



SOCIO-ECONOMIC ALLIANCES IN RESPONSE TO NORTH KYOTO DEMOGRAPHIC TRANSITION

Preliminary version of chapter 7, in forthcoming report
“Fostering resilient economies: demographic transition in local labour markets”

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CHAPTER 7:

SOCIO-ECONOMIC ALLIANCES IN RESPONSE TO NORTH KYOTO DEMOGRAPHIC

TRANSITION¹

The Japanese population is both decreasing rapidly and ageing due to low birth rates and longer life expectancies. Within marginalised areas, such as North Kyoto, the situation is becoming highly problematic because the main industry has been agriculture. Stagnation of economic activities, along with depopulation and ageing, are making traditional community functions fragile. Universities are providing a supporting role for regional and local authorities with research studies and practical policy recommendations for local communities and the development of socio-economic alliances and local collaboration. This chapter explores the Community and University Alliance for the Regeneration of Northern Kyoto Area and the potential of the Kyoto Model.

¹ This chapter was contributed by the Research Centre for the Local Public Human Resources and Policy Development (LORC) of Ryukoku University.

7.1 Trends in Japan and the Northern Area of Kyoto Prefecture

7.1.1 Trends in Japan

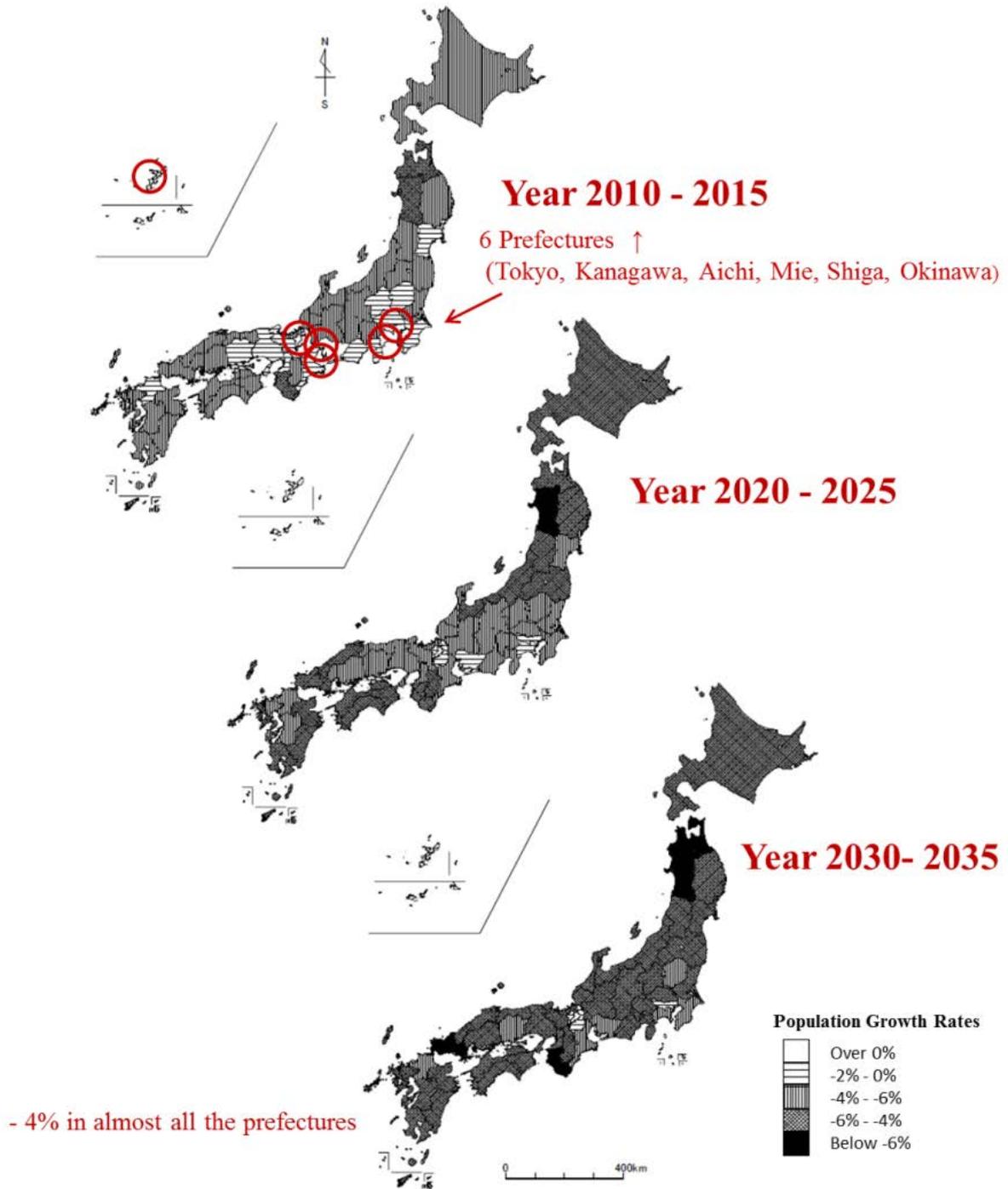
In Japan, the population is decreasing and ageing. During the coming two or three decades, local cities outside the metropolitan areas will be “marginalised cities”. This term is used to indicate that such cities will be unable to sustain city functions at certain levels in terms of quality and quantity, such as administrative, medical and educational services, retail and cultural activities. The tax bases of local city governments have become vulnerable because of both long-term economic stagnation and industrial losses. Their fiscal management faces serious difficulties every year. It is getting more difficult to maintain and improve existing urban infrastructure. The populations of both central and satellite cities located in metropolitan areas, including Tokyo and Osaka, are likely to decrease.

According to estimates by the National Institute of Population and Social Security Research, in 2060, the total population of Japan will be 86.73 million. In comparison to 2010, this means a decrease of 32.3%. In 2046, the estimated population will be below 100 million. This means that in 30 years, it will decrease by more than 20 million people. This is mainly because of the continuing low birth rate. If current birth rate declines continue, the current birth rate of 1.39 (National Institute of Population & Social Security Research, 2010), will be 1.35 in 2024. This is caused mainly by people marrying later in life, as well as fewer children in a family. Recent instability in employment has also led to an increase in the percentage of unmarried people, as the stability required for starting a family is lacking. The percentage of unmarried people aged 30-34 has reached 47% for males and 35% for females, according to the 2010 National Census and Nippon Keizai Shimbun (27 October 2012).

During the period 2010-2015, the prefectures in which populations are predicted to increase are only Tokyo, Kanazawa, Aichi, Mie, Shiga, and Okinawa (see Figure 64). Akita, Aomori and Wakayama are predicted to decrease by 4% to 6%. During the period 2030-2035, the rate of population reduction will be over 6% in Akita, Aomori, Wakayama and Yamaguchi, and most prefectures will experience a 4% to 6% decrease.

Core cities in local areas are experiencing remarkable levels of population decrease. Natural death rates, combined with social decreases have contributed to the rapidity of the overall population reduction. 27.5% of cities with more than 100 000 people have seen decreases in their populations (Hiroshi Yahagi, 2009, “Toshishukusho’no jidai”, Kadokawa Shinsho). During the period 2005-2006, 45.5% of the cities with more than 100 000 people had decreasing populations while twenty-two prefectures experienced drops in their populations. Recently, more than half of the cities with 100 000 inhabitants experienced population decreases. In the case of local small and medium cities, with less than 100 000 people, their population reduction trends are even more remarkable, with most of them predicted to end up as marginalised cities.

