

<資料>

The Present Conditions of Mountain Villages in Japan and Policy Strategies for Positive Regional Promotion

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1 Formation and factor of depopulated areas

In 1967, during Japan's modern-day economic boom, the Japanese Government recognized and categorized rural areas as "Depopulated areas". Formal Japanese economic policy in the early 1960's focused on the development of heavy equipment and the chemical industry. Also during this economic renaissance period, the Tokyo Olympics were held and a new main-line super express train (Tokaido-Shinkansen) opened between Tokyo and Osaka. Japan's industry was further fueled by foreign trade and parallel domestic demand and by 1968, Japan's GNP (Gross National Product) was the 2nd largest in the world. To support this boom, workers in great numbers flowed into the three main economic hubs of Tokyo, Nagoya, and Osaka and this surge put great strains of the city's infrastructure. As a result of this sudden influx of people, traffic increased exponentially, housing shortages became apparent, lack of schools was apparent, etc.

The economic boom experienced in the industrial cities had an opposite adverse affect of the local economies of the small mountain villages. For example, modernization in the cities fueled the rise of propane gas vs. the traditional charcoal that was supplied by the mountain villages and local silk production was it hard by the new imports of raw silk.



Picture1. The Tokaido-Shinkansen.



Picture2. The Metropolis of Tokyo.

At the same time, the Japanese Government imposed policies on rice production in order to stabilize an otherwise volatile rice market. Wood was not immune from the effects of new trade as well – as the wood import liberalization was completed in 1964, naturally the local market prices were forced downward and by 1980 the forestry industry in Japan was officially deemed a “depressed industry.” With all of these factors converging at the same time, the income gap between city dwellers and mountain village citizens increased dramatically and many mountain villages suffered huge losses in their generational population as more and more young people sought the city for higher wages and employment opportunities.

The depopulated areas counts 1,167 municipalities in April, 2004, and this number reaches 37.6% of the municipality in Japan.

In April of 2004, the “depopulated areas” accounted for 37.6% of the population of Japan and by the year 2000, the populations of rural Japan had dropped dramatically to only 6.1% of the total even though the geographic areas of rural Japan account for a full 49.7% of the country (Figure 1). By August of 2007, 423 settlements completely disappeared and virtually all of these settlements were rural mountain villages.²⁾



Picture3. Deserted house in mountain village (Kyoto Prefecture 1980).

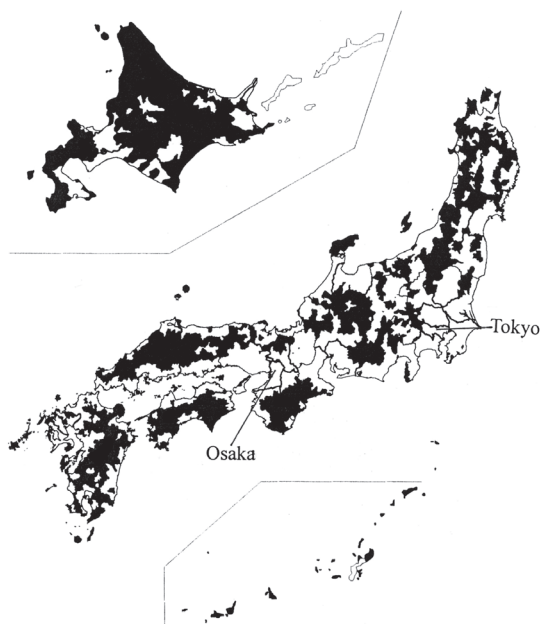


Figure1. Distribution of depopulated areas in Japan (2000)
Present conditions of depopulated areas (government official gazette)

2 Development of the City and the parallel Decline of Mountain Villages

—A case study of Japanese Mountain Villages with proximity to Metropolitan Areas—

(1) Population trend in metropolitan area³⁾

In 1960 the metropolitan population proportion of the total would = 24.4% and by 2005 it would increase to 32.2%. During this period of high economic growth, the regions that saw the most extreme population increase were the Chiba Prefecture, Kanagawa Prefecture, and Saitama Prefecture. Ease of transportation was one of the key reasons economies could boom and in Japan the railway system is excellent. Population fluctuations are not new to Tokyo as the initial railway service enabled the population to move out of the center of the city to more suburban areas but then allowed them to return in search of the new jobs created by the economic boom. One downside of the recent return and increase of the population in Tokyo has resulted in a new shortage of elementary school facilities. Then after this initial demand for new facilities the pendulum swung back with economic stagnation that accompanied the collapse of the economic bubble in the first half of the 1990's. During this economic correction, property values plummeted and became relatively inexpensive and open to many more of the population that in past years had no chance to own in Tokyo. One part of the population that took advantage of this opportunity was senior citizens who returned from the suburbs to enjoy the conveniences of city life.

