Symposium on Globalization and the Future of Youth in Asia Globalization and Support for Employment and Vocational Development

Professor Yoshio Higuchi Keio University 1. Movement of goods and services across borders (exports and imports)

Figure 1-1. Percentage of exports and imports in gross domestic expenditure (nominal)

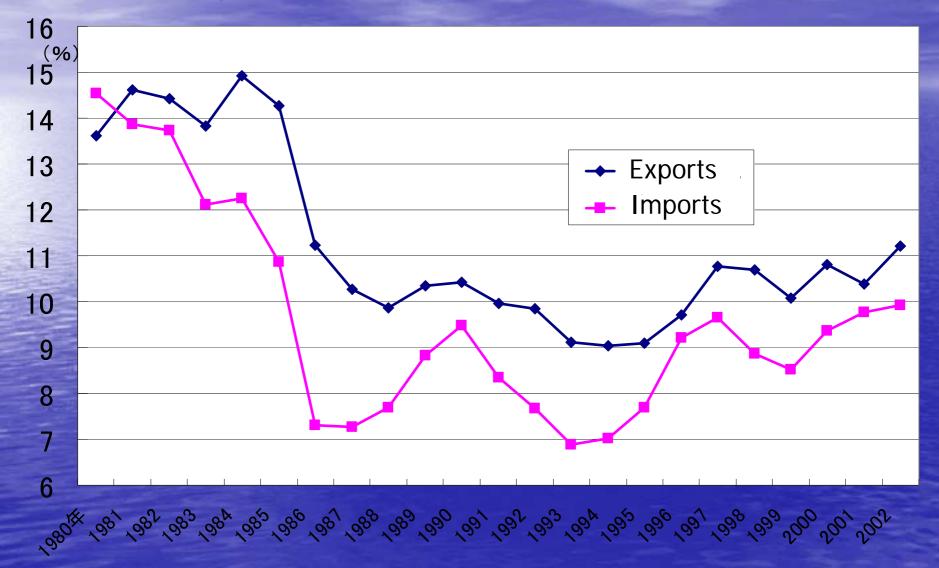
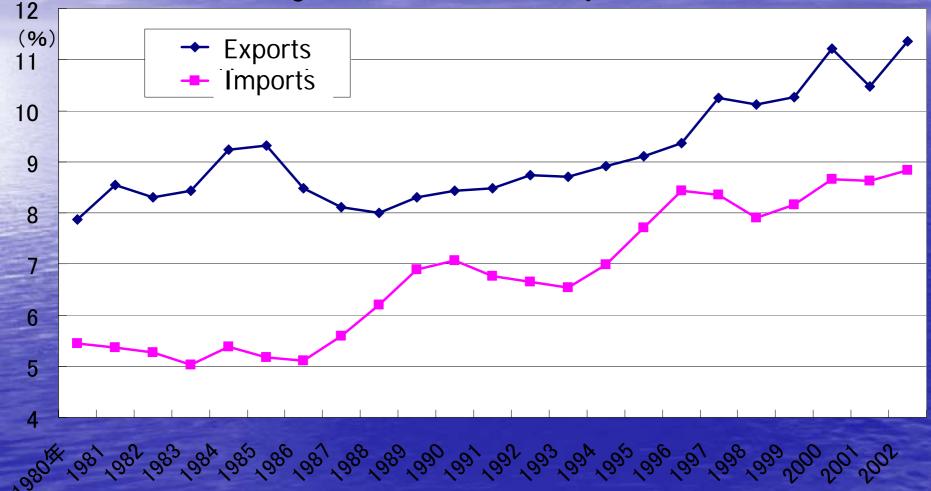
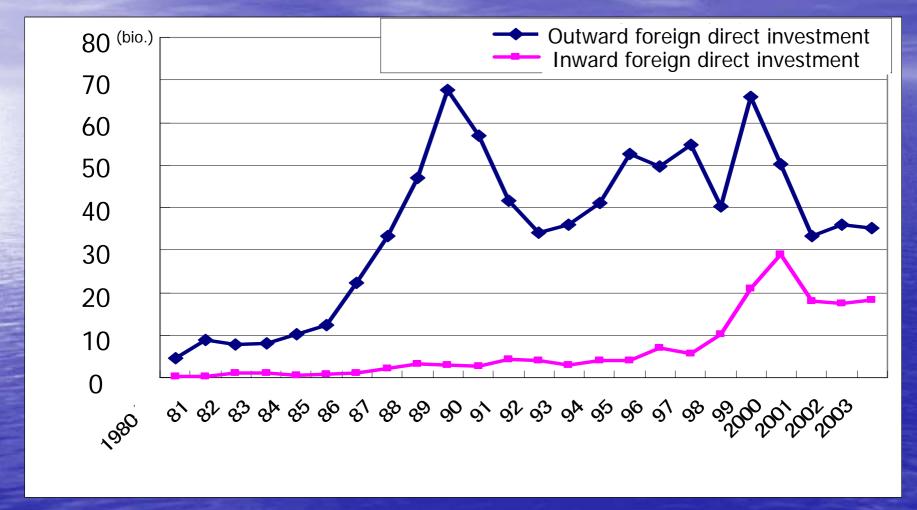


