

Letter from Tokyo

from Our Own Correspondent

N mid-March, the Olympic Organising Committee and Yuriko Koike, governor of Tokyo, finally announced that overseas spectators would be barred from attending what they still hope will be this summer's Olympic Games. The decision was a relief to the Japanese public, who over the course of the coronavirus pandemic have gone from genial hosts to anxious germaphobes.

Notwithstanding the bar on foreign spectators, more than 60,000 athletes, national team staff and media are expected to converge on Tokyo. The hope is that by requiring them to have regular Covid-19 tests and confining them to the Olympic village, our fear of contagion can

be assuaged.

Our new PM, Yoshihide Suga, was in Washington on 17 April to meet Joe Biden and hurry along procurement of the Pfizer vaccine. The rollout has been pitifully slow, but once it picks up, Suga can get back to the task of convincing the world that Japan is as sustainable, diverse and inclusive as the best of them.

So long as camera crews don't stray too far from Tokyo, he might pull it off. Our capital is as shiny as ever, and our new National Stadium, while hardly a match for Beijing's Bird's Nest, is a paragon of sustainability (or it was until it emerged that much of the hardwood used in its construction had been sourced from endangered rainforests in Borneo).

But outside big cities like Tokyo and Osaka things look distinctly unsustainable. Our population has been shrinking since 2012 (the year adult incontinence pants outsold baby nappies for the first time) and our towns and villages are ageing fast. Many will be abandoned to the weeds over the next 20 years.

The decision to bar foreign spectators from the Olympics may be unavoidable, but it is deeply ironic, for foreigners are our only hope. Our reluctance to reproduce is creating chronic labour shortages. Fewer workers mean less revenue from income tax, and a shrinking tax base means big cuts to healthcare and pensions just as our ageing society demands more of both.

This is far from sustainable. Last year, the International Monetary Fund (IMF) predicted that our GDP will shrink by up to 25 percent over the next four decades. The obvious solution - immigration - remains the elephant in the room, exemplified by deputy PM Taro Aso's gaffe about Japan being a "single-race nation".

Yet timid change is afoot. In 2019, our last PM, Shinzo Abe, bowed to pressure from the Keidanren, our main business lobby, and created new visa programmes to attract foreign workers. They make up more than 2 percent of the resident population – modest, but nearly double

the figure of 20 years ago.

We now have Filipino nurses in our care homes, Chinese students part-timing in our convenience stores, and IT consultants from around the world clogging up our coffee shops. These bright young things are almost all our guests: around just 10,000 lucky foreigners, mostly from east Asia, become Japanese citizens each year.

We have also become more dependent on international tourism to boost our sclerotic economic growth. The last time we hosted the Games, back in 1964, we had just 300,000 foreign tourists. By 2019 this had risen to 31m. But Covid has put paid to all that. Most Tokyoites are left wondering how much of the money sprayed on the games we can recoup this summer without catching the dreaded lurgy. Foreign athletes might be confined to their bubble; but hosting the Olympics will still need more than 150,000 local staff. If their interaction causes a spike in the number of Covid cases, this time the problem really will be "Made in Japan".