Entrepreneurial In-migrants for Sustainability: Policy implications for the future of rural regions

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Abstract

Rural regions have been faced with challenges regarding revitalization in many developed countries. Not only do these countries face an ageing population, but some countries like Japan also face an excessive population out-migration from the rural to the urban. On the other hand, there is a growing movement of counter-urbanization, where city residents move to the countryside. In Japan, although actual counter-urbanization has yet to be observed, there is clearly a growing interest especially among those aged in their 20s-40s. Given this situation of population drain from the countryside, the current Japanese government has announced regional revitalization policies aimed to induce in-migration to the rural regions.

This research aims to analyze what conditions are required for attracting in-migrants that could essentially lead regional revitalization through their initiatives. The research will focus on two municipalities: Gotsu city of Shimane prefecture and Kamiyama town of Tokushima prefecture. Both regions suffer from population decline, and have been pursuing policies to encourage in-migration. These two municipalities were compared upon in-migration trends and policy approaches. Furthermore, actual entrepreneurial in-migrants to the area were interviewed to understand the process of in-migration and initiation of their businesses in the community.

While both municipalities hope to call in more in-migrants for the region, two different approaches could be identified: the individual-based approach and the community-based approach. The individual-based approach is where the municipality
directly supports the individual through their in-migration and embedding into the community, and helps their business start-up as well. Emphasis is laid on utilizing human capital – the individual’s capacity to bring new value into the region, as well as to develop the individual’s capacity. On the other hand, the community-based approach shows the government supporting the creation of the community, and then allows autonomy for the community to welcome in-migrants and embed them into the community. Rather than centering direct public support on the individual’s human capital to match the community, it gives direct public support towards the existing social capital in the community to attract individuals. It is important to note that both approaches need human capital and social capital; the difference lies in which capital to emphasize for direct public support.

The local government’s choice of policy approach may depend on the level of local embeddedness. If a community has rigid embeddedness, it is difficult for the in-migrants to integrate on their own as well as for the community to adapt and welcome them. Therefore, direct public support for in-migrants is crucial to assist the embedding process and to gain more understanding from the locals. If a community’s embeddedness is more flexible, however, the government can give more freedom and autonomy to the community since the locals can accommodate the in-migrants from themselves. The local government can assist with funds to help initiate community activities, and the activities can be led by actors at the grass-root level.

The identification of these two policy approaches is crucial for discussion on neo-endogenous rural development, because the process of in-migration must be
managed carefully depending on the state of the host community’s embeddedness. This is especially the case for the individual-based approach; if a community does not originally possess characteristics that can allow more flexibility in its embeddedness, it would be crucial for communities to develop the mentality that in-migrants are necessary for their region. However, having the mentality come to surface is another complicated step for the transition of the rural region. The local government will need to obtain a capable individual with strong local and extralocal ties as soon as possible. Unfortunately, as most municipalities suffer from both rapid population decline and budget constraints, the capacity of these local governments may also be limited. Furthermore, the ultimate constraint for both approaches would be time. Despite the rapid population decline in many regions, the process to in-migration indicates a long battle. It is because of this time constraint that the process of in-migration must be handled carefully, so that a successful and sustainable in-migration cycle can be achieved as early as possible.

Since the embedding process of in-migrants is a long-term process, there are many rural communities that are still in their early stages of constructing their in-migration policies. This research provides a guide for how local municipalities should carry their policies out for the sustainability of their communities. Given the rapid decline of population in many regions, the process of in-migration should be handled carefully, to get the local residents to recognize the gravity of their community’s decline, and for the municipalities to pave the way for in-migrants to enter for breakthrough.
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1. Introduction

In recent years, there has been a heightened interest over the potential of rural regions and their advantages over urban regions. Many literatures have focused on the strengths these rural communities possess, such as their locally rooted economy, cultural and community ties, and quality of life elements (Toyama, 2014; Motani, 2013; Hiroi, 2009; Kanamaru, 2009; Schuman, 2006). Most pointed to the sustainability of these communities, and how such rural regions, however small or remote, should not be neglected from discussion (Motani, 2013; Yamashita, 2012; Odagiri, 2009).

Sustainability is an important concept that is now commonly mentioned in discussions on development. In 1987, the United Nations World Commission on Environment and Development declared the following definition for sustainable development:

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (WCED, 1987, p43)

The importance of achieving sustainability at the local level was further acknowledged at the 1992 United Nations Conference on Environment and Development, also known as the Earth Summit in Rio de Janeiro. At the Summit, the UN called upon the Local Agenda 21, which outlined the economic, social and environmental agenda for sustainable development from the local communities. In these ways, the international
arena has shifted its focus to sustainability for local development.

Although there is increased interest in sustainable development of local regions, the current ageing population trend and continuous out-migration of youths to the cities is a challenge. Rural regions have been faced with an ageing population in many developed countries. The ageing rural population has been raised as a concern especially in Europe and Japan, where the ageing population has been reinforced by excessive out-migration of youths from the peripheral to central areas (Amcoff and Westholm, 2007; Coulmas, 2007; Lindh, 2003). These population changes have threatened the sustainability of these communities’ future.

Despite the demographic changes that point towards an alarming future for these regions, it has been observed that there is a growing trend of “counter-urbanization” – individuals migrating from the cities to the countryside, whether it is for family, quality of life perceptions, or other motives (Stockdale, 2002; Findlay, Short and Stockdale, 2000; Halliday and Coombes, 1995). These “in-migrants” are also seen to have a positive impact on the rural regions, and could therefore pave way towards more positive projections for the future population of the regions (Bosworth, 2006; Findlay, Short and Stockdale, 2000).

On the other hand, the situation for Japan seems severe, especially for the smaller rural regions. Unlike Europe, Japan is experiencing a rapid population decline due to its low birth rate. On top of that, Japan’s rural regions have been burdened with excessive out-migration of the youths in particular to larger cities, ever since the post-war years (Masuda, 2014a; Cox, 2014; Matsutani, 2009). Unfortunately for Japan,
people are much less mobile than in Europe: youths usually aim for jobs in large cities, and end up staying in the city once they move out (Matsutani, 2009). Thus, it is difficult for the rural regions to immediately expect more people to migrate back from cities. However, in recent years, even Japan has begun seeing a growing number of people interested in migrating to the countryside (Kasami, 2014; Cabinet Office, 2014a). In the current era where rural regions are suffering from the population drain, what policies can help in-migration become a stronger current?