Figure 1. Prefectures experiencing population decrease (2010-2035)



Source : National Institute of Population and Social Security Research, 2010

The accelerated ageing of the population is caused by low birth rates and longer life spans. The average life span in 2010 was 79.64 years for males and 84.19 for females. In another 50 years, these will be 86.39 for males and 90.93 for females. Consequently, according to estimates by the National

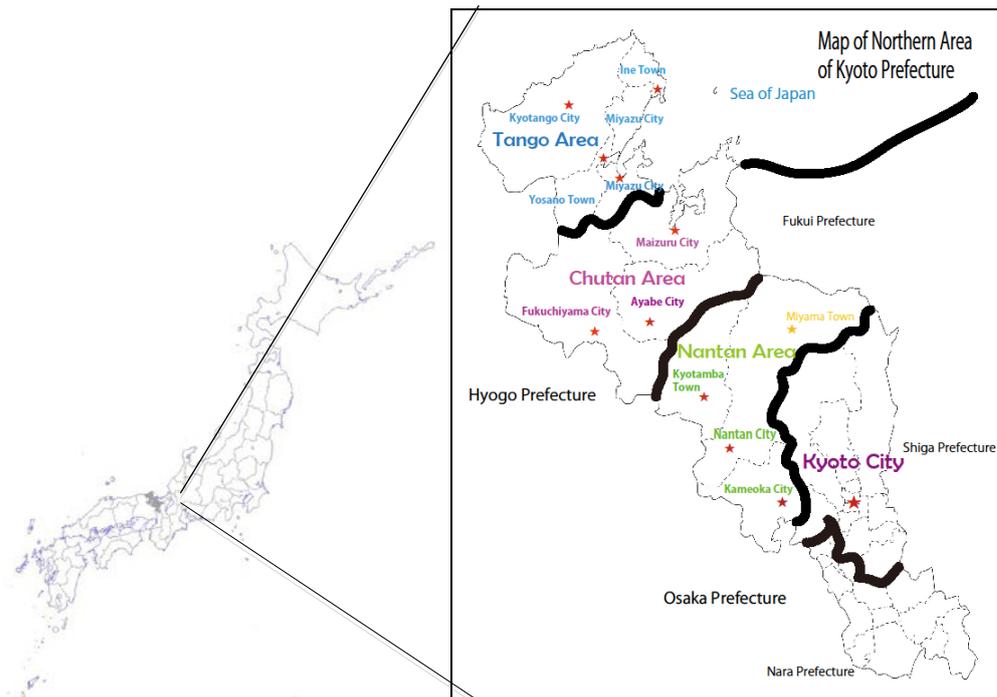
Institute of Population and Social Security Research, in 2060, the ageing rate (over 65 years old) will reach 39.9%. Longevity in society is not a bad thing. We are not living in the era of Ubasuteyama ('granny dumping'), and this longevity is something of which to be proud. The problem lies in the lack of balance between population and age structure. In ageing cities, where the young and the middle-aged have left, the economic and social conditions that support people's daily lives will deteriorate. The sustainability of cities will be threatened.

Japan's population is not likely to increase in either the medium or long-term. Also, ageing will not cease. Shrinkage will be one of the fundamental patterns of city typology. Except for times of war and disasters, urban researchers and policy developers have accepted growth and expansion as being self-evident, so they focussed on directing that growth or expansion. This is the first study and formulation of urban policies based on the premise of city shrinkage.

7.1.2 The Northern Area of Kyoto Prefecture

The Northern Area of Kyoto Prefecture is composed of the Chutan area (Ayabe City, Maizuru City, Fukuchiyama City) and the Tango area (Miyazu City, Kyotango City, Ine Town, Yosano Town) (Figure 65). Ryukoku University's project for regeneration of the northern area of Kyoto Prefecture, titled the "Research Centre for Local Public Human Resources and Policy Development" adds the Nantan area (Kameoka City, Nantan City, Kyotamba Town) to its research targets. This chapter deals with the three areas in combination as the "Northern Area".

Figure 2. Map of Kyoto Prefecture



Source : Author composition

These areas are located in the north of Kyoto City at the east end of the Chugoku Mountains. The mountains are not precipitous though there are few plains. They are in a typical rural area. In winter, it snows a lot while in summer, it is often foggy. It is not pleasant in terms of climate. Recently, highways have been built however it is still a long way to Kyoto City. They are thus regarded as disadvantaged areas in terms of geography as well as climate. Rapid population

reduction, as well as population ageing, are evident. The social and economic issues which shrinking societies face have been manifest for many years.

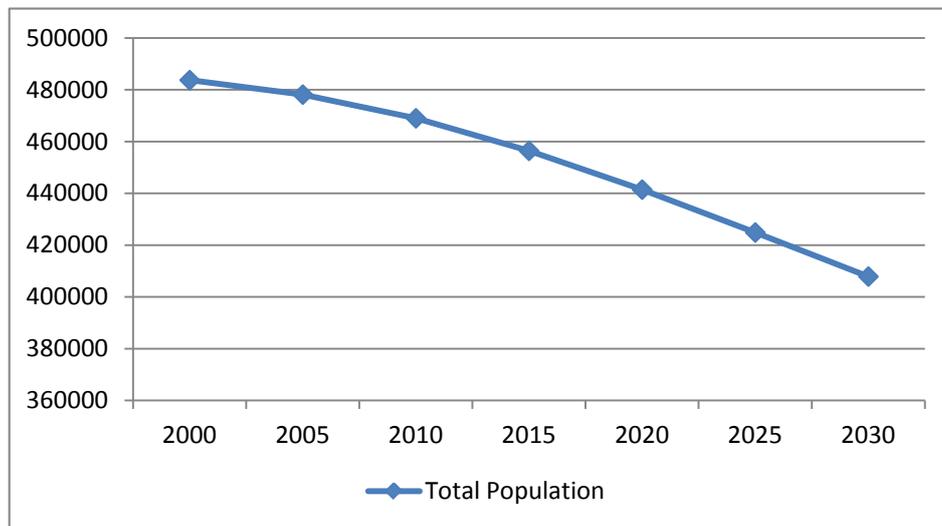
The main industry has been agriculture. People grow rice on the plains, and vegetables and fruit in fields on the sloping land. However, population decreases and increases in the number of ageing people (more than 65 years old) in such rural areas leads to traditional communities' functions becoming fragile, which in turn threatens the sustainability of agricultural production. Agricultural production currently does not even reach the rate of 3% of gross regional product. The fabric industry was growing but has declined recently, resulting in the loss of an industrial base. Consideration is being given to the development of a manufacturing based food industry to operate in co-operation with agricultural production.

7.1.3 Demographic Change in the Northern Area of Kyoto Prefecture

According to the national census, the total population of the Northern Area of Kyoto Prefecture increased slightly during 1990-1995. After that, between 1995 and 2000, it decreased by 4 035 people. The population of Kyoto Prefecture also decreased during 2000-2005. The population of the Northern Area began decreasing five years earlier than Kyoto Prefecture and has continued to decrease. The total population in 2010 was 469 023 people.

According to predictions by the National Institute of Population and Social Security Research, the population of the Northern Area is expected to decrease to 441 457 in 2020 and 407 890 in 2030. Compared to 2010, these estimates put it at 13% less (Figure 66). The rate of population decrease of Kyoto Prefecture during the same period is estimated to be 7.7%.

Figure 3. Demographic change of Northern Area of Kyoto Prefecture (Estimation)



Source : National Institute of Population and Social Security Research

The city with the largest population in the Northern Area is Kameoka City (92 399 inhabitants in 2010). It is located close to Kyoto City, which puts it in a good position for commuting to school and work. This was the reason Kameoka experienced population growth during 1995-2000. Maizuru City had a total population of 88 669 in 2010. It has a defence force base, and its young population is relatively large. However, a population decrease was recorded there during 1990-1995. Fukuchiyama City has a distribution centre for agricultural products in the Northern Area as well as government offices. Historically, it has been a core city to the north of Kyoto City, but as is seen in the other cities in the area, its population recorded a decrease, according to the national census of 2000-2005, at which time Fukuchiyama City became a shrinking city.

The other cities and towns are experiencing even more rapid population drops. For example Miyazu City, facing Wakasa Bay, recorded a population of 19 948 in 2010, in which was a 24.6% decrease (base year: 1990). Because of its remarkable population decrease, it faces difficulties in continuing community activities within the city. This results in the body blow effect by which the population decrease undermines the financial basis of the city.

The population of the Northern Area is also ageing rapidly. The ageing rate in 2000 was 22.4%. In 2010, the rate was 27.5%, a 5.1% increase. The rate is higher than the national average ageing rate of 23.0%, which is also the average rate of the Kyoto Prefecture. In 2035, Miyazu City in the Tango area is expected to record an ageing rate of 50%, which means one of every two citizens will be older than 65 (Kyoto Prefecture: <http://www.pref.kyoto.jp/tiho/1294381075055.html> as 1 August, 2012). At the same time, the population of productive age (older than 15 - younger than 65) will decrease. The percentage of people of productive age in the Northern Area of Kyoto Prefecture declined from 62.2% in 2000 to 59.0% in 2010. This rate is also below the Japanese national average rate of 63.8%.

