

Newsletter No.5 February 2017 **Future +** "A brighter future for the next generation"

The Outlook Foundation

Regional Revitalization: Creating Value in Living in Outland Areas

Muneharu Nakagai Mayor of Toyooka

The Structure of Regional Revitalization

Regional revitalization refers to measures against depopulation. In many municipalities and Japan as a whole, the predicted magnitude of population decline is so massive that no one can ignore its overwhelming destructive effects. Concurrently, our demographics are being distorted as the young age groups are slimming rapidly. Regional revitalization is a concept through which our country and municipalities should, although belatedly, address this stern reality head-on. Our scenario is to mitigate the national depopulation with the sum of positive regional achievements.

It is incorrect to say that we have left this issue unaddressed until now. Toyooka has certainly made an effort to do so. However, we focused solely on revitalizing communities with fewer people, on the premise that this decline will inevitably continue. We have almost never strategically tackled the causes of the depopulation.

Looking closely again at the predicted demographics, I realize that their speed and scale are simply appalling. The current government policy is to ease the depopulation trend by setting targets. However, even if these are achieved, depopulation will continue, leaving us the task of revitalizing the communities with fewer people. We must succeed in this two-tier strategy. We are now trying to achieve these quantitative and qualitative improvements simultaneously in one mission. At least, this is the regional revitalization strategy of Toyooka.

Why is Toyooka depopulating? Low young adult recovery rate*

(*Rate of population inflow in the 20-29 age group versus outflow in the 10-19 age group)

The reason for Toyooka's depopulation is simple.

The graph shows the socioeconomic change in population in Toyooka. As you see, there is no decrease in most of the age groups (Fig. 1). The problem is the excessive outflow in the 10-19 age group, caused by approximately 80% of high school graduates leaving our city. On the other hand, we see an offsetting inflow in the 20-29 age group, especially at the time of college graduation. However, the recovery rate is only about 35%. This is how the youth population decreases in Toyooka.

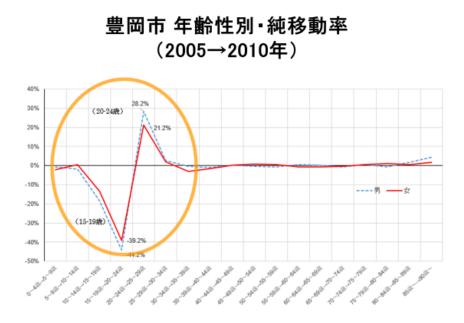


Fig. 1: Net change in population by age and sex between 2005 and 2010

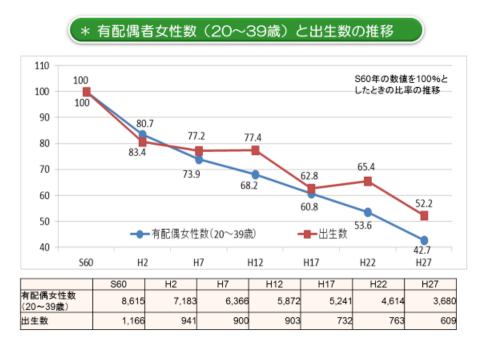


Fig. 2: Number of live births ÷ Number of married couples in their 20s and 30s)

Fig. 2 illustrates that the number of children per couple is increasing. Married couples are vitalizing our communities. However, we also see that the percentage of married people is decreasing, thus contracting the number of children. The data over the last 25 years show that the cause of youth depopulation is the decrease not in the number of children per couple, but in the number of married couples. A large percentage of young residents leave our city when they graduate from high school, and most of them never return. The Toyooka population continues to shrink in this cycle. I think this is a typical development in our regional cities.

Our national government has set relocation of senior adults as a key to regional revitalization. While

we certainly welcome incoming senior residents, they offer no strategic solution because senior adults are not the cause of depopulation. We have to address the real problem.

Why don't young people return? Are regional communities socially deprived?

It is easy to understand the reasons behind the outflow excess in the 10-19 age group. We have no college in Toyooka, and it is natural that young people want to experience the larger world. But why don't they come back in their 20s? Here is our analysis.