This research will observe the current in-migration policies taken at the national and local levels, and will analyze what the required conditions are for attracting in-migrants that could essentially lead regional revitalization through their initiatives. The research will focus on two municipalities: Gotsu city of Shimane prefecture and Kamiyama town of Tokushima prefecture. Both regions suffer from population decline, and have been pursuing policies to encourage in-migration. These two municipalities were compared upon in-migration trends and policy approaches. Furthermore, actual entrepreneurial in-migrants to the area were interviewed to understand the process of in-migration and initiation of their businesses in the community. From the observations, the research aims to show policy approaches best suited for rural regions in attracting in-migration for their sustainability.

The current chapter addresses a general background to the topic of population decline, in-migration and the rural regions. Chapter 2 provides current information on the overall population trends and national policies of Japan. Chapter 3 presents past literatures on in-migration and rural development. Chapter 4 explains the two case
studies chosen for this research, and addresses the methods taken for the fieldwork. Chapter 5 outlines the in-migration data obtained on the two areas, and the interview results with policymakers and entrepreneurial in-migrants. Chapter 6 discusses the data and gives the author’s analysis on in-migration policy approach. Chapter 7 sums up the research findings and refers to further policy implications.

2. Overview of Current Trends

2.1. Japan’s population trend

Japan’s population entered decline in the late 2000s. The number of deaths exceeded the number of births for the first time in 2004, but the numbers remained stagnant for a couple years before hitting a clear decline of births from 2008 (Figure 2-1). Based on this data of the current population decline, The National Institute of Population and Social Security Research (2012) also presented projections on the trend of Japan’s population (Masuda, 2014b). There will be three declining stages: in the first stage, there will be a decline in young working-age population till 2040, while the elderly population rises. For 2040 to 2060, the elderly population will begin to level or slightly fall with the young and working age population. In the third stage of 2060 to 2090, both the elderly and young/working age population will continue to fall. In this way, Japan may continue to face a decline in overall population in the decades to come.

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1 In Figure 2-1, the year 1966 shows a dip in the number of births; this was the year of the firehorse, indicating bad luck for those who were born in this year. Due to this superstition, many people avoided giving birth. Hooper, R. from The Japan Times (2012).
Figure 2-1: Total number of live births and deaths in Japan from 1947 to 2013


Amongst this population ageing and decline is another major concern: population concentration in Tokyo, followed by other major cities such as Osaka and Nagoya. Figure 2-2 shows that migration to Tokyo remains high compared to other cities throughout the years 2010 to 2014, and the regional areas suffer from inward migration to the cities. According to census figures, Tokyo has welcomed over 10.0% of its people from other prefectures in 2010, whereas other prefectures did not see as many people migrate to their regions. This migration rate to Tokyo is even much higher than any other capital cities in the advanced economies (Masuda, 2014a). The high number of in-migration is not limited to Tokyo, but expands to the whole Tokyo metropolitan area\(^2\), which is home to many who commute to Tokyo (Cox, 2014). This

\(^2\) Includes Saitama, Chiba, and Kanagawa prefectures.
shows that Japan’s population trend is distinct – and the trend indicates continuing rise in migration to Tokyo, posing a threat to the sustainability of other local municipalities.

Japan’s post-war history explains this chronic population drain from local regions to the major cities. There were three periods of population migration that marked the youths’ move to the three largest cities, Tokyo, Osaka and Nagoya. In the first period (1960-1970), mass employment from the rapid economic growth resulted in the migration of youths to industries in the three major cities. The second period (1980-1993) was during the bubble economy, when the service and financial industry in Tokyo grew significantly, pulling the youth workforce to the Tokyo area. The third period (2000 - present) was a result of the regional economic decline, causing the youth to seek job opportunities in Tokyo over opportunities in other regions. This third period still persists, and the regional population is being drained year by year. These three migration phases show a clear centralization of population into Tokyo with a continuous decline in the regional population, reflecting the need for these local regions to make up for the population they have lost.
Figure 2-2: Total in-migrants in each prefecture between 2010 and 2014

On the other hand, Japan has an increasing number of those who wish to migrate out of the city and into rural regions. In a poll taken in August 2014, 40.7% of Tokyo residents aged between 18 and 64 answered that they are planning to, or considering moving out of Tokyo (Figure 2-3). The desire to migrate out of Tokyo was higher for the population whose hometowns lie outside the Kanto region\(^3\).

**Figure 2-3: Percentage of people who wish to migrate out of Tokyo**

![Bar Chart](chart.png)


The motive behind their desire to migrate are various; among the population aged 18 to their 40s, many answered that they wish to migrate back to their hometown, or to

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\(^3\) Includes Tokyo, Chiba, Kanagawa, Saitama, Ibaraki, Gunma, and Tochigi.
experience a slower paced lifestyle (Table 2-1). Thus, reasons usually related to personal connections to the region, or quality of life components.

### Table 2-1: Reasons for desire to migrate out of Tokyo

<table>
<thead>
<tr>
<th>Age</th>
<th>Men</th>
<th></th>
<th>Women</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10s – 20s</td>
<td>1. It’s my hometown (42.9%)</td>
<td>1. It’s my hometown (53.6%)</td>
<td>2. I want to live a slower life (26.8%)</td>
<td>2. I have family and friends there (41.1%)</td>
</tr>
<tr>
<td></td>
<td>2. I want to live a slower life (26.8%)</td>
<td></td>
<td>3. I have family and friends there (26.8%)</td>
<td></td>
</tr>
<tr>
<td>30s</td>
<td>1. I want to live a slower life (47.9%)</td>
<td>1. It’s my hometown (51.1%)</td>
<td>2. It’s my hometown (35.4%)</td>
<td>2. I have family and friends there (36.2%)</td>
</tr>
<tr>
<td></td>
<td>3. I want to live a slower life (36.2%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40s</td>
<td>1. I want to live a slower life (40.4%)</td>
<td>1. There is good food, clean water and air (40.9%)</td>
<td>2. It’s my hometown (36.8%)</td>
<td>2. Better climate for living (34.1%)</td>
</tr>
</tbody>
</table>


However, these individuals also raised several concerns with regards to migration, with a significant reason being the availability of jobs (Figure 2-4). The concern of jobs was listed at the top, especially for women. While it is not clear which kind of region – urban or rural – these individuals wish to migrate to, finding a job seems to be a common concern for all individuals when they leave Tokyo. This may be a more serious dilemma if they were to migrate to the countryside.
Figure 2-4: Concerns about migration among those who wish to migrate


Furthermore, a different poll taken in June 2014 showed that 31.6% of residents replied that they wish to migrate to a rural area, increasing from 20.6% back in November 2005 (Cabinet Office, 2014). Yet, there was a gap between gender; more men showed desire to migrate than women (Figure 2-5).
Among residents already in rural areas, 63% answered that finding a job would be a key issue for in-migrants coming from cities. The concern over jobs seems to be a pressing issue among both potential in-migrants and present residents in rural communities, showing that, despite the increased interest in in-migration, there could be great hesitance in actually deciding to in-migrate, especially to a remote rural area.

