

Chapter 1. Framework for the Book

This book is the outcome of five years of joint research by Japanese and Canadian social science researchers, working on rural revitalization in the CJ (Canada-Japan) Project. This work was sponsored through a Memorandum of Understanding between the Japanese Institute for Rural Revitalization in the 21st Century and the Canadian Rural Revitalization Foundation, signed in January 1999. More than 30 researchers were involved subsequently in a model of cross-disciplinary and cross-cultural collaboration.

If there is a philosophical bias in this book, it is that revitalization is a learned behaviour and therefore a choice. Devitalization does not have to be a perpetual slide into irreversible poverty and the extinction of rural economies. Social justice issues are acknowledged, but not viewed as endowing rural peoples with entitlements, such as lifestyle or profit. These important issues are instead treated as matters of governance and property rights.

The book is for rural activists, policy makers, bureaucrats, and most of all for students of the co-evolution of rural and urban interests globally. The chapters, taken together, are an investigation of concrete matters of investment, social capital, effectiveness of volunteering, the rural household economy, governance, and policy issues.

The chapters range from conceptual to descriptive and analytical work. This diversity of treatment of subject matter is an outcome of the synergies of the collaborative model of the CJ Project and the exercise of a comparative household survey, which was carried out for a random sample, in four of the 32 research sites in the New Rural Economy Project in Canada and two sites in Japan (see Figure 1). The total sample size for the six sites of the CJ Project was 785 households. Appendix 1 at the end of the book outlines the procedure for selecting leading and lagging sites and sampling as well as other methodological choices. Appendix 2 contains brief descriptions of the 4 Canadian and 2 Japanese sites.

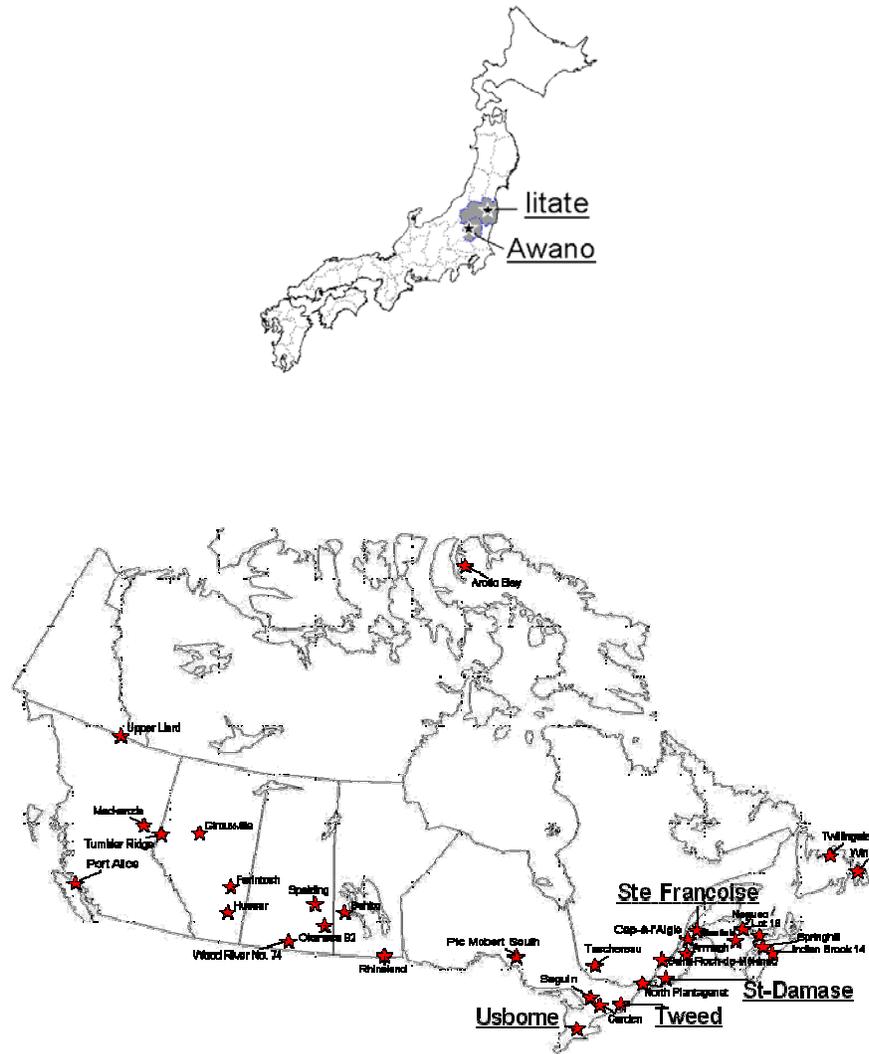
Three fundamental themes emerge from this work. First, the real differences in factors characterizing rural devitalization and influencing the likelihood of revitalization in the future were not as great as expected, despite the apparent and definite historical differences between Japan and Canada. Rural Canada and rural Japan share a common experience with depopulation, aging, wealth extraction, affirmative action, and the failure of agricultural policy as an instrument of rural development and alleviation of rural poverty. The main difference lies in the time available for adjustment to industrialization, about 100 years for Canada and about 50 years for rural Japan.