(2) Economic differential between cities and mountain villages

Why does the decrease in population happen in the mountain villages?

What is the impetus of the population decreases in the mountain villages specifically? Most significant was the income and employment opportunity gap between city and mountain village life. The number of regions that did not reach 60% of income level of the metropolitan areas is summarized in Table 1. Looking back to 1971, there were a lot of regions in Japan where the income level was relatively low even in the metropolitan areas. Then as industry was developed and nurtured factories were built in these regions and the quality of life increased in these former farm villages.⁴⁾ These regional improvements increased the overall income levels of the entire country and the income gap between cities and farm villages was closed somewhat. Figure 2 showed the distribution of the income in the metropolitan area in 1986, and Figure 3 shows the distribution in 2004. The region where the income level was high extended to plains in about 20 years.

Table1. Number of regions where personal income does not reach 60% of national average in metropolitan area

Prefecture	1971	1986	2004
Ibaraki	59	10	4
Tochigi	14	0	0
Gunma	33	9	4
Saitama	44	1	0
Chiba	33	3	0
Tokyo	1	0	1
Kanagawa	0	0	0

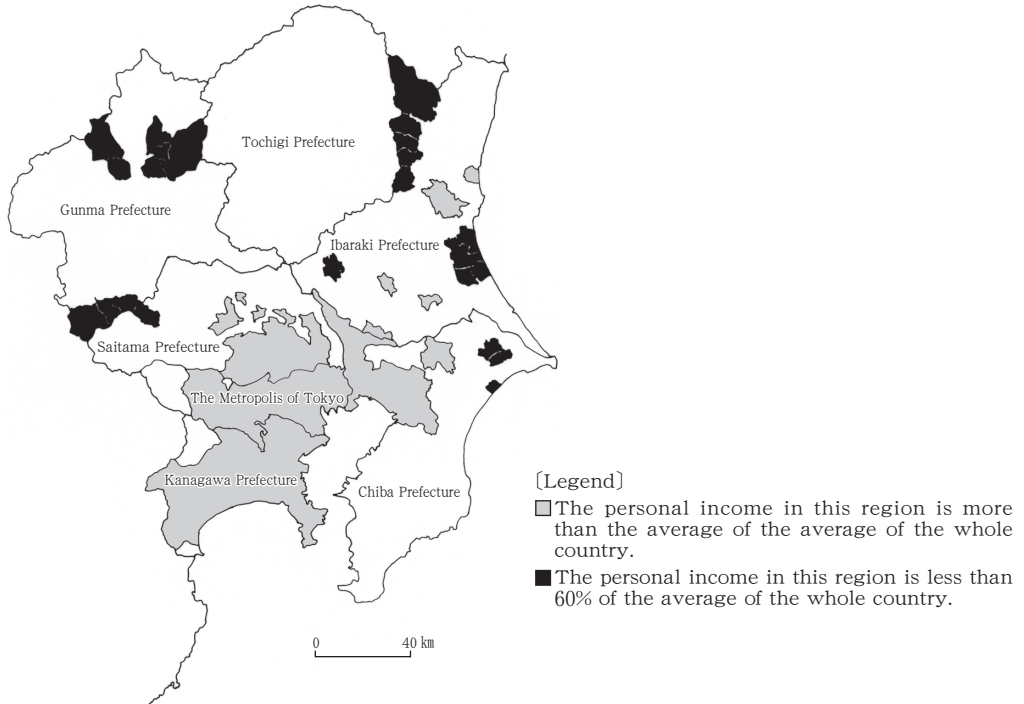


Figure2. Regional distribution of level of personal income in metropolitan area (1986)