2.2. Japan’s policy trend

With the continuous population decline and population drain from peripheral regions to main cities such as Tokyo, there is great need for these regions to reconsider their future. Often called “chiiki kasseika” in Japanese, regional revitalization has
received attention particularly after population decline became apparent in the nation. Yet, regional revitalization is not a new concept; there have been policies directed at rural development from the 1960s, such as the Comprehensive National Development Plans announced by the Ministry of Land, Infrastructure and Transport.

Over the decades, the government’s approach on regional development has shifted (MLIT, 2012). At first, from the 1960s, the target was on establishing infrastructure and relocating firms and factories to boost the local economy. Japan was in the era of rapid economic growth; the building of infrastructure was prioritized nationwide. The relocation of firms and factories was another key aspect of regional revitalization policies at the time. It was believed that by relocating companies and factories to the peripheral regions, it would consequently also relocate the capital and human resources to those regions. However, this policy was met with little success. The workers at the newly relocated factories were often people from outside the region, therefore not providing local job opportunities. Also, eventually the companies relocated their factories to another location such as abroad, where they could make more profit from cheaper investments such as for workers. Therefore, as more companies relocated their factories abroad and public construction works got cut due to budget constraints, it was evident that these approaches were not sufficient to achieve a sustainable rural growth.

Since the 2000s, policies became more “bottom-up”, and focus was laid not on hard infrastructure but more on the soft, qualitative factors. This was due to the little success of previous development plans, which were executed in a “top-down” manner.
This time, the local municipalities were given more autonomy in directing their own regions rather than from a solely top-down approach. More emphasis was laid on assisting the small and medium enterprises and industries other than manufacturing to develop. This shift from the quantitative to qualitative development was officially introduced by the MLIT as the “Bill for partial amendments to the Comprehensive National Land Development Act and other laws in order to promote sustainable development of the national land” in 2005. With this Bill’s enforcement, the Comprehensive National Development Plans was revised as the “National Land Sustainability Plan”, allowing a proposal system from prefecture system as a bottom-up approach to regional revitalization.

At the municipal level, the local regions have suffered from multiple mergers, the largest being the “Heisei-Dai-Gappei (the Great Heisei Consolidation)”. The main reasons behind this merger, according to the Ministry of Home Affairs (current Ministry of Internal Affairs and Communications), were the following (Yokomichi, 2007):

1. Promotion of decentralization
2. A declining birthrate and ageing population
3. Deteriorating financial situation of national and local governments,
4. Expansion of daily living space.

After the numerous mergers, almost half of the municipalities diminished from 1990 (Table 2-2). The mergers aimed for efficiency in terms of fiscal budget and did succeed
in reducing the number of assembly members by 17,500 and the number of mayors by 1,400 (Yokomichi, 2007). However, local residents of the municipalities became frustrated over how the town office became further away, or how the administration has become less transparent for the residents (Odagiri and Fujiyama, 2013).

**Table 2-2: Number of municipalities before and after the municipal mergers**

<table>
<thead>
<tr>
<th>Region</th>
<th>March 1990</th>
<th>March 2006</th>
<th>Reduction rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hokkaido</td>
<td>212</td>
<td>180</td>
<td>15.1</td>
</tr>
<tr>
<td>Tohoku</td>
<td>400</td>
<td>232</td>
<td>42.0</td>
</tr>
<tr>
<td>Kanto</td>
<td>637</td>
<td>427</td>
<td>33.0</td>
</tr>
<tr>
<td>Hokuriku</td>
<td>223</td>
<td>86</td>
<td>61.4</td>
</tr>
<tr>
<td>Tokai</td>
<td>330</td>
<td>177</td>
<td>46.4</td>
</tr>
<tr>
<td>Kinki</td>
<td>326</td>
<td>207</td>
<td>36.5</td>
</tr>
<tr>
<td>Chugoku</td>
<td>318</td>
<td>114</td>
<td>64.2</td>
</tr>
<tr>
<td>Shikoku</td>
<td>216</td>
<td>96</td>
<td>55.6</td>
</tr>
<tr>
<td>Kyushu/Okinawa</td>
<td>570</td>
<td>302</td>
<td>47.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,232</td>
<td>1,821</td>
<td>43.7</td>
</tr>
</tbody>
</table>

*Source: Ministry of Internal Affairs and Communications*
2.3. **Current national policies**

The current Abe administration declares regional revitalization as one of the key topics on its policy agenda. Ever since the publication of the Masuda report in May 2014, the cabinet has begun preparation for establishing an office especially for regional revitalization. This office, called the “Overcoming Population Decline and Vitalizing Local Economy in Japan” (hereafter “Office for Overcoming Population Decline”), was established in September 2014 with Minister Shigeru Ishiba at its head. While its policies are still under discussion, the office has agreed on its long term visions and key goals that it aims for.

Unlike previous regional revitalization policies, which had focused on the unit of the local economy and achieving a uniform growth across all regions in Japan, the newly proposed plan by the Office focuses on the unit of *people*. Previous policies were based on the declining birthrate and ageing population in Japan; this time, the government addresses the demographic migration patterns, especially of the youths, as well as the lifestyles they obtain in the local regions. The government also emphasizes the importance of respecting each region’s individuality rather than taking a uniform approach. As the Office’s long-term vision outlines (Cabinet Secretariat, Feb 2015), Japan aims to maintain a population of 100 million by 2060, and lists three basic perspectives towards this vision:

1. Correct the population concentration to Tokyo;
2. Realize the desires among youths for employment, marriage and
3. Provide solutions to local issues based on each region’s traits.

To achieve the above, the Office aims to take a 5-year “comprehensive strategy” from 2015 to 2019, to encourage local communities in creating a positive cycle between jobs, people and the community (Figure 2-6). This strategy focuses on the unit of the people, aiming to enhance both the human resources and the environment to attract human resources into the region. For example, the improvement of employment opportunities in both quantitative and qualitative means can attract more human resources and prompt economic stability for marriage and childcare; with an increase in population comes more job opportunities. This synergy between jobs and people can consequently revitalize the local community.