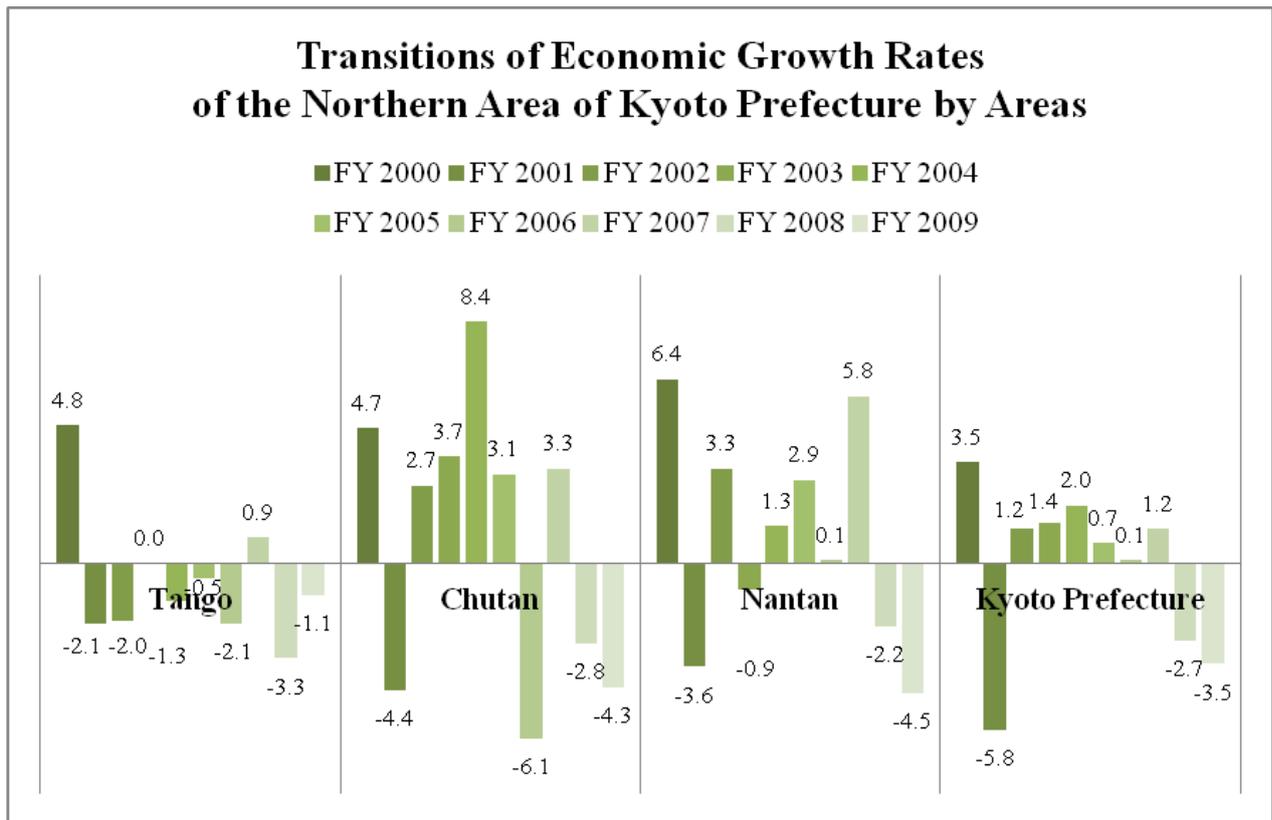
7.1.4 Economic and Industrial Trends in the Northern Area of Kyoto Prefecture

The industrial structure of the Northern Area of Kyoto Prefecture differs from one region to another (Kyoto Prefecture <http://www.pref.kyoto.jp/tiho/1294381075055.html> as at 1 August 2012). In the Nantan area, where Kameoka City is located, and the Chutan area where Fukuchiyama City and Maizuru City are situated, manufacturing industries account for one third of regional production. Industries include food processing, shipbuilding, and metal industries. However, the Tango area, where Miyazu City is located, recorded only 16.7% manufacturing industries. Conversely, the Tango area recorded 22.4% for service industry production, which is approximately 6% higher than the other two areas. In Miyazu City, the service industry is the largest industry, accounting for 22.4% of its gross production in 2009. This implies that its tourism industry, which takes advantage of the scenic beauty in Wakasa Bay, supports its regional economy.

The stagnation of economic activities has been occurring for a long time in the Northern Area of Kyoto Prefecture. This is because the Japanese economy is still not able to escape from the long-lasting recession, and the investment which leads to new employment has been small, so the population is still decreasing. Therefore, this is considered to be a structurally depressed area. In the Tango area, during the decade 2000-2009, the economic growth rates for eight fiscal years showed negative growth. It is considered that negative growth has become the norm. It is assumed that it will be difficult for economic growth rates to turn to positive, sustainable growth in the future. Both the Chutan and Nantan areas recorded negative growth for four fiscal years (Figure 67).

The employment situation is also serious because of the long term recession. While the official ratio of job offers to job seekers in the Northern Area of Kyoto Prefecture has shown slight signs of improvement in the last two years, the ratio continues to be below 1.0 and many people have given up looking for work.

Figure 4. Transitions of economic growth rates of the Northern Area of Kyoto Prefecture



Source : Kyoto Prefecture, 2009 Kyoto-fu Chousonmin Keizai Keisan (Kyoto Prefecture Municipal Accounts)

Economic stagnation naturally leads to a decrease in incomes, according to the Kyoto Prefecture. The distributive income per capita for the fiscal year 2009-2010 in the Tango area was 1 896 000 yen, a 13.1% decrease compared to the 2000-2001 fiscal year. The Chutan area recorded an income per capita of 2 415 000 yen, a 5.5% decrease. In the past decade, the regional gap within the Kyoto Prefecture has expanded rapidly. In the fiscal year 2000-2001, the distributive income per capita in the Tango area amounted to 70% of that of Kyoto City, but in the fiscal year 2009-2010, the gap extended to 62.2%. This income gap is identified as a factor which accelerates the population exodus from the disadvantaged areas to metropolitan areas.

7.1.5 Local Society Trends in the Northern Area of Kyoto Prefecture

In order to sustain a comfortable life in an ageing society, medical facilities are essential. In the Northern Area of Kyoto Prefecture, the number of hospitals has not changed remarkably yet the number of hospital beds has increased slightly. According to the Ministry of Health, Labour and Welfare's Survey of Physicians, Dentists and Pharmacists (31 December 2010), the number of medical doctors engaged in hospitals, for each secondary medical-care block, is 286.2, per 100 000 people in Kyoto City which is ranked number one nationally (the national average is 219.0 medical doctors). However, in the Northern area the numbers are much lower than the average for Kyoto Prefecture: Tango medical-care block (152.6); Chutan medical-care block (209.2); Nantan medical-care block (170.2).

According to the Kyoto Medical Practitioners Association, the Northern Area of Kyoto Prefecture is faced with various challenges such as "unbalanced locations of doctors," "lack of medical doctors," "lack of a combined co-operative medical centre," "elderly-friendliness (access etc.)," and "improvement of the emergency medical system". Additionally, the number of students at primary, junior and high schools is decreasing, reflecting the declining birth rate. The total number of

primary schools in Kyoto Prefecture decreased by 20 during 2000-2010. Ten of them were in the Northern Area of Kyoto Prefecture.

If the schools are closed or merged, problems such as longer commuting distance will arise. Also, a decision needs to be made regarding how the unused school buildings and gyms can be utilised.