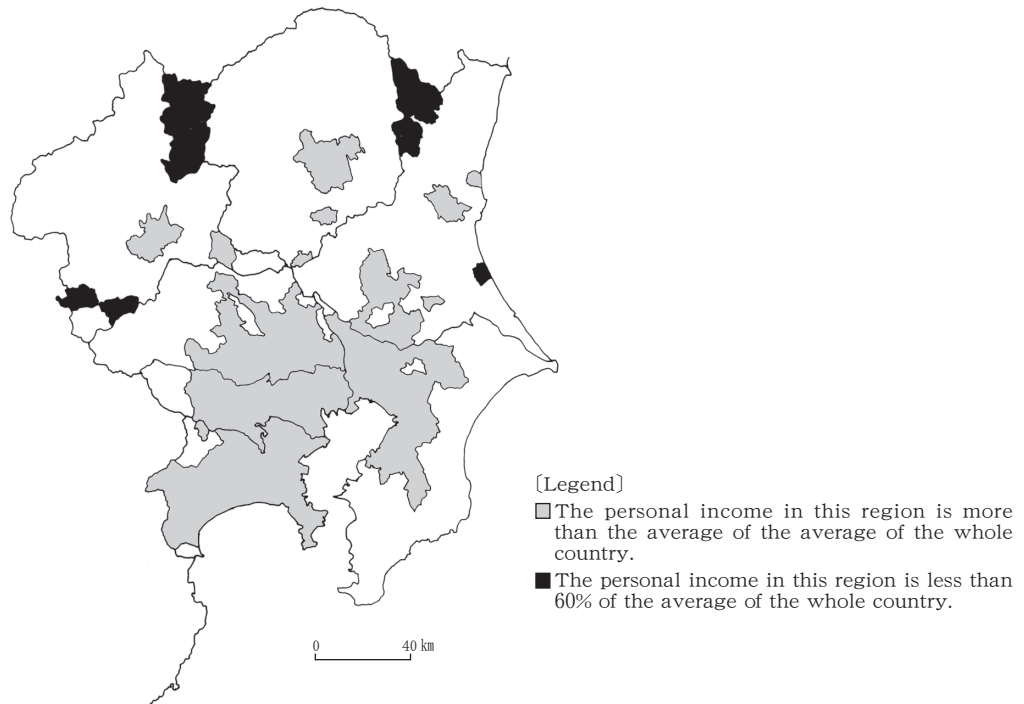


Figure3. Regional distribution of level of personal income in metropolitan area (2003)

The price of land of Tokyo soared in the bubble economy era at the end of 1980's as a result of many people from the metropolitan areas moved to Tokyo where initially land was relatively inexpensive thus pushing demand and prices upward.⁵⁾ So areas of prosperity increased dramatically in Japan at the expense of areas of Japan that lack industry – namely the rural mountain villages. These areas are defined by not reaching 60% of the country's total average income level.

(3) Depopulated areas in Metropolitan Areas

As of April 2000, the number of metropolitan areas that saw population declines was 45. The depopulated areas were classified into four types by the proportion of the decrease in the population from 1960 to 1980 and from 1980 to 2000 (Figure 4). Type I is defined as a region where the population decline is relatively gradual. These are mountain villages with proximity to a highway interchange, a resort area, or where the center of agriculture is rice farming.

Type II is a region where the proportion of decrease in population from 1960 to 1980 was relatively large, but the proportional decrease in population between from 1980 to 2000 was