**Figure 2-6: Vision by the Office for Overcoming Population Decline**

Source: Office for Overcoming Population Decline (2015)
To create this cycle, the Office has outlined four basic goals:

1. Create stable employment opportunities in the regions;
2. Create a new flow of people to the regions;
3. Realize the desires among youths for marriage, birth and childcare;
4. Build a community suitable for the era, securing a safe living and fostering collaboration among regions.

The first two goals especially raise specific goals directly linked to attracting in-migration to regions other than Tokyo.

The first basic goal, “Create stable employment opportunities in the regions”, comes from the background that Tokyo has excessive in-migration especially of youths aged in their late teens to their 20s. This background is seen mainly as a result of disparity among the economic and employment situation between the Tokyo metropolitan area and other regions (Cabinet Secretariat, 2015). Thus, to combat this issue, the Office has set the goal to create more jobs for youths in the local regions, with the aim to achieve jobs for 300 thousand people within the next five years. In specific, the Office outlined three Key Performance Indicators (KPI): 1. Double the balance of foreign direct investment from 18 trillion to 35 trillion yen; 2. Triple the labor productivity growth rate of the service sector from an average of 0.8% to 2.0%; 3. Increase the percentage of employed at-home teleworkers to above 10% of the whole
labor population. The Office’s second basic goal, “Create a new flow of people to the regions”, aims to attract more in-migrants to these local regions with the target of increasing 40,000 out-migrants from and reducing 60,000 in-migrants to the Tokyo metropolitan area by the year 2020. KPIs for this goal includes an annual 11,000 cases of in-migration, an average of 80% of new graduates to get employed within the prefecture, and the increase of 7500 local corporate offices by 2020.

Given this comprehensive strategic plan by the Office of Overcoming Population Decline, the government calls on local municipalities to come up with their own “local” strategic plan over the next year. This is to be decided based on each municipality’s local population and its demographic trends. In addition, the local version is expected to consist of clear goals and KPIs for the period between 2015 and 2019, along with a PDCA cycle that includes various actors across levels and fields. Through the local plans, the national government hopes to encourage independent activities and regional collaboration (Cabinet Secretariat, 2015).

3. Literature Review

3.1. Exogenous, endogenous, and neo-endogenous development

Theories of local and rural development have undergone shifts in notion over the decades, formulating three different approaches. In the past, local development emphasized economic growth, especially in terms of agricultural modernization for industrialization. This development was led not by the regions themselves, but by the national government, therefore making it a “top-down”, centralized process – an
exogenous approach. Till the 1980s, policies addressed economically disadvantaged regions, and pursued the development of new industries and relocation of firms to less prosperous regions (Cochrane, 2011). This exogenous approach was later met with criticism; as it was exogenously governed by the state, rural regions grew over-dependent on external factors for their growth⁴, and this also imposed high costs on the national government (Bosworth and Atterton, 2012, Bosworth, 2006). Furthermore, views on development gradually drifted away from a solely economic and quantitative dimension to a more qualitative account on sustainable development, considering the subjective quality of life and well-being (Pike, Rodriguez-Pose, and Tomaney, 2011). Such a sustainable rural development requires economic development to harmonize economic, social, and environmental goals (Todtling, 2011), to achieve a “state of harmony between human life and nature” (WCED, 1987).

This shift to more emphasis on sustainability gave way to a new form of approach on development. From the 1990s, the focus shifted from an exogenous approach to an endogenous approach, which aimed to generate growth and prosperity through the initiative of locally based actors, businesses, and public agencies (Cochrane, 2011; Todtling, 2011). Coffey and Polese (1984) explained the following four stages that take place in endogenous growth:

1. Emergence of local entrepreneurship and local firms

⁴ Once factories and firms that had been relocated or established in rural regions closed, they left many local residents without a job.
2. Growth and expansion of local firms beyond region
3. Emergence of local control structure
4. Establishment of strong locally controlled economic sector

In this process, the population’s entrepreneurial spirit and the sum of its talents are important factors of production along with labor and capital (Coffey and Polese, 1984). However, it was also pointed out that endogenous development is not sufficient to yield entrepreneurial behavior in the local region; other stimulus would be necessary to encourage entrepreneurship (Bosworth and Atterton, 2012). This perspective led to the rise of a third approach to development: the neo-endogenous approach.

The neo-endogenous approach still focuses on the local forces, but also takes into account their interplay with extra local factors. Ray (2001) defines neo-endogenous development as an approach in which “extra-local factors are recognized and regarded as essential but which retains belief in the potential of local areas to shape their future” (Ray, 2001, p4). There are two attributes in neo-endogenous theory: the ability for the area to interact with extra-locals, and also for the local area to accrue requisite means to realize development locally (Bosworth, 2010). This interplay between endogenous and exogenous forces for rural development becomes a key notion when looking at the role of in-migrants to the region.

3.2. The role of in-migrants and commercial counter-urbanization

When considering the neo-endogenous approach to development, there needs
to be an actor that can bridge the local and extra-local. A key actor could be the in-migrants to rural regions. While many rural regions suffer from continuous depopulation and youth out-migration, such as in the case of Japan, a rural region will need to obtain the appropriate human capital for development (Stockdale, 2006). In-migrant entrepreneurs have a positive influence on the pace and direction of economic development (Kalantaridis and Bika, 2006). Especially in remote areas, Stockdale’s research has found that in-migrants can serve to create new economic activity through creation of compatible jobs (Stockdale, 2006). This is particularly the case because rural areas are no longer dominated by agriculture, given the increase in other rural businesses (Bosworth, 2010). Furthermore, not only do these in-migrants possess the necessary human capital, but they also have ties with external actors, allowing them to bridge the local and extra-local for neo-endogenous growth. Another research has also found that in-migrants to rural areas are relatively affluent individuals with distinct attributes and networks of contacts (Kalantaridis and Bika, 2006). Therefore, these in-migrants have the potential to significantly contribute to the region’s development.

The discussion of in-migrants has especially attracted attention with “counter-urbanization”. Counter-urbanization is a net migration of population from larger urban centers to smaller towns and rural areas (Bosworth, 2006). In the earlier period, counter-urbanization was thought to simply be a temporary anomaly (Halliday

5 It must be noted that the in-migrants are not the sole factor that triggers economic development, but they can accelerate the pace and alter the direction of rural change (Kalantaridis and Bika, 2006).
and Coombes, 1995); however, the urban to rural migration remains a trend and can therefore be acknowledged as an actual phenomenon (Bosworth, 2010).

