese firms in Singapore and Hong Kong are more localized than those in the rest of destinations. A lack of a sizable Japanese community is one of the reasons. There is not the reproduction of demand for Japanese people without the community.

Liberal economic market schemes in Singapore and Hong Kong are also the source of local Japanese firms' localizations. Japanese firms in Singapore and Hong Kong have localized their organizations to some extent under the pressure of the liberal market competition, although the degree of their localizations is still low. They replace Japanese

staffs with local ones because they do not always need those who understand Japanese business customs anymore. By the localization, it is also possible to reduce employment costs. Agents in Hong Kong, for example, have a negative perspective for career opportunities of Japanese SIEs. There is a similar situation in Singapore, according to interviewees.

“The strategy of Japanese firms in Hong Kong has changed for these ten years. They decreased corporate expatriates due to budget constraint, but someone had to handle local organizations instead of them. Therefore, Japanese firms firstly wanted local Japanese people. However, they currently recognize that Hong Kong workers can perform the same tasks Japanese staffs used to do. (...) There is little difference between Hong Kong and Japanese staffs, at least in terms of language skills”. (M4, an agent in Hong Kong)

“Most of the Japanese firms in Hong Kong tend to decrease Japanese staffs and localize their organizations due to much cost. (...) Hong Kong people usually live with their families, and Japanese firms do not have to consider their house rents about their salaries”. (F2, an agent in Hong Kong)

Differences across Local Societies

The career opportunity structure of Japanese SIE workers in each society relies on these four dimensions, that are dependent on each other. In sum, it is possible to classify these five destination societies into two groups. One has a premium of Japanese SIE workers and includes Thailand, Indonesia, and China. Meanwhile, the other does not. Singapore and Hong Kong are the cases with the latter group.

In the former group of destinations, there are plenty of better positions with overall economic growth and a large Japanese community as backdrops. There are still Japanese-style business customs with a large Japanese

community, and local Japanese firms do not need to localize their organizations yet. They make a stratified organization which consists of Japanese and local staffs and locate local staffs under Japanese ones in most cases. In those labor market structures, employment restrictions by immigrant policies can inversely warrant career opportunities for Japanese SIEs. The quota system increases the number of local staffs. At the same time, it expands the labor demand for the Japanese expatriates as intermediary positions between CEs and local staffs. As a result of these processes, there is a threefold stratification in the former group.

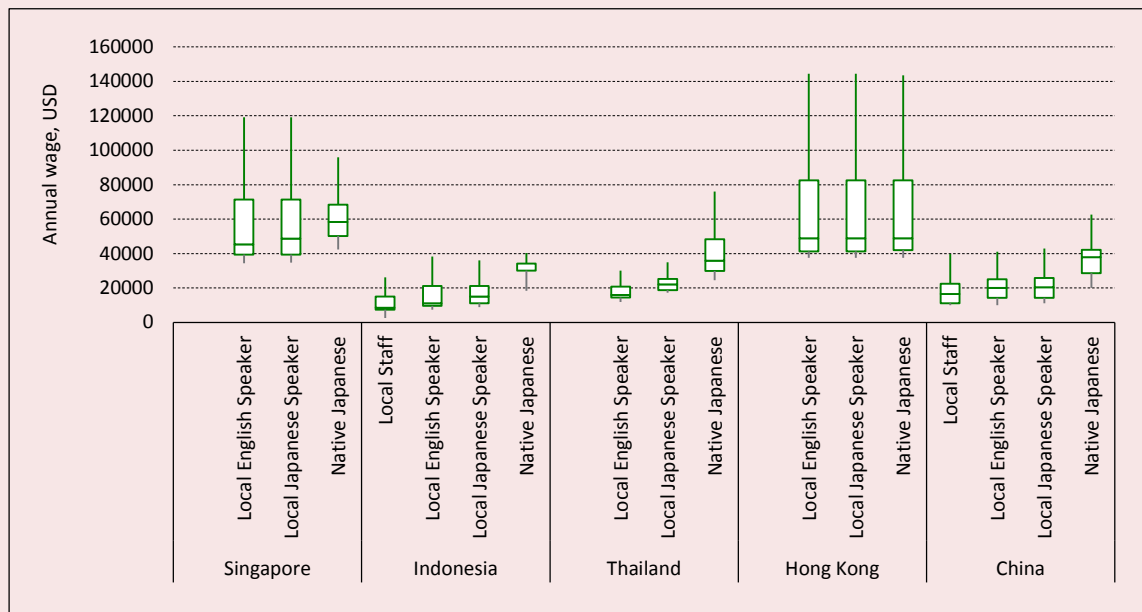
In the latter group, however, there is less room for expanding business opportunities by local Japanese firms than in the former one. That means local Japanese firms primarily maintain CE's position but do not afford to increase positions for Japanese SIE workers. Local Japanese firms do not need SIE workers anymore under the highly localized market. Japanese SIE workers consequently have to compete with local staffs under a simple market mechanism if they want to get better positions.

Career Opportunities for the Japanese SIE workers from the Salary Analysis

The qualitative interview data analyses suggest native Japanese' salary should be higher than other workers' ones in Indonesia, Thailand, and China, but there should be no premium for the SIEs in Singapore and Hong Kong. *Figure 4* illustrates the box plots of the annual salary levels by the five societies and worker types. The boxplot can describe both quantiles and variation in each variable. There are three findings in the box plots.