The second theme is that revitalization is a choice. Continuing devitalization is not fate. This is not to say that various forces and events do not devitalize a rural community or household, but rather that devitalization may be anticipated and met with strategies and activities that add and renew vitality. Though devitalization may generate cynicism and a sense of fate, global technology and the digital revolution contain opportunities. When anticipated and embraced, global shared learning may be a powerful vitalizing force. In contrast, widely advocated adaptation policy is not the only option, and probably not the preferred option for a revitalization strategy in either country.

Third, revitalization seems to be mostly about reorganization of rural assets and

human energies to increase productivity and therefore to strengthen rural claims on global income and wealth. Reorganization involves a range of issues, including production, social capital, property rights, equity and technology joint ventures, risk management, forms of social cohesion, and governance. The ever declining price of information management as the digital revolution unfolds promises to spur reorganization.

Figure 1. Comparative overview of the Japanese and Canadian Sites-1990–2000



These three themes are reflected one way or another in each of the following chapters, the first being this Framework chapter.

Chapter 2, *Revitalization: An Essay* by editors Leonard (Peter) Apedaile and Nobuhiro Tsuboi, explores various dimensions of revitalization. The authors contend that rural/urban co-dependency intensified in both Japan and Canada and indeed globally during the industrial

revolution is one of the major features of prosperity and of rural devitalization. Rural out-migration for industrial development, environmental degradation, resource depletion and wealth extraction are similar issues for both countries.

The authors maintain further that devitalization is not thought to be irreversible, though it could be characterized as a process of eliminating choice. Formerly unproductive and non-marketable assets in both countries are being reorganized to generate a new base for four highly valued types of national security: life and property, food and energy, water and ecological security.

Time, according to the authors, takes on new meaning for revitalization in terms of local capability to anticipate needed reorganization. Reorganization reflects the spirit of the times, the cost of reversing the effects of devitalization, and the speed of learning by households and governing institutions. In the meantime, a New Rural Economy is emerging rapidly in both countries with the transformation of the industrialized to the global, knowledge-based digital society.

Chapter 3, *Evolution of Rural and Agricultural Policy in Japan, 1945 – 2002* by Junko Goto, examines the evolution of policy in rural Japan from the pre-WWII conditions to present times. Rural and agricultural policy has been driven by an ongoing preoccupation with food security to underpin Japanese geopolitical independence and influence. The first Agricultural Basic Law enacted in 1961 was built on the post-war land reform, with rice self-sufficiency as its cornerstone. This basic law did not change for 38 years until 1999.

Since 1990s, according to Goto, urban sympathy for income redistribution to the rural economy has diminished so much that infrastructure and agricultural subsidies could be reduced and replaced by the rhetoric of local self-reliance promoted through small local initiative projects. For the future, Goto sees rural revitalization as a real test of local democracy, an end of technocratic rural planning, a need to empower local rural government, and a further reduction of support from urban taxpayers. This vision is compatible with the transition to urban dominance of the Diet from the rural domination of the Liberal Democratic Party.

Chapter 4, *Rural Household Characteristics and Perspectives* by Mamoru Sawada, Mitsuyoshi Ando and Leonard Apedaile, compares the two Japanese rural municipalities with the four rural Canadian places. The comparisons are based on the household survey in the six communities. This chapter examines the data collected to understand social capital, reinvestment by citizens, social cohesion, openness of the community and effectiveness of various types of players in local rural governance. They test the perceptions of the respondents against age, household income, gender of the respondent, relative importance of agriculture in the local economy, and whether respondents were born in their community or chose to live in the place.