When assessing the patterns of counter-urbanization, we should not neglect the relevance of out-migration from rural areas as well as the state of non-migrants who, while remaining in their residence, may desire to live in rural areas (Champion, 1998). Counter-urbanization is not simply a phenomenon where individuals resettle from the cities to the countryside; it should also consider the number of individuals who leave the rural areas, and also include those who have not yet, but are considering the possibility of, in-migration. This is a key observation that can be applied in Japan’s case as well, because while Japan does not have as much population redistribution from the cities to the rural areas as in western countries, it has been seeing an increase in the number of those who wish to migrate (Cabinet Office, 2014). Thus, there could be a nascent counter-urbanization trend in Japan, implying a possible increase in the number of in-migrants that can eventually contribute to the neo-endogenous development of rural regions in the future.

Furthermore, not only has the in-migration of people to rural regions emerged, but a new form of counter-urbanization – “commercial counter-urbanization” – has been coined by Bosworth (2010). Commercial counter-urbanization is a combination of population movement and new opportunities for business activity in a rural setting, implying the positive effect in-migration has on rural economic development. Many in-migrants were observed to have established a wide range of rural businesses, employing local people, trading with local firms, and providing important local services.
This role taken by the in-migrants can positively advance a local economy, especially given the human capital of these in-migrants (Stockdale, 2006; Kalantaridis and Bika, 2006). While some raise concern over recognizing commercial counter-urbanization as an actual movement (Mitchell and Madden, 2014), it is worth considering the process leading up to a possible establishment of such counter-urbanization. By focusing on a particular cohort of in-migrants that contribute to rural economic development (Mitchell and Madden, 2014), this commercial counter-urbanization – the growth of rural economies by inward migration – could explain a possible approach for neo-endogenous development in rural areas.

When speaking of counter-urbanization in general, however, we must also be careful with which “rural” region we wish to address. It is important to note here that “rural” points to areas relatively distant from urban centers and excludes commuter towns situated along the periphery of major cities (Champion, 1998). However, even among the rural regions referred to by Champion, two further categories can be made: the popular rural regions and depopulating, less popular rural regions (Bijker and Haartsen, 2011). After analysis of the Netherlands, Bijker and Haartsen (2011) found that in-migrants to popular rural regions have different motives than those who move to less popular rural regions. In-migrants to popular rural areas were often those who were highly educated and used to live in urban areas. Their motives for migration tended to be for the environment (presence of nature) and accessibility. On the other hand, less popular, more remote rural areas were more likely to have in-migrants whose families and friends lived in the region. Thus, familiarity to the region and proximity to their
friends and family seemed to be a significant reason for the in-migration to less-popular rural areas. In these ways, “rural” can have a broad definition; it is important to not neglect the various types of rural regions that exist underneath the terminology.

3.3. In-migrants as frontrunners of transition to sustainable development

As Japan’s declining rural regions have been suffering from population drain to larger cities over the decades, a transition is necessary for their sustainability. A transition refers to a fundamental structural change in the societal system to tackle persistent problems, which are rooted in its deep structure (Frantzeskaki, Loorbach, and Meadowcroft, 2012). By resolving persistent problems, a societal system can become sustainable. Thus, in the context of Japan’s declining rural regions, rather than a short-term solution, a lasting transition towards revitalization and neo-endogenous growth is desirable. In order for such a transition to occur, there needs to be the presence of “frontrunners” that can lead the movement to tackle persistent problems over the long run (Loorbach, 2010).

A potential frontrunner for these regions could be the individuals that migrate into the region. In past research, it was observed that many in-migrants to less-popular declining regions come not upon choice, but because of inevitable or personal reasons (Stockdale, 2006). In contrast, as noted before, recent opinion poll has shown an increase in the number of people, especially the youths, who desire to move out of the city and go to the rural regions, possibly even the agricultural rural regions. Not only can these individuals be seen as potential in-migrants, but such in-migrants could also
contribute to the regeneration of the local economy with their entrepreneurship (Bosworth and Atterton, 2012; Bosworth, 2010). Thus, if Japan is to pursue rural change in these regions for their sustainable future, these in-migrants could become the frontrunners to lead transition towards sustainable revitalization.

How can a less popular declining region attract such frontrunners in the first place to yield its transition towards sustainable revitalization? Such a long-term policy design for sustainable transition involves a contested process of social innovation (Voß, Smith and Grin, 2009). Social innovation is the satisfaction of human needs that have not yet been met through existing approaches, and that is achieved through the transformation of social relations and empowerment of people politically and socially (Moulaert, MacCallum, Mehmood, and Hamdouch, 2013). To achieve social innovation, past social innovation theories have outlined the following two-step procedure: First, social movements are necessary to raise awareness of certain needs and to satisfy them. These social movements are triggered by particular individuals or groups called the “innovator(s)”, who raise awareness of social issues and gather support. Second, in order for social movements to emerge and social innovation to diffuse, there is a need to transform social relations (Moulaert, MacCallum, Mehmood, and Hamdouch, 2013). Throughout this procedure, the innovator plays a crucial role; thus, this actor (or actors) can serve as the frontrunner for transition management – for rural regions, this may be the in-migrants.

6 In this research, I will mainly refer to the transformation of social relations and empowerment of people for rural development, especially in terms of neo-endogenous development.
3.4. The effect of local embeddedness on in-migration

In-migration is especially vital for smaller rural economies, because they tend to depend more on external factors such as in-migration as opposed to larger rural economies, which are also more popular (Amcoff and Westholm, 2007). However, it may be more difficult for the less popular remote areas to attract in-migrants, unless the individuals already have personal connections with the region such as family and friends (Bijker and Haartsen, 2011). Even with personal connections, however, individuals may not be encouraged to return, as many may feel “outgrown” (Stockdale, 2006). Given this complex situation, smaller rural areas may have more difficulty achieving a breakthrough in their status quo.

This complex situation in certain rural regions can be explained by the levels of local embeddedness in a community. Local embeddedness is the situation where economic and social actions are influenced by being and feeling part of a local community (Bosworth and Atterton, 2012). For in-migrants, it is essential for them to become locally embedded so that they can establish their sense of belonging in the community; they can also gain access to local resources and information, creating more opportunities in the region for the individual (Bosworth and Atterton, 2012).