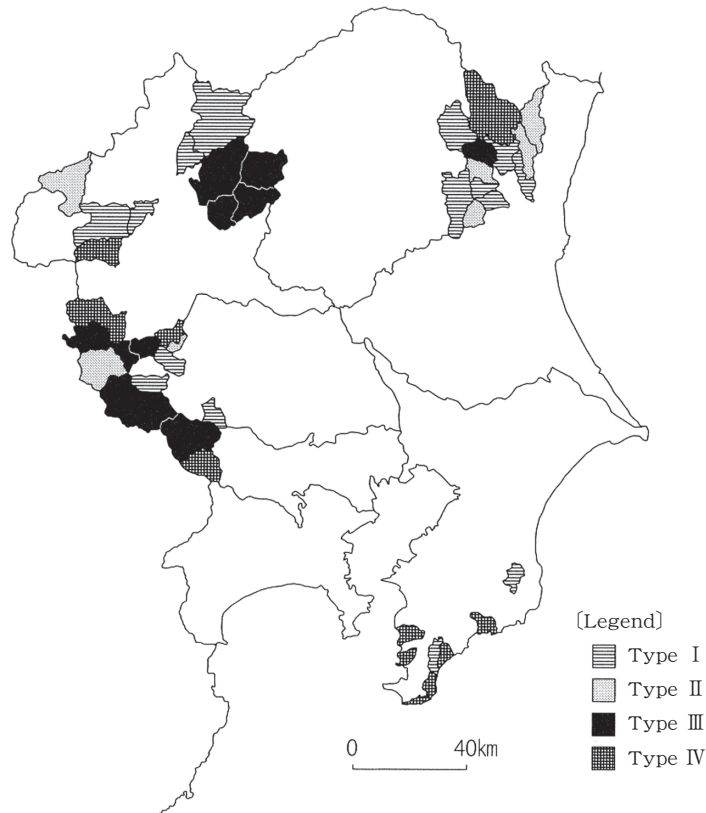


Figure4. Distribution of types of depopulated areas in metropolitan area

relatively small. This region is characterized as being adjacent to a famous resort region or in proximity to the construction of a large-scale hydroelectric power plant. Type III is a region that has experienced a continual gradual decrease in population for the past 40 years. In these Type III regions geography is very sloped, productivity is low, and the life-expectancy is some of the most advanced in Japan. Type IV is a region that showed the most dramatic population change after 1980.

Figure 5 is an aging rate of settlement in Kanna-town of Gunma Prefecture. The population of Kanna-town is 2,647 people, and the aging rate is 49.7% (2006). The aging rate height in the settlement reaches 94.1%. Such a settlement cannot have the future. However, the population decline is gradual in the region where rice farming is possible.



Picture4. Type I of depopulated areas in metropolitan area (These are mountain villages where the center of agriculture is rice farming).



Picture5. Type III of depopulated areas in metropolitan area (Settlement located on the steep slope, Gunma Prefecture).

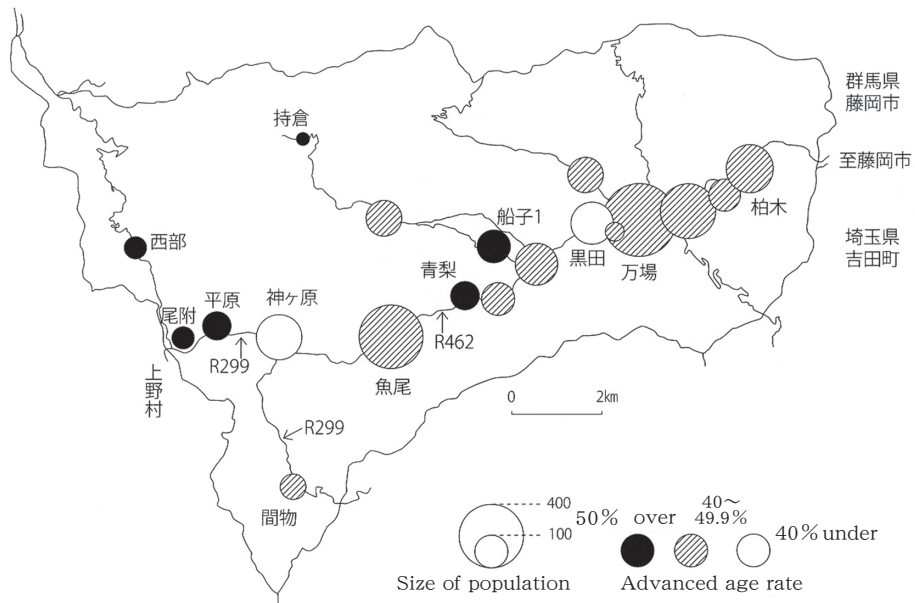


Figure5. Aging rate of settlement in Kanna-town (2006)



Picture6. High age society settlements in mountain village (Gunma Prefecture).