The young generation, as well as their parents and grandparents, are strongly confined by the idea that urban areas are rich and local regions are poor—socially, economically and culturally. Some regions, including Toyooka, cannot boast large companies, and the existence of an income gap is undeniable. But these are not the whole reason. We don't have AKB48, museums, concert halls, or fashionable shops or streets. In short, our youth think strongly that Toyooka (as well as other outland regions) is culturally deprived, and that returning there is a dead end. It is not just the rejection of a lower income in Toyooka. It is a denial of the value in living there.

Local revitalization: Creation of value in outland life

To deal with this issue, the priority in our regional revitalization strategy should be to create value in living in Toyooka (and other such regions), or rather the rediscovery and reaffirmation of this value, because it actually already exists.

Toyooka's strategy: Creating a small cosmopolis, a Local & Global City

Toyooka's strategic revitalization plan is based on the above perspectives. To address the causes of depopulation, we specified two strategic agendas—improvement of the young adult recovery rate to battle socioeconomic depopulation, and marriage encouragement and birth rate improvement to fight natural depopulation.

(Please see Toyooka's website for details: <u>http://www.city.toyooka.lg.jp/</u>)

The slogan for our strategy against socioeconomic depopulation is "Local & Global City (*Chiisana Sekai Toshi*)", the creation of a globally respected city even with its smaller population. We translated the word "*chiisana*", which means "small", as "local". To achieve our goal of "meeting the world in Toyooka", a number of efforts are being made.

We Japanese have internalized the ideas that big cities like Tokyo are impressive and small towns are insignificant, that large corporations are praiseworthy and small companies are unimportant. In order to successfully revitalize outlying regions, we need to eradicate these values, but it is a very difficult goal to achieve. Our tactic is to go directly to the world, bypassing the big cities, fulfill our potential, and receive global recognition in order to demolish the false hierarchy we hold tightly in our mindset.

Potential of a Local & Global City

We have spotted an opportunity for Toyooka in the trend of globalization. As globalization progresses, the world is coming to look alike wherever we go. The same products, same shops, and same cityscapes are making our world increasingly unexciting culturally. Therefore, our regionalism and uniqueness give us an opportunity to empower ourselves globally.

The world is rapidly shrinking. Thanks to the Internet, Toyooka is now directly connected to the world. Furthermore, people travel freely across the globe.

At the same time, it is important to realize that there are a lot of truly beautiful cities in the world regardless of their size. There are extraordinary cities that stimulate our curiosity, cities that are full of attractive arts. Thousands who live in or are familiar with such cities will be coming to Japan. What can we offer them? What can we show them with pride? In order to empower ourselves in today's world, regionalism is not enough. We must sophisticate our area to a level appreciated by the world.

Keys to achieving the Local & Global City

Our efforts to establish our Local & Global City can be categorized into four key activities: 1) Preserve our heritage and pass it on, 2) Create and present artistic culture, 3) Form an environmental city "Toyooka Eco Valley", 4) Foster the citizens of our Local & Global City.

1. Preserve our heritage and pass it on

The first key activity is to preserve, develop and pass on what we have inherited from our forebears. This is the opposite of the path that many Japanese cities have taken. We have destroyed much of our precious natural environment, abandoned our histories and traditions, and ruined our old cityscapes, replacing them with ones that look just like any other city.

If we present the same face, the larger city will win. If we compete with power, we will never beat large cities with greater capital. We cannot compete in height and speed. We must take a different path. The continuous cycle of creation and destruction excites us with change, but it also fills us with an uneasiness resembling amnesia. Instead, we should preserve what we have inherited, suggest new twists perhaps, and pass them on. Committing ourselves to long-term city development in which we can aggregate our efforts and ideas is the only path we can take, and it is an extremely effective one.

Example 1: Izushi Castle Town

The castle town of Izushi is located in Toyooka (Photos 1 and 2 below). It is the hometown of Takuan Sōhō, the Zen abbot, and Takao Saito, a resolute politician who was expelled from the Diet because of his anti-war speech during World War II. It is also known for the episode in which the townspeople sheltered Kogoro Katsura (an Edo samurai and later a statesman) at the end of the Edo Period. The old streetscape is preserved, and the 23-hectare central area is designated a national

preservation district.

Although a strong flavor of the Edo Period remains, most of the buildings were constructed after the Meiji Period. In 1876, two thirds of the central area was burned down in a great fire. Izushi's citizens at that time did not take the opportunity to modernize their city. Instead, they kept the old city structures such as roads and channels and built Edo-style buildings to restore the city. Thanks to their continued efforts, it still stands in continuation of the period and attracts 800,000 visitors annually.