However, some communities may have such strong internal ties that they are in a state of over-embeddedness. Over-embeddedness is especially prevalent in the rural context; it is when a tight community network restricts the flow of new ideas, leaving “non-embedded” individuals difficult to enter and reconstruct existing social structures.
(Andre, Abreu and Carmo, 2013; Bosworth and Atterton, 2012; Kalantaridis and Bika, 2006). This can be a significant constraint as it could stifle in-migration as well as future local activities by the in-migrant, and may thus limit the region’s capacity to make external linkages necessary for development (Yamashita, 2014; Kalantaridis and Bika, 2006). It is important for these remote rural communities to avoid or overcome over-embeddedness, so as to welcome more in-migrants and allow them to contribute to the region.

3.5. Human capital and social capital for in-migrant entrepreneurship

Even after in-migration is achieved, simply having in-migrants in a region does not necessarily lead to their entrepreneurship for the community. While in-migrants are highlighted to have the human capital and entrepreneurship beneficial for a rural region (Stockdale, 2006; Kalantaridis and Bika, 2006), these individuals need to utilize such human capital in a beneficial way for the community. Some in-migrants, although self-employed, may not possess the entrepreneurship vital to a region’s development. The underlying factor of commercial counter-urbanization is that there is an initial stock of potential entrepreneurs with necessary information, skills, and access to capital in the region. However, just as Cecora (2000) states, “All entrepreneurs are self-employed but not all self-employed persons are entrepreneurs” (p86), some may simply be “unwilling” entrepreneurs who become self-employed only because they had to gain income in some way – a form of “survival self-employment” (Cecora, 2000). It has been criticized that unless the in-migrant entrepreneurs contribute to job creation, it
may be difficult to expect a significant economic regeneration; remote areas would benefit little if in-migrants only employ themselves, or perhaps even reside in an area without implementing any business idea (Stockdale, 2006; Cecora, 2000). It becomes crucial to encourage in-migrants to utilize their knowledge and skills – in other words, their human capital – for the benefit of their host communities (Stockdale, 2006). What, then, are the necessary factors for this encouragement, especially in remote rural areas?

Past research has explained that the individual capacity of in-migrants, such as their human capital and entrepreneurship, contributes to the region’s growth (Stockdale, 2006; Cecora, 2000; Coffey and Polese, 1984). Yet, these in-migrants cannot be expected to drive the local economic generation alone, although they may serve as the frontrunners to trigger social movement for transition. While individuals’ human capital is also important, it is the strong social and economic networks in a community that are essential for realizing the potential of economic development (Bosworth, 2006). Therefore, along with the individual actions of the in-migrants, it is just as essential for the rural community to encourage in-migrant entrepreneurship in the region. This can be implemented through the creation and fortification of social capital.

Social capital is an important element to consider when discussing commercial counter-urbanization, and in-migration in general. Social capital is the ability to secure resources by virtue of membership in social networks or other larger social structures7 (Bankston, 2014; Davidsson and Honig, 2003; Portes and Landolt,

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7 In this thesis, social capital will not address relations based on market-driven factors or hierarchy, but rather on social exchange (Honig and Davidsson, 2003).
Social capital can be established and fortified through the process of becoming local embedded; as mentioned before, if an individual is locally embedded, he or she will have more access to resources and opportunities in the region. This process can be especially crucial for commercial counter-urbanization, as it would allow more in-migrants to reside in the rural areas and later become entrepreneurs that drive local economic growth (Bosworth, 2010; Jack and Anderson, 2002).

3.6. The process for successful in-migrant entrepreneurship in a rural region

The process of becoming locally embedded, and thus creating and reinforcing social capital in a community, is vital for in-migrants to become social entrepreneurs for the region (Mitchell and Madden, 2014; Jack and Anderson, 2002). This process, which eventually establishes commercial counter-urbanization, should be considered in two main stages: the residential move and the start-up of a rural business (Figure 3-1; Bosworth, 2010). Between these two stages is the build-up of local embeddedness for successful entrepreneurship (Bosworth, 2010).
The beginning of entrepreneurship as shown in the second stage can be broken down into two smaller stages: discovery and exploitation (Davidsson and Honig, 2003). While both human capital and social capital largely contribute to the initiation of entrepreneurship, the ratio of their contribution depend on the specific stages. Two characteristics of social capital become important in the start-up of a business: bonding (exclusive social capital), which holds closely knit organizations together, and bridging (inclusive), a loosely knit network that yields exchange of resources like information (Davidsson and Honig, 2003; Putnam, 2000). The bonding social capital is especially important in the discovery stage of entrepreneurship, where an individual seeks for potential business opportunities. As the stage progresses to exploitation of such opportunities after discovery, the bridging social capital becomes growingly important, as weak ties allow the individual to connect with specific knowledge that is necessary but unknown to them. On the other hand, Davidsson and Honig (2003) have found that, while human capital can be helpful during the discovery stage of business opportunities,
it does not necessarily differentiate successful and less successful entrepreneurial processes in the following exploitation stage (Figure 3-2). This may contrast previous findings, which state human capital is the primary source of innovation and growth of a region (Stockdale, 2006; Aghion and Howitt, 1998). Instead, Davidsson and Honig (2003) point to social capital as a key factor in successful entrepreneurship. Building on human capital by acquiring business education and skills through classes does not make success more likely; rather, an individual could gain more from actively maintaining, pursuing, and developing social relations (Davidsson and Honig, 2003).

**Figure 3-2: Stages of nascent entrepreneurship**

![Diagram showing stages of nascent entrepreneurship](image)

Yet, as mentioned before, an individual must become locally embedded to acquire the social capital. There are two approaches to build this local embeddedness: the purposive approach and the passive approach (Bosworth and Atterton, 2012). For some in-migrants, if they had migrated with the intention of starting a local business, they can take the purposive approach to intentionally become locally embedded for a
successful business (Bosworth, 2010). On the other hand, if an in-migrant did not originally intend to become an entrepreneur, they can take the passive approach and become locally embedded over time, receiving local and extra-local influences as they gradually construct their business plan. In this way, not all in-migrants come with a business plan, although they may possess the potential to become an entrepreneur. It is up to both the individual and their host community to allow entrepreneurship to develop in the region. Thus, just like the neo-endogenous approach on development, both internal community efforts as well as external linkages created by in-migrants are necessary.

3.7. Questions for successful in-migrant entrepreneurship

The previous sections have outlined the current discussions on neo-endogenous rural development, and the potential importance of in-migrant entrepreneurs in forming the link between the local and extra-local. At the same time, it was stated that, for successful in-migrant entrepreneurship in a rural region, we should not focus just on the in-migrants’ capacity. The understanding of successful commercial counter-urbanization must be two-fold: on one hand, the in-migrants must utilize their human capital to exercise their entrepreneurship to its potential in the local community. On the other hand, the host communities should be able to welcome in-migration and build on social capital to allow successful in-migrant entrepreneurs to develop, rather than restrain them through over-embeddedness. It is with these two dimensions that more successful in-migrant entrepreneurs would emerge, and we may see an expansion
of commercial counter-urbanization as an actual phenomenon that advances neo-endogenous growth in the more remote communities.