Picture7. Settlement located on the steep slope, Nara Prefecture (1978).



Picture8. Farmland located on the steep slope, Nara Prefecture (1978).



Picture9. Central-place of Kanna-town in Gunma Prefecture.



Picture10. Kanna-town in Gunma Prefecture.



Picture11. High age society settlement in Kanna-town, Gunma Prefecture.



Picture12. High age society settlement in Kanna-town, Gunma Prefecture.

(4) History of Industry in Japan's rural Mountain Villages

The characterization of industry typical of the mountain village which was located on the edge of a metropolitan area was sericulture, raw silk production, agriculture, and forestry. During the rapid period of industrialization in Japan all of these industries declined. Sericulture declined because of inexpensive foreign raw silk being imported in 1960's. Historically in Japan, agriculture would center on the cultivation of the konjak and Konjak requires soil highly concentrated with lime. This lime is geographically located mainly in the mountain villages west of the Gunma Prefecture. The expertise in this tradition enabled the Administration of the Gunma Prefecture to develop a new type of Konjak that was able to be grown in a lot of regions all over the Gunma Prefecture – not necessarily only the mountain villages.

So therefore, the production of Konjak specifically in the mountain villages declined after 1970's. The economies of the mountain villages were also adversely affected by the Government Policy of rice production restrictions. In addition to the Konjak and Rice influences on the Mountain Communities, the increased importation of foreign Timber also has a deflating affect on the local timber market. All of these converging influences had a negative effect on the populations of these mountain villages.



Picture13. Farmland of Konjak.

3 Promotion of the Mountain Villages by Government Policy

In 1965, the Japanese Government began a series of protectionist measures to help promote and protect the interest of the small rural Mountain Villages in Japan.

The main goal of these laws was to promote and encourage the development of industry and the subsequent social and economic infrastructure in these depopulated areas in order to stabilize the population and increase the quality of life.

The goals of the 4th law to promote the welfare of the depopulated areas was enacted in 2000 and included 1) Promote policies to enable the population to be as independent as possible; 2) Increase the overall welfare of the people; 3) increase job opportunities; and 4) try and decrease the income gap between metropolitan/city areas and areas that experienced population decreases.

One way to affect change per the goals noted previously is to provide the area with funds from a bond (Depopulation Bond). From April 2000 to March 2004 31.6% of the areas environmental costs can be supplemented by the bond. The cost of the maintenance of

base social services is approximately 3 trillion yen which represents 31.6% of the whole. For example, water service, sewage treatment plant, and maintenance of the communication equipment infrastructure, etc. The costs of road maintenance and construction is about 2 trillion yen or 24.6% of the whole. The cost of the promotion of industry is about 2 trillion yen for 22.1% of the whole. Thus production facilities and tourism are maintained and promoted.

(1) Policy to reduce economic differential by law

As a result of these policies, several business enterprises were attracted to Mountain Villages during the 1960's and 1970's that help drive up the overall income of the inhabitants. Tax incentives were also a major incentives for businesses to locate and develop their businesses in these areas. Among industries that adapted to these regions were needlework factories and electrical component factories. The benefits were not as dramatic as everyone hoped and the benefits short-lived as at the same time the appreciation of the Yen pushed some enterprises to withdraw from these same villages. To this day, local governments are having a difficult time attracting new businesses because the National Finance income source has been so dramatically affected by the economic bubble collapse.

(2) Policies to Promote Agriculture

The government in Japan currently has several policies that promote agriculture. This specific industry has been promoted extensively by the Japanese Government out of their General Fund. Examples include the maintenance of farmland, roads, duction facilities, and fabrication plants, etc. The government started the policy of promoting agriculture in the region which was called "Hilly and mountainous areas" (Chusankan areas) in 2000. The main purpose of this agricultural policy was to stop the practice of abandoning land that had been previously used for agricultural purposes especially in "Hilly and mountainous areas". In some cases however this policy is not that effective because this policy obligates the area to be settled to be organized as a settlement unit within the community and the only available land is located on severe slopes so the impulse to simply abandon is high.



Picture14. Abandoning land.