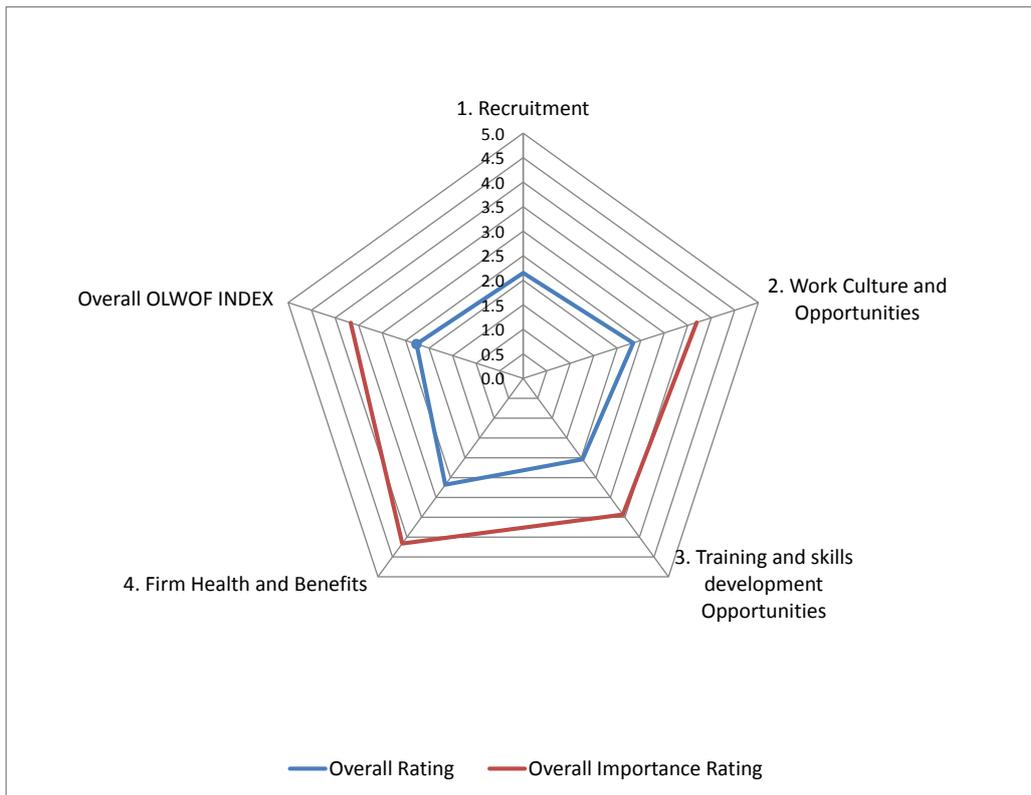
In the Northern Area of Kyoto Prefecture, there has been an increase in the number of people who receive welfare benefits (public assistance). The main causes are considered to be long-lasting recession and a lack of new employment. Presumably because farmers are self-sufficient to some extent in rural areas, the relative increase in the number of people who receive welfare benefits is seen chiefly in urban areas. The increases in Maizuru City, Fukuchiyama City and Kameoka City are significant. Maizuru City's rate of public assistance (per 1,000 people) is 14.8%, which is the highest in the Northern area of Kyoto Prefecture.

7.1.6 Older Workers Friendly Places to Work Index (OLWOF index) and Elderly Friendly Places to Live (ELFRI index) by OECD

In collaboration with the OECD and LORC, questionnaires for the Older Workers Friendly Places to Work (OLWOF) index and Elderly Friendly Places to Live index, developed by the OECD LEED programme, were used in the Northern Area of Kyoto Prefecture. The results are reported below.

The overall OLWOF index, out of 5 (1 is poor, 5 excellent) for the Northern area of Kyoto Prefecture is 2.3, which is categorised as an area with a poor Older Workers Friendly Places to Work index. More specifically, the OLWOF topic index overall rating is as follows: recruitment 2.2; work culture and opportunities 2.3; training and skills development 2.0; firm health and benefits 2.7. Significantly, the overall importance rating of OLWOF for the Northern Area of Kyoto Prefecture is 3.7, which categorises the area as average. More specifically, the importance of OLWOF topics were rated as follows: work culture and opportunities 3.7; training and skills development 3.4; firm health and benefits 4.2 (Figure 68). This slow realisation of the importance of older persons working for the regional and local economy may reflect the delayed response in developing strategies to keep older persons in employment and contributing to the regional and local economies. It reflects a significant policy gap between reality and what should be done.

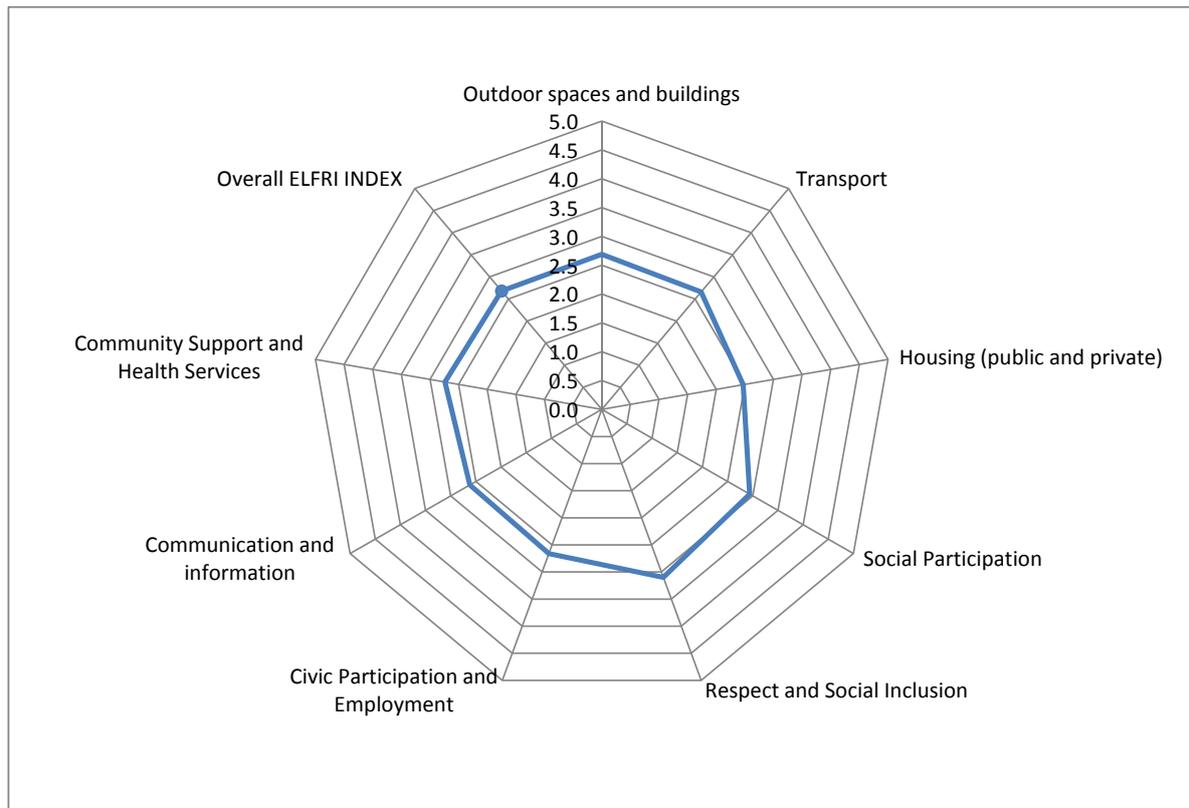
Figure 5. OLWOF Index of the Northern Area of Kyoto Prefecture (2012)



Source : Author

The overall ELFRI index, out of 5 (1 is poor to 5 excellent) for the Northern Area of Kyoto Prefecture is 2.7 which is below average as an elderly-friendly place to live. More specifically, the ELFRI topic index is as follows: outdoor spaces and buildings 2.7; transport 2.7; housing 2.5; social participation 2.9; respect and social inclusion 3.1; civic participation and employment 2.7; communication and information 2.6; and community support and health services 2.7 (Figure 69). Generally, the Northern Area of Kyoto Prefecture according to the index is not an elderly friendly place to live, with plenty of room for improvement and policy focus.

Figure 6. ELFRI Index of the Northern Area of Kyoto Prefecture (2012)



Source : Author

7.2 What can Universities do? Kyoto's Challenges

7.2.1 Higher Education in Japan and Vocational Education and Training (VET)

In Japan, the expectation that higher education institutions will play certain roles in the field of vocational education and training (VET) has been enhanced recently. However, the Japanese government has not yet been successful in establishing a qualification framework for VET. There is no framework that defines the relationship between general education and VET like the European Qualification Framework (EQF). There are no strategies and scenarios on how higher education institutions should be involved in VET.

There are qualifications for specific professional occupations such as medical doctors and teachers. To obtain them, study of the formal courses provided by higher education institutions is required. Other certification and skills such as Information Communication Technology (ICT) are obtained outside higher education institutions. The higher education institutions may provide learning opportunities, but, mostly, certification and skills accreditation relating to jobs are obtained outside higher education institutions.

Generally, Japanese companies and administrative institutions have not taken VET by higher education institutions positively. The employment practices in Japan, which are based on the pillar of lifelong employment, expect the employees to share their skills and abilities with their workplaces rather than gain general professional skills and vocational knowledge from them. The companies and administrative institutions prefer generalists rather than specialists. They expect workers to attain specialties and skills through on the job training. Such training is not based on systematic programmes at all, but is focused on the accumulation of experience. Recently, this trend has started to change.

The views of companies with regard to VET have been changed by low economic growth lasting for a long period. More companies are seeking career education training from higher education institutions. Events such as Lehman Brothers shock, the European financial crisis and the Great East Japan Earthquake caused a serious economic recession. The employment issue has become a top priority for both management and labour.

Local authorities have begun to request enhancement of the capacities of administrative officers, since the adoption of the decentralisation law in 2000. Not only local decentralisation, but also the changes to local policies that put more emphasis on the participatory process, have led to local authorities requiring administrators to improve their communication skills. Administrative institutions consider that such officials should have these abilities before beginning their employment.