(Photo 1: Izushi Castle, Photo 2: Sinkoro

Example 2: Izushi Eirakukan

Izushi has a theater called Eirakukan, built in 1901. Although it was closed in 1964, the owner kept the building with the hope of reopening it. The townspeople also volunteered to clean the theater over the years and held events while they awaited the opportunity.

Toyooka City bought and renovated the theater in 2008 (Photos 3, 4, 5). It opened with a Kabuki performance starring Ainosuke Kataoka. Since then, we have held sold-out Kabuki performances for nine consecutive years, inviting Ainosuke Kataoka and Kazutaro Nakamura to star. Eirakukan and the town of Izushi have a dignity acquired over the passage of time.



(Photo 3: Old Eirakukan, left 4: Renovated Eirakukan, right)



(Photo 5: Performance in the renovated Eirakukan)

Example 3: Kinosaki Onsen

Kinosaki Onsen, a town known for its hot springs, is another attraction of Toyooka. The popular townscape of traditional-style streets bordered by three-story wooden buildings, with strolling tourists in *yukata* (light cotton kimonos) making the pleasant scuffling sound of *geta* (wooden sandals) attracts nearly 700,000 overnight guests a year (Photo 6).

Toyooka was hit by the Great Hokutan-Shinsai Earthquake that devastated the region in 1925. Photos 7 and 8 were taken at the same location in central Kinosaki Onsen. The earthquake caused fires that razed the town.

The recovery story started there. They widened the river and the roads and provided adequate firebreaks. They located reinforced concrete buildings at key locations to function as firewalls. While using the most advanced anti-disaster techniques of that time, the people rebuilt their town with the concept of "back to the original".

The government of Hyogo Prefecture (where Toyooka is located) at first proposed that Kinosaki be renewed with western-style buildings. The townspeople resisted fiercely, insisting that western-style buildings did not suit Kinosaki. The Hyogo proposal was withdrawn, and the old townscape of wooden three-story buildings was restored. As with Izushi, the citizens of Kinosaki have been preserving their town to the present.

Seven bathhouses and 74 Japanese-style hotels cluster neatly within the 400-meter radius of the town. Their local practice is to host collectively, so guests enjoy the entire town, not just individual hotels or facilities.

The number of foreign guests has rapidly increased in recent years (Figure 3). Most are independent

tourists, and they come from all over the world. We had 40,000 foreign guests in 2016, which is still not that many, but some 36 times more than five years ago. About 35% of inbound guests to Kinosaki Onsen are from the United States, Europe and Australia compared to 16% of inbound tourists to Japan as a whole. What are they looking for at Kinosaki Onsen? I am certain that they are not here for Western experiences; they want to see Japan. They spend their time and money to come all the way to Kinosaki Onsen to enjoy our unique culture.



(Photo 6: Evening townscape of Kinosaki Onsen, 7: Kinosaki before the Hokutan Earthquake)



(Photo 8: Immediately after the Hokutan Earthquake)

Job creation through inbound tourism

Toyooka's inbound tourism policy also spurs job creation. Figure 4 shows the number of overnight guests in Kinosaki Onsen by month. You will notice the distinct difference between the busy seasons and slack seasons. Because of this fluctuation, the town depends heavily on temporary workers during busy times. If we can fill the rooms in the off-seasons, local businesses will be able to stabilize their earnings and hire full-time employees.

The City of Toyooka, together with the stakeholders in Kinosaki Onsen, developed a game plan to promote inbound tourism at slower times. We realized that the Western independent tourists, the major portion of our foreign guests, tend to come at these times, so we decided to enhance our web promotion targeting independent tourists from these regions as well as wealthy Asians. If this succeeds, we will create year-round, fulfilling jobs introducing Japanese culture and helping foreign visitors enjoy our town.

As Figures 3 and 4 suggest, our plan seems to be working to some extent. According to interviews we have conducted, 31 new graduates were hired in Kinosaki Onsen in 2015 and 35 in 2016, which is one indicator of our success.