(3) Policies to Promote Forestry

Japan also instituted several policies to promote the internal forestry industry. These

policies were aimed at funding the construction of new processing plants, the maintenance of paths to get to new forests, the promotion of forest professionals, etc. However, despite these efforts Japan can only supply 18% of its requirements as of 2005. After World War II, much of Japanese redwoods and Japanese cypresses were afforested in the mountains of Japan. As a result, the artificial forest constituted 43% of all new-growth forests in Japan. After 1964, the majority of all lumber used in Japan was imported and this drove down the price of domestic lumber in the country. The lumber industry has in fact also suffered from a lack of production as the financial incentives have largely disappeared. Forestry is not recognized as an effective industry in the mountain villages of Japan today and it continues to struggle.

4 Policies to Promote the Infrastructure of the Inhabitants of Mountain Villages

The Japanese Government has increased their focus on policies to help develop the infrastructure that will improve the quality of life of the inhabitants of rural Mountain Villages. But even though the Government invested heavily, this was not able to completely stop the decrease in population as the improvement in infrastructure must be accompanied in parallel by gains in the agriculture and forestry industries whose gains were mixed.

Have all settlements of the mountain villages in Japan declined? There are several cases where inhabitant and co-operation work on promotion of the region in the mountain villages in Japan have resulted in different results. Here are three case studies.

(1) Establishment of co-operation for processing of farm products by inhabitant of mountain village

This case is one of the promotion models of the mountain village in Japan. The settlement is named Asyuu and is about two hours from Kyoto City by car. The number of households of this settlement is 45 households in 1960, and 33 households in 1970. The main industry of this settlement was the production of charcoal until 1960 when the leading source of energy in Japan shifted from charcoal to gas and electricity. As the charcoal industry declined those jobs were lost. The community then re-focused on the natural industry of the wild-plant that grew commonly in the region and co-operations were established in 1963.

The factory to process the edible wild plant was financed by the Government and built in 1966. Initially the product did not sell well and concerns were raised. Then, the agricultural cooperative association began to support the co-operation of Asyuu by developing and selling the commodity in 1973. The agricultural cooperative association succeeded in helping to promote and sell the commodity for the cooperative in the Kinki region.⁶⁾ As a result, sales of the co-operation have rapidly increased. The co-operation structure of Asyuu is typical industry in the region today. With this success some of the people that had

initially left the region returned. What is the resulting assessment of the challenge to this small settlement?

How has such a small settlement continued positive economic trends for the past 45 years? The first reason is the inhabitants have continued to want to live in the mountain village. They have all turned all of their efforts to making this happen. This is a good example of a model in which an industry is autonomous in the region.



Picture15. Asyuu settlement in Kyoto Prefecture (1980).



Picture16. Asyuu settlement in autumn.



Picture17. Asyuu settlement in spring (1994).



Picture18. Factory of co-operation in Asyuu settlement.



Picture19. Product of co-operation.

(2) Small-scale Organic Farming in Mountain Villages

This case is one model of a small-scale farming of the mountain village. The mountain village in this case is located about 100 km by air from Tokyo, and the name of the municipality is Kanna-town (see Figure 5). The overall personal income of this mountain village in 2004 has not reached 60% of the metropolitan area average. The government started the policy of promoting agriculture in the region which was called “Hilly and mountainous areas” (Chusankan areas) in 2000. The main goal of this policy was to stop the abandonment of previously cultivated lands and promoting the next generation of agriculture in these “Hilly and mountainous areas”.

The financial subsidy to the farmer is conditional. The first condition is to establish the organization for farming within the settlement. The second condition is to manage the farmland of 1ha or more within the settlement.

The target number of settlements in the whole country is about 27,000, and each farmers' subsidiary is approximately 80,000 yen a year. However, the organization for farming could not be widely established with the settlement because of the aging population in Kanna-town. Therefore, this policy does not target the settlement of Kanna-town. On the other hand, the promotion of a large-scale farmer is valued in the agricultural policy of Japan from 2007. Small-scale agriculture in mountain villages fell outside the object of the agricultural policy of Japan today. However, there are cases where a farmer can succeed in this environment due to a wise management strategy – in Kanna-town.



Picture20. Recognition sticker of Japanese Agricultural Standard.



Picture21. Farmland of organic farming.