The authors conclude that younger adults, aged 50 and under, females and those who have chosen to live in the community do not always share the same positive perceptions as do older adults, and men and people who were born in the place. This pattern holds for both the Japanese and Canadian sites generally. However, in marked contrast to the Japanese households, Canadians born in their communities uniformly rate local leaders as effective and the community more open, more involved and more cohesive than do newcomers. Newcomers are generally in the majority in the Canadian sites raising the question of how to

harness social capital that is either non-existent or not perceived as being of the same quality or value for over half the population. The Japanese newcomers are largely spouses for those born in the place and therefore assimilated. In both Canadian and Japanese sites, nearly 90% of residents would like to remain living in their place for many years, and a large majority of residents are willing to work with others on something to improve the community. They want to work within voluntary groups in Canada and with their mayor in Japan.

Some of the lessons of this chapter are that newcomers need to be free from conventional forms of engagement in their new rural communities. Newcomers have the power to be a drag on revitalization if rural residents born in the place exclude them from political power and leadership.

Chapter 5, *Rural Dynamics* by Nobuhiro Tsuboi and David Connell, explores the tension between willingness and opposition to change, as a primary explanation for rural vitality related to the three themes. Tsuboi and Connell see choice and fate not as opposites, but as perspectives underlying the dynamic of willing engagement in rural development by people who have options. The authors observe that the direction of rural dynamics after the 1950s is almost the same in Canada and Japan. However, Canada's lead of 30-50 years in these trends has resulted in some differences. For example, the Municipality of Iitate in Japan tried institutional economic measures such as tax reduction, subsidies and local networking to attract manufacturing when manufacturing had all but abandoned the comparison site of Tweed in Canada. In the past twenty years both Tweed and Iitate have focused on reorganizing local human energies and information with surrounding municipalities to build tourism. Iitate has rejected amalgamation of its municipal structure during this process, while Tweed was forced into amalgamation.

Chapter 6, *Capacity and Social Capital in Rural Communities* by Bill Reimer and Masashi Tachikawa, two sociologists, develop this book's third theme of capacity for revitalization. Revitalization of rural communities depends on their capacity to identify and reorganize assets. In this chapter they consider how such reorganization takes place by focusing on the characteristics of the social networks and norms that structure local relations. Rather than addressing the types of assets available to communities, they examine how different types of social networks and relations can modify the same sets of assets to produce a variety of outcomes.

Chapter 7, *The Voluntary Sector in Rural Communities: A Comparison of Japan and Canada*, reports the research conducted by Ellen Wall, David J. Connell, Masashi Tachikawa and Ken-ichi Yabe on how the voluntary or civic sector approaches revitalization under rapidly changing conditions. The authors find that respondents to the household survey in Tweed in Canada and Awano in Japan had similar concerns about volunteer work. Public participation is very much a matter of choice, but more so in Tweed than in Awano where expectations and traditional authority played a greater role in shaping public involvement. Wall and Tachikawa, et al. conclude that reorganization of volunteer organizations, aiming to be more business-like, is a response to the changing and persistent demands by volunteer leadership as well as to the expectations of funding agencies. The authors conclude that a suitable balance of idealism and business purpose is needed to strengthen the social capital represented by volunteer associations.

Chapter 8, *Rural Governance and Municipal Amalgamation* by Masatoshi Ouchi,

Kiyokazu Ujiie and Tokumi Odagiri describes reorganization of a rural municipal government and efforts to reform rural governance in Japan. Rural development within a rapidly industrializing and modernizing economy has been a concern for the last five decades. Hamlets or shuraku had responsibility for development prior to the 1940s with little direction and financial support from the central government. Subsequently, responsibility for development was assigned to municipal governments under central government direction and financing through the prefecture government. Rural municipalities came under pressure from 1999 onward by the central government to amalgamate, not the least of which was the pressure arising from financial problems of the central and prefecture governments.

