



Hiroya Masuda

Essential Points for Regional Revitalization

HIROYA Masuda, a visiting professor at the University of Tokyo's Graduate School of Public Policy, is a member of the Council on Overcoming Population Decline and Vitalizing Local Economy which has been established under the Japanese government Headquarters of the same name. We asked him about Japan's vision for regional revitalization.

What is the background to the policy of promoting regional revitalization?

There is a huge demographic shift in the background of regional revitalization. The population of Japan entered a period of decline in 2008. Regional revitalization is aimed at alleviating the exhaustion of regional economies caused by the population decrease and getting the economies back on their feet.

The provinces will be lacking in labor force to a considerable extent if things stay the way they are at present, because the population is not decreasing uniformly across Japan. The migration of young people from the provinces to Tokyo to enter schools and secure employment is progressing at a rapid pace. Similar conditions are also emerging in other large cities in Asia. This phenomenon may be part of urbanization, but we must face it with an appropriate sense of crisis.

Based on this awareness, the government developed a comprehensive strategy in October 2014. A range of initiatives have spread over the last three years under the five-year plan. But this is not an easy problem for which results can be produced in five years. We must continue our policies for a long time by reviewing our strategies. We have just started on the first stage.

To what points does the Council on Overcoming Population Decline and Vitalizing Local Economy attach particular importance?

The first point is focusing policies on the members of the younger generation and providing stronger support for efforts to make learning and working easier for them. In other words, we are attempting to rebuild a cycle through which the members of the younger generation earn an income, have children and pass the baton to the next generation. The total fertility rate is at a particularly low level of 1.24 in Tokyo, where our population is concentrated. Keeping in mind that this rate is below the national average of 1.44, and is the lowest in Japan, taking ever solid measures to address the falling birthrate, such as eliminating nursery waiting lists and establishing consultation desks with the rate in mind is also essential.

The second point is to equip the provinces with attractive places to work and generate flows of people moving from Tokyo to the provinces. This is the most important point.

The third point is to introduce policies for improving productivity and raising growth potential continuously to address the second point. In other words, the point is to further promote the industrial revitalization that is now underway throughout Japan.

What are the key points for revitalizing industries under the population decrease?

These points lie in increasing employment for the members of the younger generation and productivity enhancement with the use of AI (artificial intelligence) and robots, for example. I think that a period of population decline is ideal for

reviewing the industrial structure and focusing on productivity enhancement. A decrease in the working-age population and an increasingly severe labor shortage will force us to reconsider our traditional ways of working, in particular. There used to be a feeling that robots would take jobs away from humans, but activities for exploring a range of possibilities, such as the introduction of robots to control initial costs, are now strengthening. I believe that Japan is in a position to be a leader in trying out various ideas because it was the first country in the world to move into the stage of a super-aging society.

This challenge will be instructive to not only parties in Japan but also countries in Asia and areas beyond. It will also provide Japan with another opportunity to earn profits by exporting systems and structures if it succeeds.

Expectations for the members of the younger generation are great, aren't they?

Members of the younger generation are fearless when it comes to introducing AI and robots to their lifestyles. They abound in ideas as well. I think that leaving how to shape the future society up to their ideas and supporting them resolutely will be the right thing to do. I believe that society evolves in this way.

It is better to attach priority to systems that make the most of young people's flexible thinking about businesses in the sharing economy than to worry about the poor sales of goods in the age of the sharing economy. I believe that the government will face a test in terms of how to develop a system for providing support without meddling in young people's ideas too much.

Tell us about the possibilities and courses of action that are anticipated to expand from now on.

Provincial cities have problems, such as difficulties involved in developing new businesses, generating jobs and even moving. But people who find Japan's attractiveness in such provinces,

book private guesthouses on the Internet and visit Japan have been growing in number in recent years. We are living in an age when those on the visited side can deal with such visitors using a smartphone. I think that local governments should leave visitor reception to individuals who are sensitive to those changes if they are there. I believe that changes based on ample ideas will occur if they do so.

For example, Shinto shrines, Buddhist temples, regional performing arts and festivals in all regions are attractive content that Japan can offer. There are harvesting experiences and fresh local dishes at farmhouses in the harvesting season as well. We are living in an age when visitors from overseas will be able to deepen their understanding with automatic translations on their smartphones if we improve the Wi-Fi conditions in the provinces and think up a few good ways of highlighting this content.

Opportunities for the provinces have been growing in recent years with the increasing number of low-cost flights and international flights to regional airports.

Share your view of the future outlook for regional revitalization with us.

The important thing is to resolutely and flexibly discuss what we need to do to keep local communities alive in the best way for them, because Japan's population structure is going to change significantly.

Our efforts to revitalize the regions are in their fourth year. The foundations for such discussions have been laid, and results have accumulated around the country. Regional revitalization is now in the stage of execution.

I believe that Japan must succeed in its initiatives as the leader in the transition to a super-aging society and deliver its experience of the nationwide spread of regional revitalization appropriately to the rest of the world. 

Interview by HITOSHI CHIBA