However, how can such successful in-migrant entrepreneurship, and thus the realization of commercial counter-urbanization into the more remote areas, be achieved? As less popular rural areas are bound by over-embeddedness and may lack resources to initiate such movements from within, what external policies can help advance their neo-endogenous development with the in-migrant frontrunners?

4. Materials and Methods

Assuming that the neo-endogenous approach is necessary for the development of Japan’s rural regions, and that the in-migrant\(^8\) entrepreneurs can serve as the frontrunners for regional transition to sustainability, what efforts are necessary for the future of Japan’s rural regions? In this thesis, the prospects of current policies set forth by the Office for Overcoming Population Decline will be examined. To analyze if they are sufficient for the development of the remote rural areas of Japan, two prefectures have been chosen as case studies: Shimane prefecture and Tokushima prefecture. In particular, Gotsu city in Shimane prefecture and Kamiyama town in Tokushima prefecture will be focused.

\(^8\) For this research, I will include all in-migrants – not just the return migrants who originated from the area, but also migrants whose hometowns are elsewhere and are new to the area.
4.1. Shimane prefecture

Shimane prefecture is located in the Chugoku region of western Japan. The prefecture can be divided into three regions: Izumo (east, with the prefectural capital), Iwami (west), and Oki (islands off the coast of Shimane). Among the municipalities within the prefecture, the Iwami and Oki regions are mostly designated as the “hilly and mountainous areas”, defined by the prefecture as “areas in need of development in terms of industry, employment opportunities, health and welfare, and other social needs that are difficult to obtain as opposed to other regions”. These areas are known to suffer from rapid depopulation, and are at the frontier of regional decline. Shimane received even more attention when the Masuda report (2014a) revealed that within Japan, Shimane ranks 3rd in the prefectures with the most municipalities suffering from a vanishing population: 84.2% of Shimane’s municipalities may face a rapid decline in population that would lead to the unsustainability of its municipal unit (Masuda, 2014a). Overall, Shimane is seen to be a prefecture suffering from great population decline, surmounted by numerous other challenges such as its geographic characteristics.

Shimane’s population entered into natural decline from the early 1990s, when the number of deaths surpassed the number of births in the prefecture (Figure 4-1). Two years later, Shimane declared that it would strengthen policies against further

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9 Chugoku region includes Shimane, Tottori, Hiroshima, Okayama, and Yamaguchi prefectures.
population decline by encouraging more in-migration\textsuperscript{11}. With investment from the prefecture, central government and private firms, Shimane prefecture established a public interest incorporated foundation called “\textit{Furusato Shimane Teiju Zaidan} (Hometown Shimane Settlement Foundation)” within the prefectural government to assist in in-migration.

\textbf{Figure 4-1: Population trends in Shimane prefecture from 1960 to 2010}

![Population Trends in Shimane Prefecture](image)

Source: “National population census”. Ministry of Internal Affairs and Communications

At the time of the foundation’s establishment, projects focused on providing employment-related assistance, such as information sharing, career seminars for students, enhancing local firms’ labor environment, etc. In the years that followed, the foundation expanded its services to include trial programs for working in primary

industries, support for housing, and support for leading projects in community building and revitalization. From 2004, the foundation began the “Job Cafe Shimane”, offering consultation for youth employment in the prefecture. From 2005, the foundation also began working together with the prefectural government to promote the “Shimane Rural Tourism”, which is aimed at having individuals experience life in Shimane and interaction with the local residents before deciding to migrate. Now, the foundation conducts a wide range of support programs under three fields: 1. Promote employment within Shimane, especially for youths, 2. Promote in-migration from outside the prefecture, 3. Promote the creation of a community rich in vitality and value. With these three dimensions, the foundation aims to increase the number of in-migrants that decide to permanently reside in Shimane prefecture.

In contrast to the Masuda report’s negative projections about the declining population in most of Shimane’s municipalities, other reports show Shimane prefecture to be a popular destination for those wishing to migrate. According to a survey by the non-profit organization Furusato Kaiki Shien Center (Return to Hometown Support Center), among the visitors to the organization’s office in Tokyo, Shimane prefecture has been listed within the top 15 popular desired destinations for in-migration since 2012 (Table 4-1). However, it must be noted that these survey results only accounts for those who are considering in-migration, and not actual in-migrants. The challenge therefore lies in encouraging those individuals to in-migrate, and to permanently settle as well.
### Table 4-1: Popular in-migration destinations from 2009 to 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>2009 (N=788)</th>
<th>2010 (N=775)</th>
<th>2011 (N=406)</th>
<th>2012 (N=1017)</th>
<th>2013 (N=1642)</th>
<th>2014 (N=2885)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fukushima</td>
<td>Fukushima</td>
<td>Nagano</td>
<td>Nagano</td>
<td>Nagano</td>
<td>Yamanashi</td>
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<tr>
<td>2</td>
<td>Nagano</td>
<td>Nagano</td>
<td>Fukushima</td>
<td>Okayama</td>
<td>Yamanashi</td>
<td>Nagano</td>
</tr>
<tr>
<td>3</td>
<td>Chiba</td>
<td>Chiba</td>
<td>Chiba</td>
<td>Fukushima</td>
<td>Okayama</td>
<td>Okayama</td>
</tr>
<tr>
<td>4</td>
<td>Ibaragi</td>
<td>Iwate</td>
<td>Ibaragi</td>
<td>Kagawa</td>
<td>Fukushima</td>
<td>Fukushima</td>
</tr>
<tr>
<td>5</td>
<td>Yamanashi</td>
<td>Yamagata</td>
<td>Iwate</td>
<td>Chiba</td>
<td>Kumamoto</td>
<td>Niigata</td>
</tr>
<tr>
<td>6</td>
<td>Hokkaido</td>
<td>Ibaragi</td>
<td>Oita</td>
<td><strong>Shimane</strong></td>
<td>Kochi</td>
<td>Kumamoto</td>
</tr>
<tr>
<td>7</td>
<td>Fukushima</td>
<td>Miyagi</td>
<td>Toyama</td>
<td>Oita</td>
<td>Toyama</td>
<td>Shizuoka</td>
</tr>
<tr>
<td>8</td>
<td>Yamanashi</td>
<td>Yamanashi</td>
<td>Kumamoto</td>
<td>Tottori</td>
<td>Gunma</td>
<td><strong>Shimane</strong></td>
</tr>
<tr>
<td>9</td>
<td>Shizuoka</td>
<td>Shizuoka</td>
<td>Akita,</td>
<td>Miyazaki</td>
<td>Kagawa</td>
<td>Toyama</td>
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<tr>
<td>10</td>
<td>Akita</td>
<td>Miyazaki</td>
<td>Miyazaki</td>
<td>Wakayama</td>
<td>Kagoshima</td>
<td>Kagawa</td>
</tr>
<tr>
<td>11</td>
<td>Wakayama</td>
<td>Hokkaido</td>
<td>Niigata</td>
<td>Yamagata</td>
<td>Tochigi</td>
<td>Ishikawa</td>
</tr>
<tr>
<td>12</td>
<td>Tochigi</td>
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<td>Tochigi,</td>
<td>Kochi,</td>
<td>Niigata</td>
<td>Chiba</td>
</tr>
<tr>
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<td>Gifu</td>
<td>Gifu,</td>
<td>Yamanashi,</td>
<td>Kagoshima</td>
<td>Yamaguchi</td>
<td>Gunma</td>
</tr>
<tr>
<td>14</td>
<td>Iwate</td>
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<td>Tottori</td>
<td>Shiga</td>
<td><strong>Shimane</strong></td>
<td>Akita</td>
</tr>
<tr>
<td>15</td>
<td>Miyagi</td>
<td>Tochigi</td>
<td>Ishikawa,</td>
<td>Yamanashi</td>
<td>Oita</td>
<td>Yamaguchi</td>
</tr>
</tbody>
</table>