There is a fair difference in the salary level across societies. It is higher in Singapore and Hong Kong than those in the rest of the three societies. That variation is probably due to the difference in economic scale among these

Figure 4. Box plots of annual salary levels within Japanese firms in Asian societies



Source: author's calculation with the salary analysis in Asia 2019 by JAC Recruitment Group.

societies. Singapore and Hong Kong also have larger variances of salaries between positions.

Second, the expatriate labor markets in Asian societies can provide salary levels close to that in Japanese domestic labor market. According to the Basic Survey on Wage Structure in 2018 by the Japanese government, the average monthly wage of the regular workers in Japan is about 3000 U.S dollars. At least in respect of the economic remuneration, Japanese SIE workers' positions are not worse than those of Japanese domestic workers.

Third, however, Figure 4 shows a difference in the premium of native Japanese workers in each society. The local labor markets in Indonesia, Thailand, and China provide higher salaries to Japanese expatriates than to non-Japanese staffs, but there is no salary difference among worker types in Singapore and Hong Kong. Those descriptive statistics imply the extent of Japanese SIE's advantage will differ among destinations.

OLS regression in each society (*Tab. 2*) also shows the same tendency with the descriptive analysis in Figure 4. In Singapore and Hong Kong, there is no premium of native Japanese workers compared to non-native Japanese speakers. The regression analyses show similar results to the findings from the previous studies which implied SIE workers admitted low wage and employment stabilities in Singapore and Hong Kong [14][26]. Meanwhile, the effects of Japanese native speakers in Indonesia, Thailand, and China are all positively significant, and the salary levels are 1.84 ($=\exp(0.61)$), 1.62 ($=\exp(0.48)$), and 1.67 ($=\exp(0.51)$) times higher than non-native Japanese speaker's salary, respectively.

The quantitative data analyses from the labor demand side's view reveal that the salary level of the Japanese SIE workers is not always lower than that of regular domestic workers in Japan. Also, it is not adequate to conclude that there are few better career opportunities among

Table 2. OLS regression on natural logged annual salary

	Singapore		Indonesia			Thailand			Hong Kong			China			
	Coef.	S.E.	Coef.	S.E.		Coef.	S.E.		Coef.	S.E.	Coef.	S.E.			
Worker Type (ref: Local J.S.)															
Local Staff			-0.56	*	0.09								-0.25	*	0.10
Local E.S.	-0.03	0.08	-0.18	*	0.09	-0.25	*	0.08	0.001	0.19	-0.04		0.10		
Native Japanese	0.13	0.08	0.61	*	0.09	0.48	*	0.08	0.02	0.19	0.51	*	0.10		
Intercept	10.89	*	0.06	9.69	*	0.06	10.04	*	0.06	11.11	*	0.13	9.95	*	0.07
R^2	0.041		0.580			0.571			0.0001			0.336			
Number of positions	114		138			73			87			134			
* $p < 0.05$															
Note: E.S. : English Speaker, J.S. : Japanese Speaker.															
Source: author's estimation with the salary analysis in Asia 2019 by JAC Recruitment Group.															

Japanese SIE workers in Asian societies. The results of the salary data analyses are consistent with the qualitative data analyses. Though there need to be more detailed examinations, these results are different from the findings of the previous studies, which have perceived Japanese expatriate workers as marginalized ones.

Conclusion

The primary finding through qualitative and quantitative analyses is that the career opportunity structure of Japanese SIE workers depends on the institutional and structural aspects in the destination societies. The previous studies with a focal point toward the subjective meanings of expatriation have not emphasized that point. They tend to try demonstrating how Japanese SIE workers determine meanings of their relatively low-status attainment situations by the lifestyle migration perspective. On average, however, the economic remuneration of them is not worse than that of Japanese domestic workers. Given some conditions, they can also obtain a certain premium in the local labor market. The comparative viewpoint from the labor demand side can provide these findings prior study did not point out.

Differences in location and period of research can partly explain why the findings of this paper are different from those of the previous studies. Scholars with research interests for Japanese expatriates have not paid much attention to recent growing market society but to societies where the majority of people speak English. In English-speaking societies, it is easy to predict almost no premium for Japanese expatriates. It is because the comparative approach is effective to investigate different situations among destinations.

The period will also affect the opportunity structure because of changes in immigration policies and labor market situations in each society. For example, an agent in Singapore said that it had used to be easy for Japanese expatriates to find a job there, but the situation changed. It might be possible that this study and the previous ones saw different groups of expatriates before and after institutional and structural changes in destinations. Regional and longitudinal extensions of data are plausible future works in order to obtain more accurate and robust effects of these institutional and structural factors.

A theoretical issue is another future research agenda. The low degree of localization and large Japanese community are sources of Japanese SIE's premium, but both the structural factors and outcome are results of the decision-making by Japanese firms. To reach more detailed understandings about the SIE's opportunities, we must figure out why local Japanese firms are reluctant to localize themselves and what competences they require their staffs to have. Approaching these logics will contribute to a theory of the globalization process specific to Japanese firms and workers.

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