The companies and administrative institutions are changing their understanding of human resource cultivation and VET. This is part of a lasting change rather than a short-term change. By examining the data on the university attendance ratio and the unemployment rate, it is possible to understand that such a lasting change is commonly seen in OECD member countries.

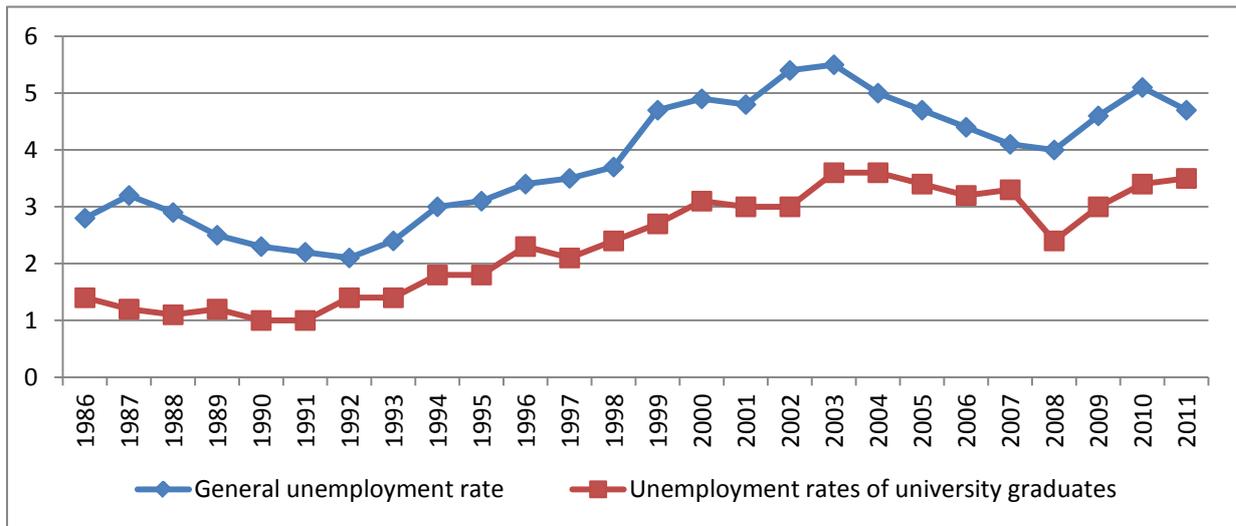
The university attendance ratio in Japan was approximately 10% in the 1950's. It increased rapidly until the middle of the 1970's, and in 1976, it reached a peak of 38.6%. After that, the rate decreased slightly, but, in the 1990's it increased again. In 1993, it was over 40%, and since 2005, it has been over 50%.

In Japan, during the development of the social economy, from the high growth period, through the stable growth period, to the period of the bubble economy, the belief that more highly educated persons are required has been growing. A society that puts increased emphasis on educational background has been formulated based on such a belief.

As a global trend, it is pointed out that the unemployment rate of highly educated people is low. Together with realising the importance of a knowledge society and achieving technological advancement, the tendency to require higher educational qualifications has been growing. The increased rate of university attendance in Japan is in accordance with the global trend.

However, the unemployment rate of university graduates in Japan, increased rapidly from 1992 when the Japanese Economy went into recession, brought about by the collapse of the bubble economy (Figure 70). The rate of increase is almost the same as the general unemployment rate. Throughout the 1990's, the general unemployment rate continued to increase but, in comparison with its previous levels, the improvement in the unemployment rate of university graduates was not remarkable. Through 2009's Lehman shock, the general unemployment rate declined again, but the continuing tendency for the unemployment rate of university graduates to decline became more serious.

Figure 7. Unemployment rates of university graduates



In 2011, Iwate, Miyagi and Fukushima were not counted. The rates shown are as at February of each year

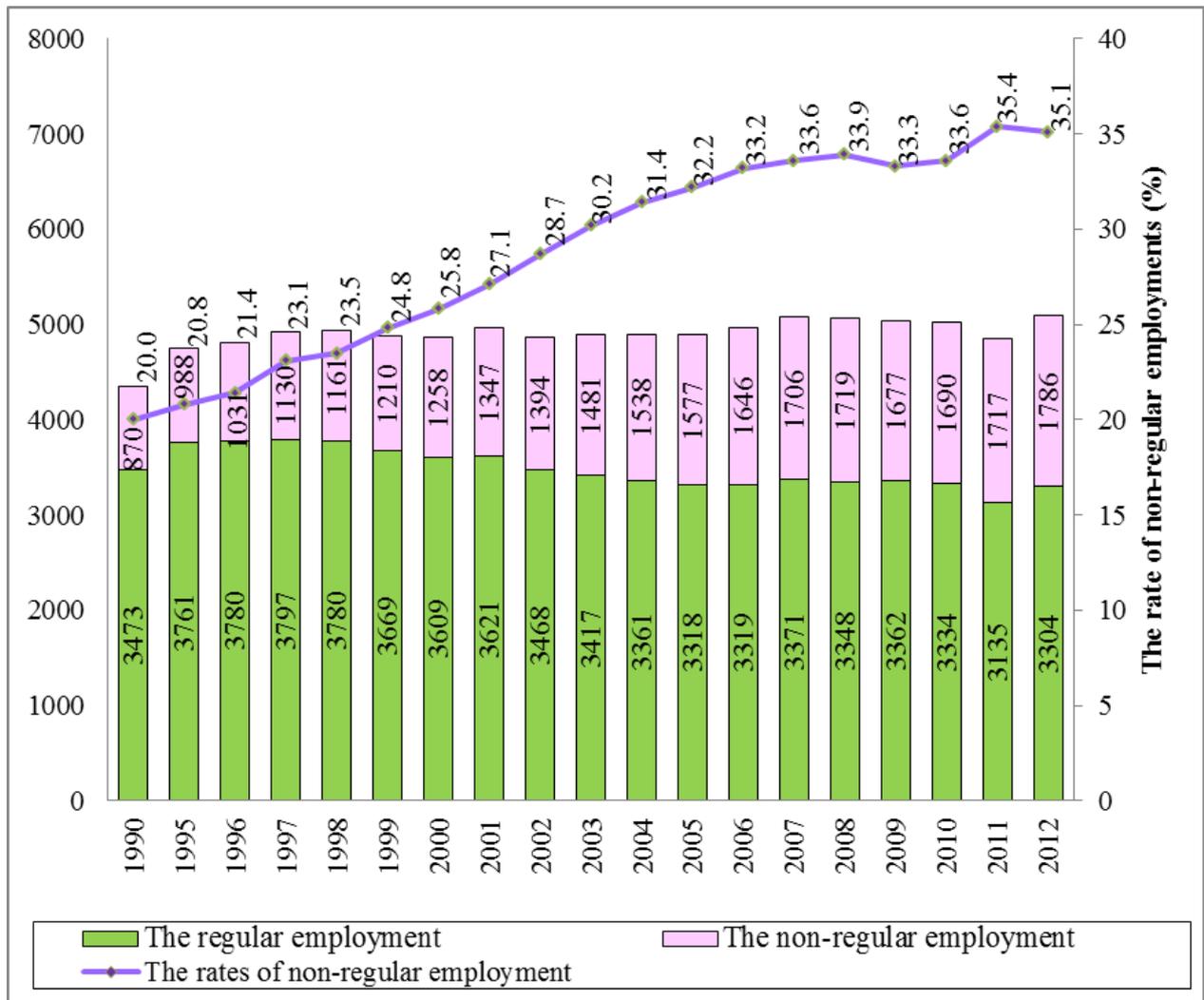
Source : Labour Force Survey, 2012

The difficulties faced by highly educated people in the labour market indicate that the proportion of the labour force with higher education qualifications may become excessive. A number of OECD member countries are facing similar situations. The labour market seeks to move towards the knowledge society, and the younger generation, which feels anxious about a lack of employment options, goes to university. Subsequently, as mentioned above, the university attendance rate in Japan increased during the 1990's. University students in Japan are mainly the younger generation, and it is quite rare to find people who entered university for the purpose of life-long learning.

The unemployment rate in Japan was higher than the U.K., U.S, the Netherlands and Sweden for quite a while, but currently it has been lower. However, the anxiety over unemployment that young university graduates feel, is not only due to increasing unemployment rates, but also to the unstable conditions caused by increases in temporary employment. Social changes not measurable by unemployment rates are having great impacts on the younger generation in Japan.

