Simple Recommendations for Recovery Policy by Labor Economist

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The misfortune of March 11th earthquake permanently changed lives of many people in Tohoku area. They not only lost their houses, cars and loved ones but also lost their jobs and schools. Having a job is critical for evacuee to gain confidence and recover their local economy. However as some regions are heavily devastated, some of them will permanently move to another region to start new lives.

The March 11th earthquake left us difficult problems to solve. These problems are different from what other disasters left for several points. Firstly, Tohoku area has large portion of aged people, so it is difficult to involve them actively to recover regional economy. It should be also noted that the disaster involved nuclear accident at Fukushima nuclear plant. Some people lost their normal life permanently by the evacuation order and should change their occupation or start new life in other places. Other people, though not ordered to leave, will have to bear with declining economy and population. The worst issue is that prevalent misconception about nuclear accident can lead serious discrimination against people from disaster area in the future.

I would like to suggest positive labor market policies for victims of March 11th earthquake. Because these people lost their jobs after the earthquake, Japanese government may consider hiring them for public service sector. Most of them were farmers and fishermen until earthquake and tsunami hits the area, therefore it would be difficult for them to find a job in private sector.

Concerning people in Fukushima prefecture, I would like to propose active affirmative action to prevent potential discrimination. Government should regard those evacuee as minority group and employ positive steps to improve their education level and labor market performance. Especially, targeted scholarship and educational financing should be designed for young ones in disaster area to encourage them to achieve higher education level. Once they failed to build up human capital, it would be more difficult to interfere the market for their employment. Finally, most important thing would be to collect their labor market data and keep track of them to examine long-run impact of March 11th earthquake.