The chapter describes the fascinating role the choice of direct democracy played in challenging representative democracy for the rural municipality of Iitate-mura in Fukushima Prefecture. Iitate-mura (village) held a plebiscite under new legislation that rejected an amalgamation plan in a divided community against the strong insistence of the central government, a very rare case for rural Japan. Iitate-mura's experience serves as an excellent example for understanding the current issues of rural governance in Japan and offers lessons for rural Canadian municipalities. Now Iitate-mura faces new choices about how to raise new revenues and to continue to deliver services at national standard levels with lower costs.

An important lesson from this chapter is that power sharing and direct democracy for major decisions will be the watchword for new rural governance. Central government ministries of agriculture and natural resources are no longer major players in rural revitalization because the function and form of the new rural economy have changed and are continuing to change rapidly. A new power-sharing model at the national and provincial/prefectural levels of government is therefore also necessary for revitalization to succeed.

Chapter 9, *Trade Liberalization and Rural Revitalization: A Systems Dynamics Model for Iitate, Japan* by economists Mitsuhiro Nakagawa, Eiichi Kusano and Leonard Apedaile, presents a systems dynamics model to simulate options that address trade liberalization and globalization. This challenge by forces external to rural economies is nearly identical for both Canadian and Japanese rural incomes and demographics. The results of the simulations for one Japanese site, Iitate, underline that local rural economies have choices, in this case investment and tax options. The third theme of the book is reflected in the whole range of equity and joint ventures needed to increase investment and the wider range of risk management options available to local economies in a globalizing economy.

Chapter 10, *Building Rural and Urban Common Interests* by Bill Reimer and Mami Nagata, states the challenge pretty clearly. Rural/urban relationships built upon competition and conflicts are bound to fail the interests of rural people. Political and market power lies with urban interests, not rural, and this imbalance is not reversible. As a matter of strategy, rural representatives have to articulate common interests such as food, environment, water, landscape and security.

The chapter reviews initiatives in Japan to achieve urban awareness based on green tourism and landscape amenities. Canadian initiatives are not quite as focused, emphasizing environmental issues, yet face urban criticism that changes are needed in farming practices. Food quality and security, and carbon sequestration are seen as central to urban and rural revitalization. The authors see a major challenge for rural interests in the competitive political

process for public services and infrastructure between growing urban places and rural places with declining populations. P-3 models (public-private partnerships) for building and maintaining infrastructure are advocated, but redefined to include civic involvement. P-3s need to become PPCPs (public-private-civic partnerships). The conclusion is that a long term strategy is required for rural interests to align urban/rural core values and perceptions to be supportive of environmental security, natural landscapes and water quality.

Chapter 11, *Rural Revitalization: What is Fresh?* by editors Tsuboi and Apedaile, is a synthesis of hopefully fresh lessons from the authors of chapters in this book. The chapter is written as a briefing document for rural activists, international aid agencies, rural mayors and the business and civic players in rural revitalization.

The three fundamental messages of the book are reinforced in this chapter. First, industrialization of the rural economy has driven prosperity, irrespective of how satisfactory this prosperity is perceived to be. Digitization will do the same. Second, modernization and lifestyle are determined by how completely and competently globally known knowledge is used locally. Lifestyle is largely about the choice of level of economic and social activity as opposed to the type of activity. Third, revitalization is the aggregate of many small actions and decisions.

Digitization is well advanced globally and is driving greater individual opportunities as well as accelerating change as the cost of information management is driven steadily down. The emerging challenges for rural revitalization are the ways new governance synthesizes individual initiatives quickly enough into willingly accepted collective decisions. Time required for this synthesis risks slowing rural productivity, which is at the root of prosperity through revitalization. Digitization and individual choices about lower/higher intensity and opting-in or opting-out lifestyles will play out in a need to accommodate wider and wider divergence in core values to achieve timely governing decisions. Alternative unifying values will be needed.

Latecomers to rural industrialization may be expected to have ever shorter times between rural growth measured in terms of conventional GDP, and devitalization measured in terms of environmental degradation, human hardship and damage to social capital. This period in rural Canada has lasted over 100 years, in rural Japan about 50 years. The period for China, India and Brazil could be even shorter with their much larger rural populations and accelerated labour shedding to their metro economies. Serious damage to rural demographic diversity and destabilization of the investment and social order could feed centre-periphery power struggles. However, devitalization is not a fate. It may be anticipated and mitigated by choices about reinvestment and governance made earlier in the industrialization and now the digitization process in the developing economies of Latin America, Asia and Africa.