Comparison of permanent full-time and temporary, part-time employment shows that permanent employment increased until 1997, but has continued to decrease since then, while the number of temporary or casual jobs has increased continually. The proportion of temporary jobs has increased from 2.0% in 1990 to 35.4% in 2011 (Figure 71). Currently, more than one in three people employed in industries other than agriculture and forestry is a temporary or casual employee. The rate of casual employment for the population aged 15-24, both male and female, has increased rapidly, which had become a social issue.

Figure 8. Regular employment versus non-regular employment



This is targeted at all employment areas except agriculture and forestry (excluding executives). The figures are the averages between January and March, and prior to 2001 were as at February of each year. Non-regular employment includes part-time, temporary staff, contract workers, and casual staffs. In 2011, the figures exclude Iwate, Miyagi, and Fukushima.

Source : Labour Source Survey, 2012 (edited by author)

The school dropout rate in higher education is 10% which is low in comparison to the average rate of 31% among OECD member countries (*Education at a Glance, 2008*, OECD Indicators). The goal to increase the ratio of people who enter higher education institutions and, at the same time, to decrease the rate of school dropout, is already achieved to a large extent in Japan. Therefore, it is believed that, in order to eliminate the younger generation's anxieties about employment, the higher education institutions should play more positive roles. Such circumstances lead to the hope that higher education institutions will become involved in VET.

7.2.2 Research Centre for the Local Public Human Resource and Policy Development (LORC), Ryukoku University, and Kyoto Model

What kind of reform can higher education institutions make so that companies and administrative institutions change their views on human resources and VET as well as helping younger people avoid the social problems associated with not having stability in work? The Research Centre for the Local Public Human Resources and Policy Development (LORC), Ryukoku University was established in 2003 in order to respond to this question as one of its most important research missions.

Funded by Ryukoku University and the Japanese Ministry of Education, Culture, Sports, Science and Technology (MEXT), the Centre started its activities not only as research studies, but also to make practical policy recommendations as a research centre that interacts with local communities. The main features of LORC's approaches are, firstly, that it carries out research studies that attempt to link the solutions of local social issues and human resources. Secondly, the research outcomes are to be shared through partnership and collaboration between organisations that belong to various sectors such as local governments, local communities, non-profit organisations (NPOs) and business associations.

Kyoto City, where LORC is located, is a historical city, and at the same time, a university city. According to the FY 2009's general survey of schools, there are 37 universities and colleges in Kyoto. Kyoto has the second largest number of universities and students after Tokyo, and 139 237 students commute to Kyoto City. Approximately 10% of the total population of 1 470 000 in Kyoto City is university students and university professors.

According to the same general survey of schools (FY 2009), there are 48 universities and colleges in Kyoto Prefecture. The universities, including 37 universities in Kyoto City, which have more than one campus are counted based on the location of their headquarters. Most universities and colleges are situated in the southern area of Kyoto Prefecture. In the Northern Area of Kyoto Prefecture, there is only one university and one college.

In considering the role to be played by higher education institutions in human resources and VET, it is necessary to take these features into account. LORC proposed to carry out a collaborative project in order to realise research outcomes for nine universities within Kyoto Prefecture, which have social science departments. Those involved are Kyoto University, Kyoto Prefectural University, Kyoto Sangyo University, Kyoto Tachibana University, Kyoto Bunkyo University, Seibi University, Doshisha University, Bukyko University, and Ryukoku University. A series of recommendations were developed in response to three development phases.

In the first phase of LORC (2003-2007), through partnership and collaboration among various sectors, a system for human resources to tackle local issues was proposed. In order to foster the human resources that have civil and public minds an education programme targeting master's programmes was developed. It was also pointed out that it is necessary to establish a framework that will be recognised socially as well as academically, to ensure the quality of qualifications.

The second phase of LORC (2007-2010) focused on the socialisation and realisation of research outcomes. It was concluded that the framework to be developed in the Kyoto area should be a qualification framework related to the European Qualification Framework (EQF). To achieve these goals, a platform for collaboration with local universities was established, involving nine universities, one university's collaborating organisation, four economic groups, two local governments, as well as one local government's collaborating organisation.

LORC also recommended the development of an education programme that would be linked to general education at Levels 5-7 of EQF in the field related to policy science. In order to ensure the competence of learners, as well as to encourage recognition of the qualifications, the Consortium for

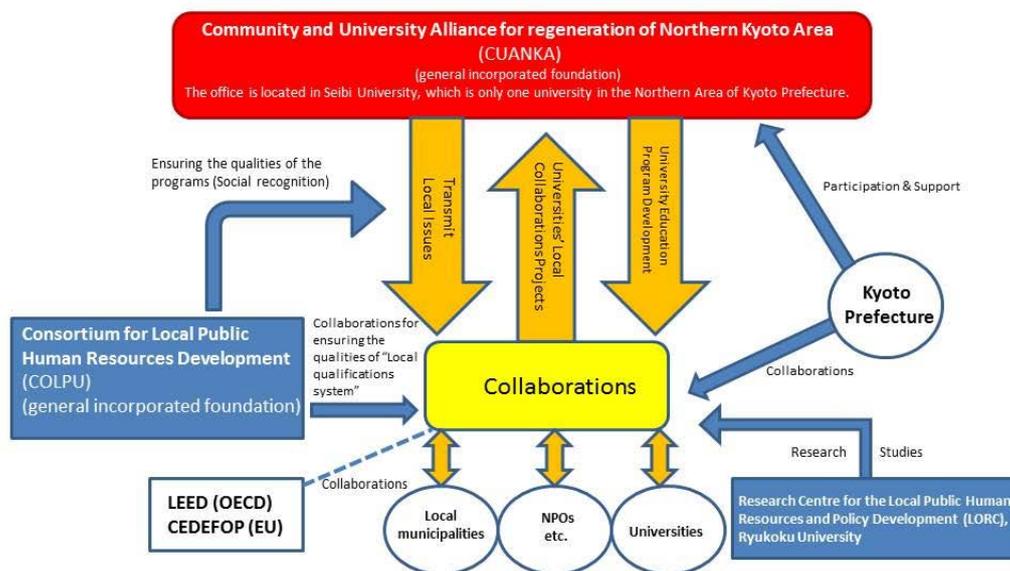
Local Public Human Resources Development (COLPU) was established as an institution for public recognition.

The third phase of LORC, (since 2010), pursues the development of more advanced education programmes for human resource cultivation, to match the needs of local communities. Using the Northern Area of Kyoto Prefecture as a field site, as it is an area in which population reduction and economic and social decline are seen, the development of the ‘Kyoto Model’ is being carried out, which links solutions to social problems with training in human resources.

Derived from the platform of universities’ local collaborations, the Community and University Alliance for the Regeneration of the Northern Kyoto Area (CUANKA) was established in 2012 as a formal organisation for collaboration. In order to develop the projects of CUANKA, the nine participating universities received subsidies from MEXT together with funds from local governments for individual projects.

The Kyoto Model (Figure 72) that LORC recommends is intended to foster human resources expertise to allow participation in policy making and, simultaneously, implement processes for solving problems in local communities as a process of university education and VET. Through collaborations between universities and stakeholders in local communities, learners will find local agendas, and design policies as well as implement them. Students will not only experience practical involvement, but also study academic approaches and practical policy analyses at universities.

Figure 9. Universities' local collaborations "Kyoto Model"



Source : Author

In the Kyoto Model, universities develop and provide the education programmes which are equivalent to Level 5-7 of EQF, and the local communities provide the learners with the opportunities for practical involvement. The learners will earn qualifications, obtained through their involvement in solving the problems of local communities, which are certified by COLPU.

If the Kyoto Model functions well, it will enable the human resources graduates who have certain knowledge and skills that are helpful for problem-solving in local communities, to find work in those communities. Such graduates are not merely competent workers, but are the ones who have certain roles to play in society.

The keys to success for the Kyoto Model are whether or not universities can develop policies that contribute to the solution of local problems, and whether it is possible for local communities to welcome and accept such human resources. By linking the research resources of nine universities, it is hoped to establish a university collaborative system that can respond to various local needs. CUANKA is considering ways to utilise the human resources skills developed here.

The Kyoto Model will demonstrate roles to be played by higher education institutions as companies and administrative institutions change their understanding of human resource development and VET and their importance in helping with social issues such as employment for younger people and population decrease together with economic and social stagnation.