(Figure 3: Inbound tourists in Kinosaki Onsen, left 4: Number of overnight guests by month, right)

Efforts by Toyooka Tourism Innovation

In June, 2016, the City government and the private sector established Toyooka Tourism Innovation (TTI), our version of the Destination Management/Marketing Organization (DMO). Toyooka City, Willer Alliance, Zentan Bus, Tajima Bank, and Tajima Shinkin Bank funded this project and provided its workforce. Our staff also includes employees of Mitsui & Co. and JTB as well as some foreigners. We have also hired a market analyst as an advisor.

The word "innovation" in this name refers to our two important goals: innovation in tourism, and innovation in our city through tourism. Our primary mission is to collect and analyze market data, establish strategies, and improve earning power for the entire area. For example, by offering a WiFi environment for foreign tourists, we acquire their user data. One of our projects is to sophisticate our marketing strategies through these data, including nationalities, where they visited before Toyooka, how they moved about our city, and where they departed for. For Japanese tourists, we acquire data from KDDI (au) and make a similar analysis of age, sex, and residence. In order to compare the analysis results with local anecdotal information, the City signed a framework agreement with KDDI for further collaboration. I hope our committed efforts will prove effective.

2. Create and present art culture

Our second key effort toward becoming a Local & Global City is the creation and presentation of art culture.

Kinosaki International Arts Center

On the fringe of Kinosaki Onsen, there was an old prefectural hall with a seating capacity of 1,000 and an accommodation facility. In recent years, it had been used no more than 20 days a year.

The facility was donated to the City, which in 2014 renovated and reopened it as the Kinosaki International Arts Center. It is now is a facility for artists-in-residence, especially in performing arts such as theater and dance. Artists can use the accommodations, rehearsal studio and hall free of charge for a maximum of three months. They can immerse themselves in their creative work 24 hours a day and relax in the hot springs if stressed. While bathing usually costs ± 600 to ± 800 , the artists-in-residence are charged only ± 100 , the same fee set for former residents. Our message is that we welcome artists just as residents. This system has been very well received by artists, who say its positive influence on their creativity has been beyond their expectation.

Oriza Hirata, one of Japan's most renowned playwrights, has assumed the post of artistic director. The Center has thrived from its first year, and many artists have come from all over the world. Irène Jacob, Best Actress in the Cannes Film Festival with *The Double Life of Véronique*, stayed here for a month. In 2016, 40 groups from 13 countries applied, of which 17 from seven countries were accepted. In 2017, 43 groups from eight countries applied, and 20 from five countries will use the facility. Toyooka is connected directly to the world—not via Tokyo—and is contributing to artistic creation.

3. Form the environmental city "Toyooka Eco Valley"

Our third effort is forming the environmental city "Toyooka Eco Valley". We are committed to creating an environmentally friendly city, symbolized by the Oriental White Stork.

Extinction and recovery of Oriental Storks

Oriental Storks (*Ciconia boyciana*) are large white birds with a two-meter wingspan. In olden days, they were common in Japan, until endangered by environmental destruction. The final blow was agricultural pesticides. The last wild Oriental Stork died in Toyooka in 1971, and they disappeared from the Japanese sky.

Before the extinction, preservation efforts had been initiated in Toyooka, and an artificial rearing program began in 1965. However, for the first 24 years not a single egg hatched. The turning point came in 1985. Six baby storks were sent from Khabarovsk, Russia. Thanks to the devotion of Toyooka City caretakers assigned by Hyogo Prefecture, they grew to adults, formed mated pairs, and in the spring of 1989, chicks were born after 25 years of rearing efforts. Since then, we have had continued success, and today more than 90 Oriental Storks are maintained in captivity in Toyooka and surrounding areas, while 90 others are flying freely.

It has been 46 years since their extinction in Japan, 52 years since the beginning of artificial rearing trials, and 62 years since preservation activities began as a group effort. We have spent immense

time, energy and money. Why has Toyooka been so insistent on returning the birds to the wild?

Our most significant aim is to create a city where these storks can thrive. Storks are predators and at the top of the food chain. The natural environment that can accommodate these birds is also healthy for humans.

Another important point is that no matter how rich nature is and how abundant their food is, storks cannot survive in a culture where humans hunt for no clear purpose. Our objective is to recreate a rich environment, both natural and cultural. This is the basis of our efforts.

