

A Geographical Study on Relationship between Ethnic Business and Host Society:
A Case Study of Korean Businesses in Okubo District, Shinjuku, Tokyo

July 2018

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A Dissertation Submitted to
the Graduate School of Life and Environmental Sciences,
the University of Tsukuba
in Partial Fulfillment of the Requirements
for the Degree of Doctor of Philosophy in Science
(Doctoral Program in Geoenvironmental Sciences)

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Abstract

This study attempted to clarify the changing relationship between ethnic businesses and the host society in an ethnic enclave to examine the role of ethnic businesses in promoting multicultural coexistence and the process of social capital formation in the case of Korean businesses in the Okubo district, Shinjuku, Tokyo. The results are summarized as follows.

With the increasing population of Korean newcomers since the 1990s, the growth of Korean businesses that spatially expanded the main shopping street aroused anxiety and tension among the host community, exacerbated by the cultural distance between Japanese residents and Korean newcomers and the crisis of survival caused by a worsening financial condition after the collapse of bubble economy. In the years after the first Korean Wave in 2004, Japanese property owners closed up their private stores and began to rent out spaces to Korean tenants in response to the high rental demand for commercial leases; thus, the host members—particularly those in the main shopping street—began seeking to establish an amicable coexistence with foreign residents. Although in 2005, a social network began to develop among the Korean and host communities as a part of Shinjuku's project for promoting multicultural coexistence, the inner conflicts rose to the surface in 2009 because of the lack of consensus between the host members, whose priority was the resolution of contentious daily issues, and the Korean members, whose priority was hosting cultural exchange events that could lead to prosperity for the Okubo Koreatown. After heated clashes, the Korean entrepreneurs who realized the importance of building an amicable relationship with host communities started to join the host organizations related to the main shopping street and to arrange local activities operated by a reorganized Korean community to resolve the ethnic conflicts. With the beginning of a strong relationship based on compromise, cooperation, and mutual respect and goals, members of both communities were able to address together the new problems caused by the rapid growth of the visitor economy after the second Korean Wave in 2010. Continuously, even though the downturn of Korean businesses caused changes in the ethnic composition within the main shopping street due to the bilateral relationship having worsened since 2012 because of territorial conflicts between

the two countries, they also shared the view that a strong multi-ethnic relationship with the emerging ethnic communities should be developed. Indeed, a Korean business organization established as a breakthrough for revitalizing the Okubo Koreatown turned its own local event into an multicultural event, drawing other ethnic communities into participation to promote the Okubo district as a multi-ethnic town, not only reflecting the current ethnic composition but also attempting to easing tensions and avoiding attacks by the host society since the Okubo district had become well known as a Koreatown and noticeable enough to be a target for hate speech.

This research pointed out that intergroup relations that are built through ethnic organizations might be even more important than ethnic entrepreneurs' individual relations and interactions with the host society in ensuring the sustainability and equality of that relationship. Also, it clarified that a common consciousness was likely to be confirmed within the economic sector of the host society whose members profit from ethnic businesses in the form of rental income and a rise in property values due to tenant demand for commercial properties. Local-based economic and social activity of ethnic businesses plays an important role in influencing a host society to change its multicultural ideology. Especially important were those ethnic entrepreneurs who made efforts to build an amicable relationship with the local host society; who mobilized abundant human resources and developed diversified management from the early stages of their businesses in both ethnic and non-ethnic markets; and whose economic activities were embedded in the Okubo district in that they intensively located branch stores there and acquired real estate within the district. Also important were the ethnic entrepreneurs who played a role as bridges between ethnic and host communities by taking responsibility for and representing their own ethnic groups and who had a strong will to settle in Japan supported by their stable socioeconomic status due to their economic assimilation. To conclude, it might be said that the difference in the degree of local embeddedness of an ethnic business affected the relationship between the ethnic businesses and the local host society.

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