7.3 Regeneration of Northern Kyoto Area (Cuanka): Trialling the Community-Universities Alliance

7.3.1 The Critical Situation that Local Communities Face in the Northern Area of Kyoto Prefecture

The Northern Area of Kyoto Prefecture is a typical example of the Japanese population reduction problem. This was a rich area for around 1 500 years, compared to other Japanese local areas. The Northern Area of Kyoto Prefecture was very near to the former Japanese political centre (Nara and Kyoto) and Japanese economic centre (Osaka). Trade with China and Korea in ancient days, shipping trade around the Sea of Japan in the middle ages and Edo era, and the transport of products provided the Northern Area of Kyoto Prefecture with a distinct advantage.

However, the area has changed greatly, because of Japan's rapid economic growth after World War II. The traditional trading between Japan and the Asian continent was lost due to the Cold War between the East and the West, which meant there was a decline in trade. Japan's growth drained young labour forces from the local areas, including the rural areas, to a large extent. This led to the so-called dual structures of Japanese society, in which Japan could not escape from the phenomenon of rich urban areas and deteriorating economic and social rural environments. Moreover, advancing industrial structures with their associated mass production and mass consumption, as well as shifts in the transportation system from rail services to a rapid transit system of cars and expressways, meant that local central cities like Fukuchiyama became disadvantaged areas that cannot recover easily. In this way, the Northern Area of Kyoto Prefecture has become symbolic of the depressed areas among local cities and rural areas.

The following section outlines how CUANKA was established to solve these various social problems that are becoming more prominent due to the ageing society and shrinking population.

7.3.2 CUANKA

Approximately 60 universities are located in Kyoto Prefecture, and research and education activities of a high standard are carried out here. In Kyoto City, since 1997, there is also the Consortium of Universities in Kyoto, which is a public interest incorporated foundation that carries out research and education as well as local socially supportive activities. A large scale international research project on sustainable social systems has been conducted since 2003, funded by MEXT, which led to the establishment of LORC. Since 2008, supported by MEXT, a strategic university

alliance project relating to human resource development and the establishment of a qualification system in a partnership society has been carried out collaboratively by nine public policy universities.

Through such projects, the necessity for “global public human resources”; highly skilled workers who can take a lead in solving problems through cross-sectional activities, has become clear. Such problems include numerous issues that local communities may face in the globalising world. This led to the establishment of a system to foster “global public human resources” based on collaboration between industry, government, academia, and citizens in Kyoto. The system has already established a qualification system, based on the human resource development curriculums of universities, which corresponds to Levels 5-7 of the European Qualification Framework in the EU. Since 2010, COLPU as a core institution, has taken responsibility for operating the system.

Based on outcomes from the human resource development system of “regional qualification framework for policy making” in Kyoto, CUANKA attempts to solve problems in the Northern Area of Kyoto Prefecture. Comprehensive and consistent co-operation between stakeholders and local universities promote the projects outlined below, which aim to advance the reform of university education programmes as well as human resources development (Figure 73).

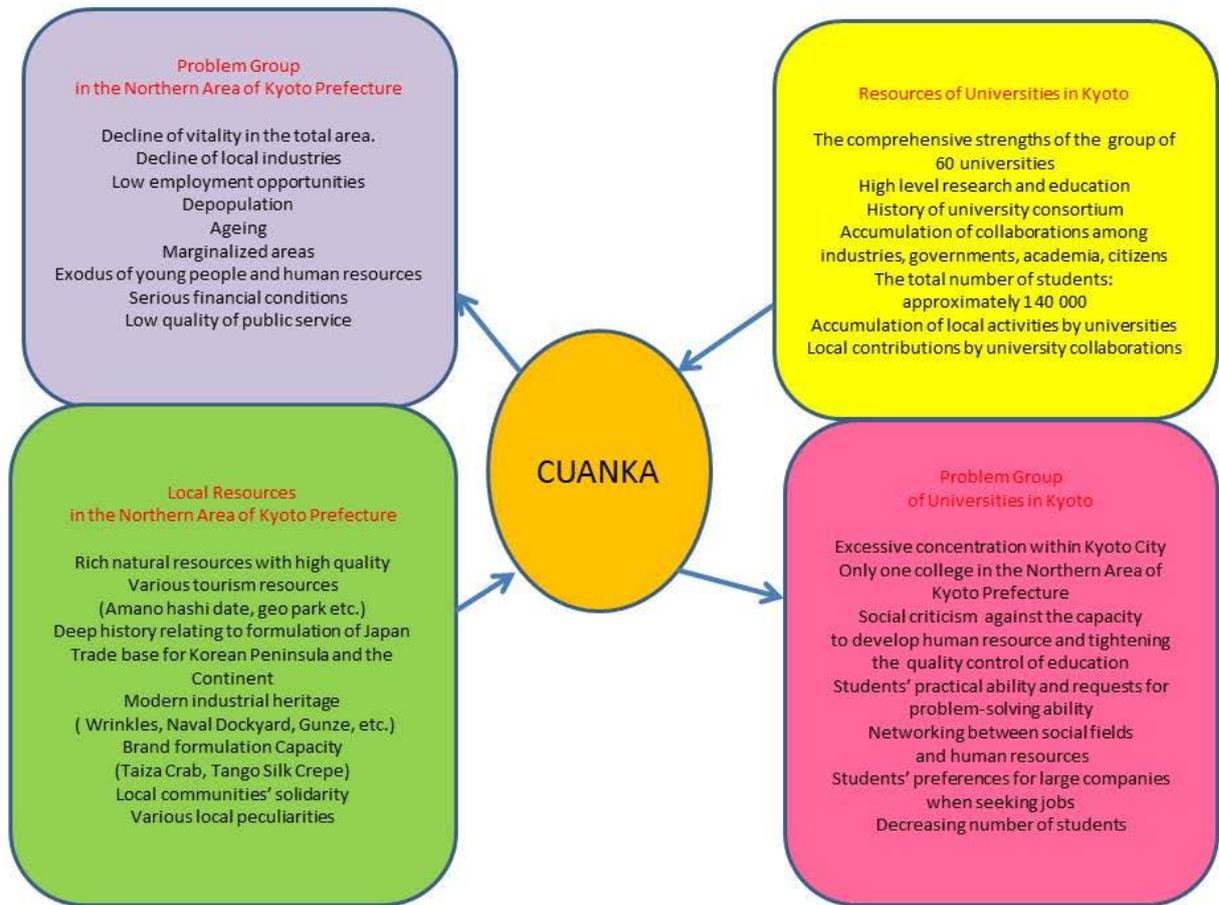
CUANKA’s three main activities are:

1. Fostering global public human resources that can respond to various issues in the Northern Area of Kyoto Prefecture.
2. Establishing a consistent collaborative system of industries, governments, academia and citizens in order to promote urban-rural networking and to utilise cross-sectional human resources.
3. Solving local problems and revitalising local communities.

CUANKA is composed of local universities, and stakeholders involved in community development in the Northern Area of Kyoto Prefecture (Figure 74). The operations of CUANKA are summarised as:

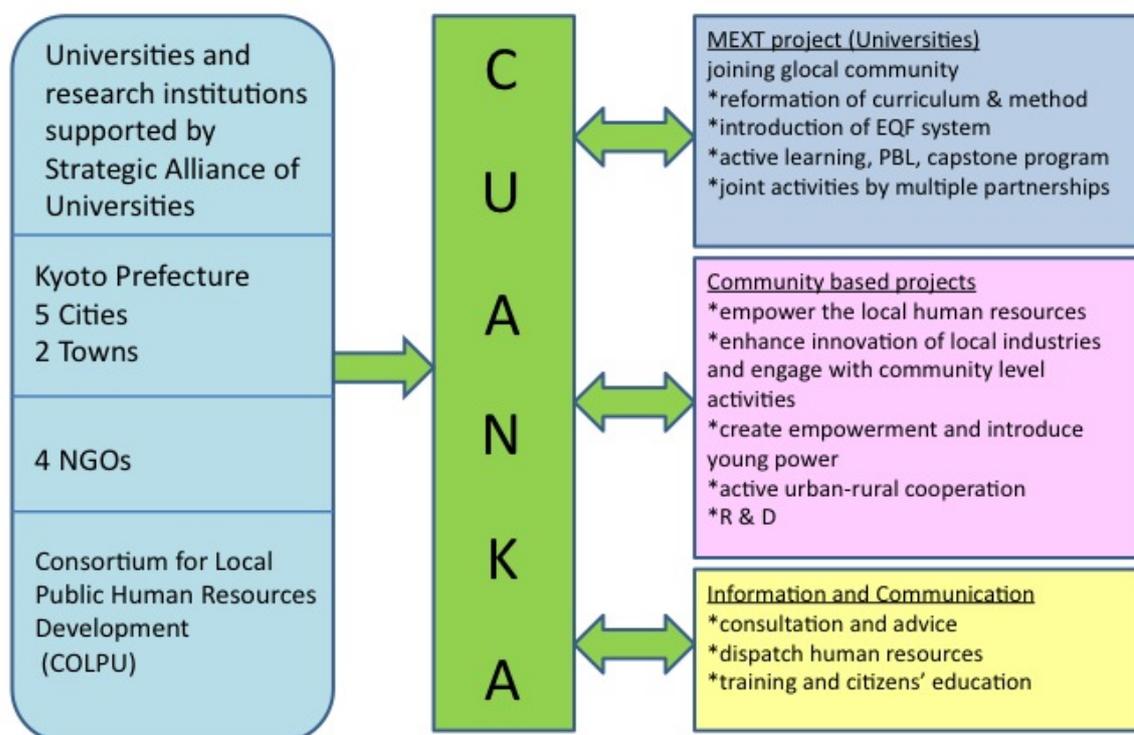
1. Appoint co-ordinators for each local area and universities;
2. Establish university collaboration offices and the facilities for locals and universities to network in the Northern Area of Kyoto Prefecture;
3. Universities carry out studies and research that are designed to help solve local issues collaboratively;
4. Kyoto Prefecture provides basic financial support and works with CUANKA at the project level.