Conservation center

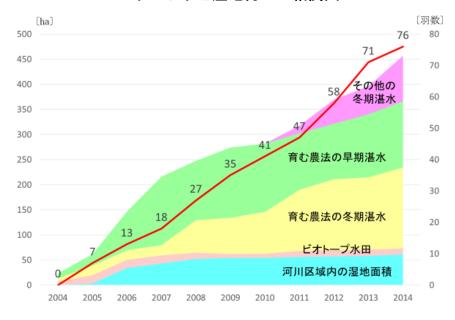
In 1999, Hyogo Prefecture founded Hyogo Park of the Oriental White Stork in Toyooka, where the University of Hyogo has a research laboratory to study and release the birds to the wild. Since 2000, Toyooka has been leading awareness activities at the Toyooka Municipal Museum for Oriental White Storks, established on the park property.

Recovery of wetlands

Storks capture most of their prey in the wetlands. In order to support their reestablishment, it is necessary to improve the wetland ecosystem. The key targets are paddies, waterways, rivers, and their networks.

For biotope paddies, we ask farmers to flood idle paddies throughout the year and tend the weeds. They nurture animals, enrich nature, provide feeding grounds for the storks, and offer opportunities for ecology study to our children. Toyooka currently has 24 biotope paddies for a total of 12.8 hectares.

Pesticide-free, stork-friendly farming is gaining popularity. Through collaboration among farmers, Japan Agricultural Cooperatives (JA), trading companies, and prefectural, city and other stakeholders, this eco-farming expanded to 366 hectares in 2016. These enriched paddies and waterways are linked by fish access pathways, and the level gap between the waterways and the river was eliminated. Around the downstream Maruyama River, the Ministry of Land, Infrastructure, Transport and Tourism is carrying out a wetland recovery project. The Ministry has so far created 65.2 hectares of new wetland around the Maruyama River system. The wetland area and the number of wild storks are clearly correlated (Figure 5, next page).



コウノトリと湿地再生の相関図

(Figure 5: Wetland area and number of storks)

Release to the wild

On September 24, 2005, six storks were finally released to the wild, a milestone in preservation efforts. In 2007, we observed the first wild hatching in 43 years and the first fledging in 46 years. In March 2014, a female stork born in Toyooka crossed the sea and resided in Korea for 13 months before returning home.

Before Japan's Oriental White Stork, there have been several successful precedents for recovering extinct creatures through artificial rearing and release. However, they were all carried out in relative wilderness, while the stork was the first in the world to be released into human habitat. The Hyogo Park of the Oriental White Stork, the center for release activities, receives 300,000 visitors annually.

Ramsar Convention registration

In 2012, the downstream basin of Maruyama River and its surrounding paddies were listed under the Ramsar Convention as wetlands contributing to protection of the stork, a globally rare species. It was the first listing of a Japanese river and acknowledges the area as a "Wetland of International Importance".

Environmental economic strategies

Environmental economic strategies are the next door Toyooka is opening. It has been firmly believed that ecology and economy are incompatible, but there must be a field where this principle does not apply, where environmentally friendly actions invigorate an economy, where ecology and economy resonate. We termed this cycle an "environmental economy" and have been pursuing Toyooka environmental economy strategies since 2004, based on the idea that in order to improve our environment, it is better to ally with the economy than fight it.

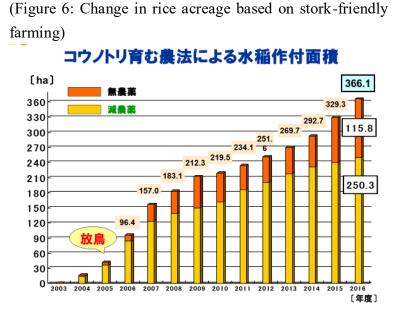
For example, Kaneka Solartech Corporation is a solar cell manufacturer we invited to our city in 1999. If consumers around the world use solar cells made by this company, it will contribute to the fight against global warming, bring profit to the company, create jobs, and increase our tax revenue. By investing its profit in research and development, the company can develop cheaper and more efficient solar cells that strengthen global-warming countermeasures. This demonstrates how ecology and economy can resonate.

Toyooka certifies environmental economic businesses. (This does not include agricultural businesses, which operate under a different certification system.) We have certified 59 businesses to date. The criteria are (1) the business must pursue profit and (2) the business must contribute to environmental improvement.