Fig. 1-2. Percentage of exports and imports in gross domestic expenditure (adjusted to 1995 price)



2. Movement of capital across borders (inward and outward direct foreign investment)

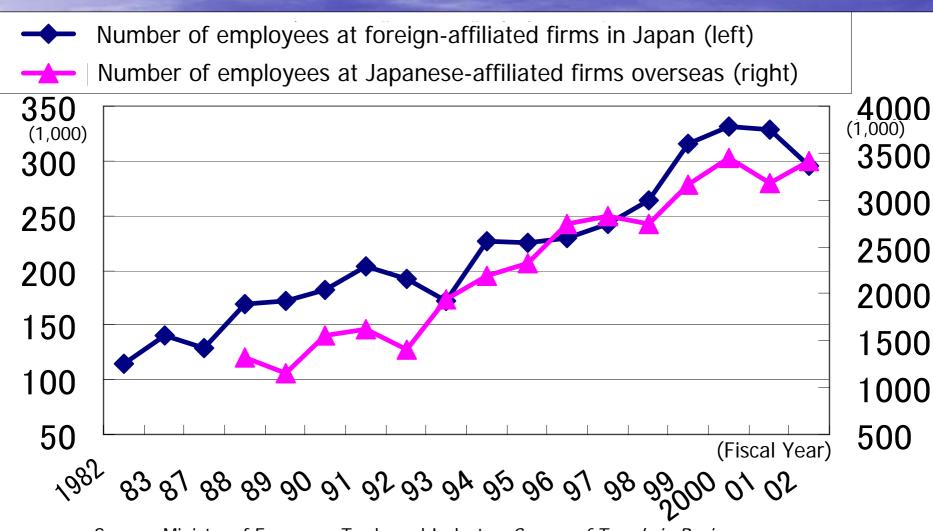
Figure 2. Japan's inward and outward foreign direct investment (reported investment)



Source: Kinzai Institute for Financial Affairs, Inc., Ministry of Finance International Finance Yearbook; JETRO after 1995.

Note: Because figures were released in yen after 1995, the exchange rate at the half year point 6 was used to convert to dollars.

Figure 3. Jobs created by outward and inward foreign direct investment



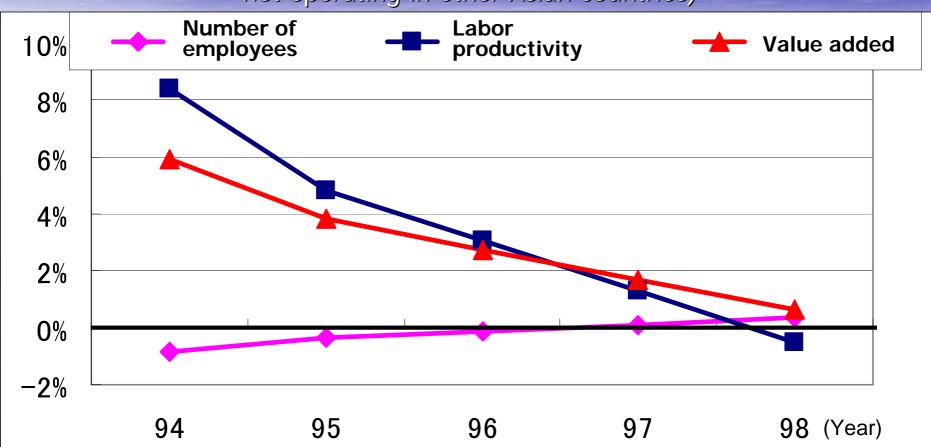
Source: Ministry of Economy, Trade and Industry, *Survey of Trends in Business Activities of Foreign Affiliates* and *Basic Survey of Overseas Business Activities*

3. Is direct investment abroad reducing employment in Japan?

Figure 4. Differences in growth rates brought about by production activities in other Asian countries

(electrical machinery industry)

(growth rate of firms operating in other Asian countries – growth rate of firms not operating in other Asian countries)



Source: Yoshio Higuchi, Toshiyuki Matsuura, "Employment Effect Analysis Using Panel Data of Firms: Effect of Business Reorganization and Foreign Direct Investment on Employment," Research Institute of Economy, Trade and Industry, *Discussion Paper No.03-J-019*, December 2003.