Figure 10. Local communities and universities' collaboration for particular problems and social resources groups



Source : CUANKA, 2012

Figure 11. System of CUANKA



Source : CUANKA, 2012

CUANKA conducts the actual project so that universities and local communities can share mutual benefits through collaborative co-operation, targeting the Northern Area of Kyoto Prefecture. University-local partnerships can respond freely to the characteristics and scale of the problems. The financial resources necessary to implement the projects are available from various sources. They include government subsidies (including MEXT), subsidies through local grants from Kyoto Prefecture, the resources of local municipalities and relevant groups, as well as grants from private foundations.

CUANKA conducted four different types of pilot projects in order to have a broad base.

1. Whole Area Type: Leadership programme to promote entrepreneurship and to encourage local activities, implemented by Kyoto Prefecture and COLPU, sponsored by Kyoto Prefecture.
2. Allied Area Type -1: Research and analysis of the structure of consumer behaviour to build up an innovative commercial policy, implemented by two universities, three cities, three chambers of commerce and COLPU, sponsored by three cities and MEXT.
3. Allied Area Type -2: Aims to develop eco-tourism with motor driven bicycles supported by a renewable energy system, implemented by two universities, Kyoto Prefecture, three cities

and three cities' tourist bureaus, the local railway company and COLPU, sponsored by Kyoto Prefecture, COLPU and MEXT.

4. Single Area 1 Issue Type: Local regeneration by establishing a system for barrier free tourism in Miyazu City, implemented by two universities, Kyoto Prefecture, Miyazu City, Miyazu City Chamber of Commerce, a tour agent and COLPU, sponsored by Kyoto Prefecture, MEXT and COLPU.

The areas subsidised by MEXT in 2012 as the universities' collaboration projects are:

1. Local regeneration through networking between universities and locals, utilising Satoyama resources;
2. Policy marketing research projects;
3. 1300th anniversary project for Tango's foundation;
4. Formulating a business model to promote "sport tourism" in Kita Kinki area;
5. Building residential type facilities for local-university networking;
6. Introduction of renewable energy to local communities.

CUANKA's operations have just been started. It is hoped to revive the declining areas by supporting social entrepreneurs, fostering green industries and human resource development to enhance social activities in terms of quality and quantity.

7.4 Policy Implications and Recommendations

7.4.1. Policy Implications

In the Northern Areas, which are declining economically and socially, tertiary education institutions and human resources are lacking. The case of Kyoto Prefecture highlights the importance of establishing the mechanisms (regional capacities) by which universities located in urban areas can become involved in local affairs. They could tackle local problems such as the creation of employment opportunities and help define and meet aged care needs, as well as engage in environmental conservation among other issues, by forging networks between local stakeholders, NPOs, local businesses and community organisations.

The case of Kyoto Prefecture is unique in that numerous universities are establishing multilevel collaborative networks by linking their special fields of study and laboratories. The universities are doing more than providing knowledge and human resources to the area unilaterally. In the "Kyoto Model", the universities gain new knowledge by setting the area as their target for study but at the same time students studying local affairs and urban policies gain "training on the spot". Students can receive training to formulate local and urban policies and to solve local issues practically. The "Kyoto Model" is advantageous in that universities and local communities are in a reciprocal relationship.

The Northern Area of Kyoto Prefecture is an area which is rich in nature, yet has an ageing and rapidly decreasing population. In order to attract the younger generation, it will be vital to create employment opportunities and jobs for both the elderly and the young in the future. At the same time, the "Kyoto Model" will be challenged to decide how to establish green markets (environment) and silver markets (labour markets or consumer markets for the elderly). Some experimental and

challenging efforts are being made, but the question is how to create a surge which can lead to local regeneration in the future.

In the “Kyoto Model”, in order to ensure the practical abilities of students, ‘on the spot’ training is provided, particularly focusing on formulating policies. Universities are also often accepted by local communities as being a recognised public policy expert. The aim is to foster highly educated people, mainly at master’s level, who can take the lead in the local regeneration process, by being positively committed to depressed areas faced with social and economic difficulties.

7.4.2. Policy Recommendations

1. Demographic change, which results in population reduction and ageing in this case, is caused by diverse conditions. Due to industrial structure adjustments, production sites have been moved overseas. Low birth rates have been accelerated because of the change in values in people’s lives. Additionally, the suburbanisation of housing in metropolitan areas often leads to lower numbers of people living in the central cities. Therefore, the policies pursuant to the sustainability of shrinking cities should be multi-dimensional, and urban policy studies need to be interdisciplinary. Additionally, with regard to government, in order to respond to issues efficiently and effectively, it is necessary to determine the appropriate scale and level of approach.
2. Local cities experiencing decreasing populations, and economic and social decline for various reasons, rely on public investment and still face the difficulty of attracting private investment. What is needed for revitalisation and regeneration is economic and social development which makes use of historical, geographical and natural attributes. In other words, to pursue the possibility of endogenous development is the only way to survive, enabling the area to capitalise on local features in the era of economic globalisation. By choosing such a path it will be possible to ensure quality of life for local people.
3. Local cities that have decreasing and ageing populations are faced with the problem of scarce human resources. To utilise limited human resources, it is imperative for local community members, such as local government, economic groups, cultural groups, businesses and non-profit organisations, to be more conscious of themselves as stakeholders, and to establish the frameworks by which they collaborate with each other. The policy direction that Kyoto Prefecture has taken, making use of the experience and skills of older workers, providing further opportunities for them, and offering the chance to play active roles in local communities, should be welcomed.
4. The universities, which are storehouses of intellectual and human resources, should contribute to the regeneration of local cities that are facing the problems of demographic change and decline, irrespective of where they are located. In the Northern Area of Kyoto Prefecture, innovative and creative efforts are made, in that numerous universities outside the areas in question collaborate and form partnerships with local stakeholders to cultivate human resources and conduct studies of regeneration programmes. The exchanges between universities and local communities have brought about numerous creative projects. The outcomes of such efforts can be exported to others as the “Kyoto Model”.
5. In the “Kyoto Model”, a weakness could be seen in regard to the effort to create new employment, which should be one future policy agenda. Local cities with rural areas and beautiful countryside have natural assets. It is necessary to create new businesses that make the most of the green assets, develop opportunities for the elderly to work, and generate consumer markets for the elderly (generally called “silver markets”), at the policy level. Further study is needed in this regard.

6. It is difficult for one single city to solve the issues of demographic change and sustainability. It is essential to develop collaboration between cities, which can respond to issues at the city region level. Additionally, it is necessary to build diverse networks with metropolitan cities in remote places. Kyoto Prefecture needs: more positive attempts to build a distribution system by which organic agricultural projects are sold directly to people living in urban areas; the development of agritourism; and extension of housing subsidies which encourage settlement from urban areas.
7. Lastly, statistical data which ensures quality, comparability, and that helps to formulate policies is needed. Ensuring comparability of knowledge bases regarding how and by how much cities are shrinking enables tailor made policies and measures to be designed, and contributes to practical and efficient policy decisions. For this, measurement methodologies also need to be examined, including scales for the analysis.

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SOCIO-ECONOMIC ALLIANCES IN RESPONSE TO NORTH KYOTO DEMOGRAPHIC TRANSITION