Stork-friendly farming

Agriculture is of course an extremely important industry. As mentioned above, pesticides delivered the death blow to our endangered storks. Toyooka, in collaboration with its farmers, JA, and Hyogo's Agricultural Development and Extension Association, promulgated stork-friendly farming which does not rely on pesticides (Figure 6).

We certify farms which, aside from using little or no pesticides, also foster wildlife, for example by flooding paddies even during the winter to maintain the wetland ecosystem. Rice grown by stork-friendly farms, branded "*Konotori Hagukumu Okome* (Rice to foster storks)" is highly regarded among consumers and marketed as a value-added product (Table 1).



コウノトリ育むお米の経営試算	
〔10a あたり〕	〔2015年度実績〕
種別	実質所得
一般米	△1,283円
コウノトリ育むお米 (減農薬)	39,289円
コウノトリ育むお米 (無農薬)	59,500円
※栽培助成金を除く	

(Table 1: Income comparison: Standard farming, Reduced pesticides, No pesticides)

4. Foster citizens of our Local & Global City

To foster the next generation for regional revitalization, we provide to our children local and global communication education, composed of four key areas.

Hometown education

More than ever before, our schools are teaching children about Toyooka and the things they should take pride in. We are trying to teach our children to love and be proud of their hometown.

English education

Based on our experience in model kindergartens, we began in 2017 to send instructors to all kindergartens, day-care centers and *kodomo-en* (centers for early childhood education and care) to play in English. All school children acquire English communication skills with the support of ALTs throughout their elementary and junior high school curricula.

Communication training through theater

Supported by Oriza Hirata, the City's art advisor, and based on our experience in model schools, all first graders in public elementary schools and seventh graders in junior high schools take theater courses beginning from 2017. By creating and performing their own plays, they learn how to express themselves and improve their communication skills.

Kore De Iinoda (What I'm doing is right)

The number of foreign visitors to Toyooka will continue to grow. I hope and believe that our children will communicate with them and express themselves with pride in their hometown using English as a tool.

Many of our children will leave Toyooka to attend college, but hopefully more of them will return. My hope is that their childhood experiences of encountering the world in this town will develop the mindset that they don't have to live in Tokyo to be a global citizen.

Our children will have far greater global access than our generation. If our hometown education and communication training succeed, we trust they will become confident adults thinking, "Toyooka is not Paris, Vienna or New York, and I know there are fabulous places in Japan and around the world. But still I'm satisfied here. Toyooka is the right choice for me. I live here, a part of my family and my community, yet I am connected to people all over the world."

The population of Toyooka will continue to decrease, but if our strategies succeed, this town will remain vigorous. This belief will remain the backbone of our pursuit of regional revitalization strategies.

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Born November 4, 1956 in Toyooka, Hyogo Prefecture

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Education:

1987: Completed Master' Program in Business and Management, Graduate School of Economics, Osaka University1978: Graduated from Faculty of Law, Kyoto University

Graduated from Toyooka High School, Toyooka Minami Junior High School and Mie Elementary School (all Toyooka public schools)

Career:

- May 2013: 3rd term as Mayor of Toyooka
- May 2009: 2nd term as Mayor of Toyooka
- May 2005: Inaugurated as Mayor of the new City of Toyooka
- March 2005: Resigned from the position of Mayor of old Toyooka as a result of municipal merger
- July 2001: Inaugurated as Mayor of Toyooka
- June 2001: Resigned from Hyogo Prefectural Assembly

April 2000: Appointed Chairman of Policy Research Council of the Liberal Democratic Party in Hyogo Prefectural Assembly

- June 1999: Appointed Chairman of Standing General Affairs Committee
- April 1999: Member of Hyogo Prefectural Assembly (3rd term)
- June 1995: Member of Hyogo Prefectural Assembly (2nd term); Appointed Chairman of Standing Education Committee
- April 1991: Member of Hyogo Prefectural Assembly (1st term)
- December 1990: Resigned from Hyogo prefectural government
- April 1985: Dispatched to Graduate School of Economics, Osaka University
- April 1978: Joined Hyogo prefectural government

Publication: *Konotori no Tobu Yume* (July 2000) Favorite maxims: "Dream big, set roots deep" and "Hope, keep hoping, do not give up" The Outlook Foundation sets out proposals for a better future based on the highest level of knowledge and perception. Your feedback, including validation, advice, constructive criticism and proposals, are most appreciated.

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