This farmer is producing the vegetables by the method of organic farming in scale of about 1ha. This farmer is growing a various kinds of vegetables throughout the year, in small quantities and he has received the recognition of Japanese Agricultural Standard as a farmer of organic farming. Many of his farm products are shipped to the agricultural cooperative association. This farmers market includes special buyers and distributors who provide his product to consumers in the city. Since it is such a small and unique market, the farmer ultimately has control of the price of his product at this point. The farmer

Table2. The schedule of farm products in Nishizawa farm

Farm Products	▼ =sowing — =harvest											
	March	April	May	June	July	August	September	October	November	December	January	February
Shiitake mushroom	—▼								—			
Red pepper	▼					—						
Eggplant	▼					—						
Yam												
Cucumber			▼			—						
Sweet potato			▼	▼	▼				—	—		
Fiery radish	▼	▼	▼	▼	▼	▼	▼	▼	—	—	—	—
Leek of Shimonita								▼				
					plant				—			
Blueberry				—	—							
Plum				—	—							

enjoys a price premium of 20-30% vs. farm products that were produced using typical and conventional agricultural chemicals. The consumer has decided the value is worth the price premium. For example, the parents of a sick allergic child may require vegetables that are produced in organic farming. The seal of Japanese Agricultural Standard which prints producer's name and recognition number is pasted to this farmer's farm products so the consumer can know what he or she is receiving – this seal gives the consumer confidence in the product.

This is a case where the agriculture of the mountain village is managed by the farmer who had entrepreneurship. The agriculture of such a small-scale mountain village has been approved by the trust of the farmer and the consumer.

(3) Establishment of Co-ops to Supply Local Wood

The slump of the forestry industry is one of the key factors in the decrease in population of the mountain villages. The commission which promoted forestry policies plan in the west region in Gunma Prefecture was established in 1996. Gunma Prefecture previously did not have the regional policy in place to promote forestry. The method of promoting forestry in the region that I mention here is described as follows:

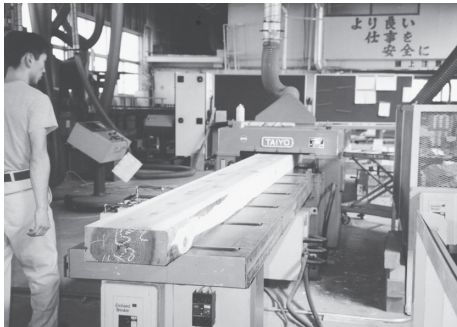
First I developed the policy to encourage the inhabitants of the Gunma Prefecture to utilize the local lumber resources. The Gunma Prefecture Office reconsidered the loan system from April 1998. Then, a purchaser of a residence was well treated. The purchaser of the residence made of the lumber produced in the area can receive the subsidy of 17,640 yen per year in the period of 10 years by using this system toward a loan forehead 1 million yen. For example, if the purchaser borrows 10 million yen from the Gunma Prefecture, the purchaser can receive the subsidy of 1.76 million yen in 10 years. However, this system requires two conditions for the purchaser to receive the subsidy. A residence must conform to the residence-building standard, which is established by the Gunma Prefecture Office. Second, the residence must include more than 60% of the structure material made of the



Picture22. Present condition of forest of Japanese redwood.



Picture23. The model house by local woods in Gunma Prefecture.
(1) The consumer buys wood from the owner of the forest.



Picture24. The model house by local woods in Gunma Prefecture.
(2) Wood is processed at the factory located in local.



Picture25. The model house by local woods in Gunma Prefecture.
(3) Structure of house with all local woods.



Picture26. The model house by local woods in Gunma Prefecture.
(4) Dining room.



Picture27. The model house by local woods in Gunma Prefecture.
(5) Child room

lumber in the area in which quality authentication was taken. Secondly, the residence must include more than 60% of the structure material made of the lumber in the area in which quality authentication was taken. In the Gunma Prefecture specifically, the number of houses built with lumber produced inside a prefecture zone has increased because of the housing policy of the prefecture office. The number of houses that were built because of the prefectures' office promotion was about 700 from 1998 to 2003.⁷⁾

Secondly, in 2000, I established a co-operation to supply pre-fabricated houses that used locally produced lumber for inhabitants of the Gunma Prefecture. Recently, the popularity of the prefabricated house has increased in Japan.