Figure 5. Changes in employment rates of high school and college graduates

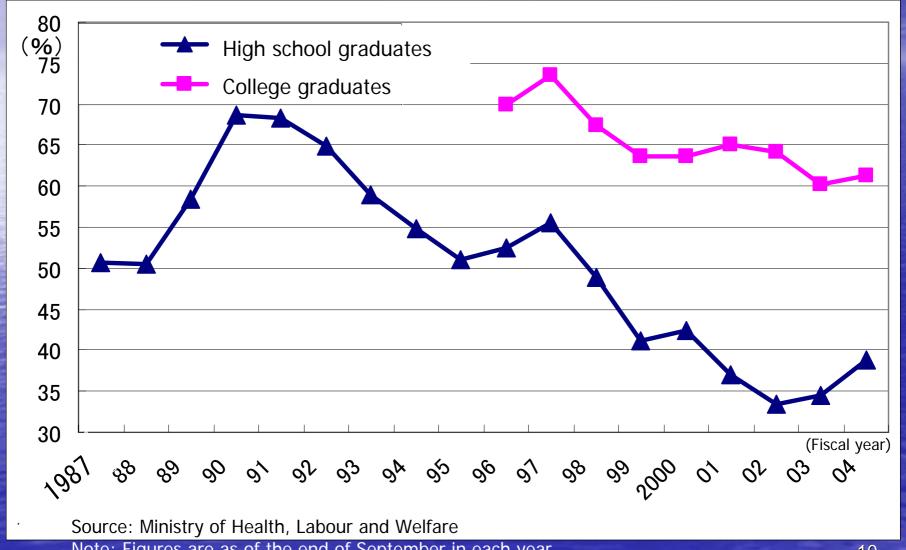
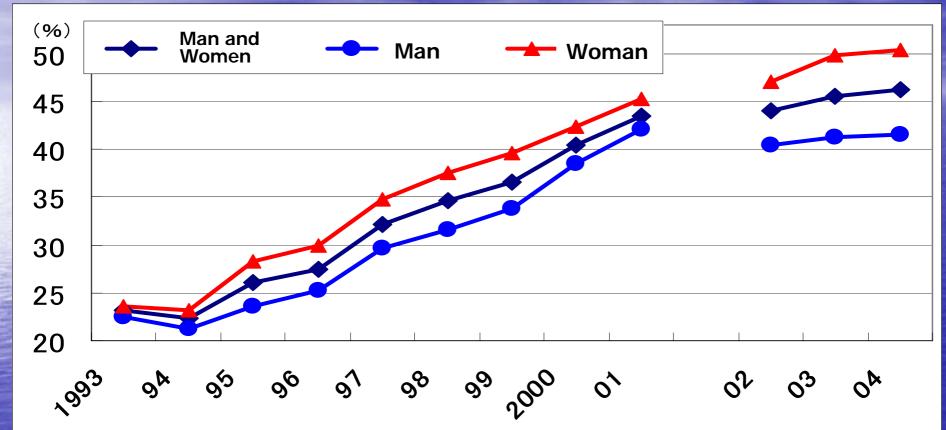


Figure 6. Changes in the percentage of atypical employees (youth 15 to 24 years of age)



Source: Ministry of Internal Affairs and Communications, Statistics Bureau,

The Special Survey of the Labour Force Survey and Labour Force Survey (Detailed Tabulation)

Note:

- 1. Figures are as of February each year, except for 2002 and after whose figures are indicated as the average from January to March. Because survey items differ before and after 2002, time-series comparison requires attention.
- 2. Percentage of atypical employees is the percentage of atypical employees among all employees excluding executives.

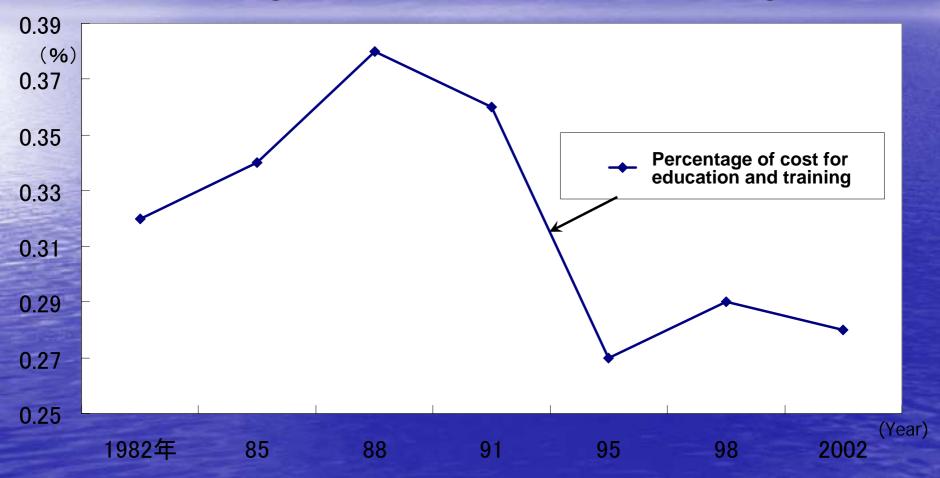
3. Atypical employees are employees who are not regular employees and not counting directors.

4. Decreased demand for unskilled workers and increased demand for highly specialized workers

5. Importance of flexible reallocation of workers

6. Importance of corporate support for vocational development and self-development and government support

Figure 7. Percentage of cost for education and training in labor cost (including total amount of cash wages)



7. Need for reinforcement of international labor standards and proposals for the ILO