The reason for this increase in popularity is as follows. 1) A lot of people have increased their attention to the stability of their structure after the great earthquake of 1995. 2) The marketing of the product and subsequent service and support for this product is excellent. 3) Information on the construction company which constructs the house with local lumber is a total local process – local lumber, local Forest Association, local lumber workers/factory, local design firm, and finally a local construction company.

The subsidy to support this effort is paid from the tax revenue of the Gunma prefecture. The tax revenue increases as the industry increases in the region so in effect money keeps coming back into the system. The mountain village benefits as the forestry industry matures in the region. Public functions of the forest can become satisfactory by increasing the use of the lumber. Then, this policy can the wood-making possible as well as it can contribute to the improvement of the earth environment. This case is one of a regional promotion models by the cooperation of administration and the enterprise.

5 My proposal to country formation with good balance of Korea

I have already thought that the policy of Japan to the promotion of the depopulated areas and the promotion of the mountain village was limited in what could be accomplished. The government was not able to develop the region only with their policies – the people themselves had to contribute to modernize their area. The issue of Global Warming has brought the Government's policy towards forests and the lumber market to the forefront. However this recent public function is not related to economic reproduction as it is more of a world social function. Recently, I believe the developmental successes of the depopulated areas became possible because of efforts of the inhabitants and the local governments working together. The inhabitant in the region creates businesses, and administration supports many of cases which have succeeded in the development of the mountain villages in Japan. The forestry and agriculture are sustainable industries in mountain villages. The policy of Japan for the promotion of the mountain village lacks this viewpoint. Base on the experience of the mountain village in Japan, and my proposal to the country formation with

good balance of Korea is as follows.

First, I think that it is necessary opportunities for people in the city to recognize the present condition of the farm villages and the mountain villages of Korea is necessary. Many inhabitants of cities in Japan do not recognize the present condition of the mountain villages. I think that increasing the number of people who understand the present condition in the region by promoting agriculture and forestry in the mountain village is critical. In Korea, there is unique farm village that produced the special cheese that is prized for its taste by Korean's. This I think can be used as a development model for other rural regions of the country.

Secondarily, I think that the argument concerning the method of the regional development is important. The overall fundamental characteristic in each region of Korea is rooted in a natural environment and a long local history. Each unique characteristic in the region is a very important element for the promotion of agriculture and sightseeing. When inhabitants become aware of and appreciate the food products produced in a farm village, they can begin to appreciate the farm village itself and the benefits to the city inhabitants themselves. So conversely, it is just as important then for the farm village to accurately assess and understand the needs of the city inhabitants, they need to be aware of the characteristics in imported products. As for the promotion of sightseeing (tourism), original charm and hospitality of the region is key. Inhabitants of a city can regain vigor by the unique and original hospitality of the farm village and at the same time the city-dwellers deepen their understanding and appreciation of the farm and mountain villages. The view of the farm village and their product by the city is very important to the continued promotion and overall long-term success of the rural regions.

Finally, it is important that the government and the administration organization assess people who designed businesses of regional promotion, and announce inside and outside the country so that trust can be established. I think that it is important that the farmer and the organization of regional promotion become independent in the market mechanism for the development of region.

[Annotation]

- 1) The target of this policy was in doubling the national income in ten years.
- 2) The definition of the mountain village by the law is a region of 75% or more of the rate of the forest.
- 3) The metropolitan area is a region in Tokyo, Kanagawa Prefecture, Chiba Prefecture, Saitama Prefecture, Gunma Prefecture, Tochigi Prefecture, and Ibaraki Prefecture.
- 4) For example, Takasaki City and Utsunomiya City succeeded as an industrial zone in the inland.

- 5) For example, Takasaki City, Kumagaya City, Oyama city, and Utsunomiya City.
- 6) The Kinki district is Osaka Prefecture, Kyoto Prefecture, Hyogo Prefecture, Nara Prefecture, Wakayama Prefecture, and Shiga Prefecture.
- 7) This policy was reviewed in 2004 and 2007. Gunma Prefecture has been promoting 500,000 yen to the owner of the house constructed with the wood of local since April, 2007.

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[Postscript]

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