It must also be noted that there are differences in actual in-migration levels among the three regions (Izumo, Iwami, and Oki) within Shimane prefecture. As seen in Figure 4-2, the Iwami region has an increasing number of in-migrants, as opposed to the Izumo region, which shows a declining trend. This is ironic as the Izumo region consists of more populated cities such as Matsue – location of the prefectural government – and Izumo – a popular tourist area for the famous Izumo shrine. On the other hand, the Oki
islands have also experienced a great increase in in-migration since 2011\(^\text{12}\). However, the data only accounts for the number of in-migrants recorded by the municipalities; the graph does not give an accurate representation of the total number of in-migrants including return migrants.

**Figure 4-2:** Total number of in-migrants to each region in Shimane prefecture from 2009-2013

![Graph showing the total number of in-migrants to each region in Shimane prefecture from 2009-2013. The graph shows the number of people in the regions Iwami, Izumo, and Oki over the years 2009 to 2013. The data is sourced from the Western Regional Center, Shimane prefectural government.]

Aside from the population change, Shimane’s economic environment is also alarming. The prefecture’s local production has been on a decline over the years (Figure 4-3). In addition, the labor force has been continuously declining in number since 1995 (Figure 4-4). The primary and secondary industries have been shrinking as well, with

\(^{12}\) The Oki islands will not be discussed in this research as they have special characteristics as smaller islands and population.
the growth of the tertiary industry. In particular, the primary industry now only constitutes a small percentage of Shimane prefecture’s economy. The decline in the number of workers is alarming, especially given the declining total population as well, and thus could imply a continuously shrinking economy.

Figure 4-3: Total production in Shimane prefecture from 2001-2012

Source: Statistics Information of Shimane, Shimane prefectural government
Figure 4-4: Total number of workers in Shimane prefecture per industry during the years 1990-2010

Source: “National population census”. Ministry of Internal Affairs and Communications

4.1.1. Gotsu city

Gotsu is a small city with an area of 268.51km$^2$ and a population of around 24,800 people. Gotsu has been suffering from gradual population decline over the decades (Figure 4-5).
The business environment in Gotsu also does not convey a positive message. The local production of Gotsu city declined between the years 2004 to 2008, but has been gradually increasing again onwards (Figure 4-6). However, overall, it seems that the total production is slowly declining.
Gotsu city constitutes of a balance between privately managed and corporate firms, at 46% and 48% of all businesses each (Figure 4-7). Over the years, however, the overall number of businesses within Gotsu city has slowly diminished, along with the number of workers (Figure 4-8). In addition, although new businesses emerged during the years 2004 to 2006, the ratio of new businesses to current businesses dropped significantly in the years that followed, indicating a fall in entrepreneurship (Figure 4-9). Fewer businesses imply less job opportunities, which could possibly leave a detrimental effect on the already declining population and in-migration levels.
Figure 4-7: Ratio of business types in Gotsu city (2011)

Source: “Economic census”. Ministry of Internal Affairs and Communications

Figure 4-8: Number of workers and businesses in Gotsu city, 2001-2012

Source: “Economic census” and “Establishment and Enterprise Census”, Ministry of Internal Affairs and Communications
Figure 4-9: Average ratio of new businesses to present businesses per year in Gotsu city from 2001-2012

<table>
<thead>
<tr>
<th>Year Period</th>
<th>Ratio of new businesses to present businesses per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-2004</td>
<td>0.015</td>
</tr>
<tr>
<td>2004-2006</td>
<td>0.03</td>
</tr>
<tr>
<td>2006-2009</td>
<td>0.025</td>
</tr>
<tr>
<td>2009-2012</td>
<td>0.015</td>
</tr>
</tbody>
</table>

Source: Statistics Information of Shimane, Shimane prefectural government

4.2. Tokushima prefecture

Tokushima prefecture is located in the Shikoku region\(^{13}\) of Japan. It consists of three different regions: the Naruto region, southern region, and western region. The Naruto region is where the prefectural government is located and manages; the other two regions are managed by each respective regional center. Given its smaller population as opposed to other regions in Japan, its population trends are not as drastic as that of Shimane prefecture; Tokushima has experienced a mild growth in population between 1970 and 1985 (Figure 4-10). However, like Shimane prefecture, Tokushima has also experienced natural population decline since the number of deaths surpassed the number of births at around the year 1995.

\(^{13}\) Shikoku region consists of Tokushima, Kagawa, Kochi, and Ehime prefectures.
Figure 4-10: Population trends in Tokushima prefecture from 1960-2010

Source: “National population census”. Ministry of Internal Affairs and Communications

While Tokushima prefecture also faces population decline, it has another characteristic: there is a high percentage of marginal villages, or “genkai shu-raku” in Japanese, at 35.5% as opposed to the regional average in Shikoku of 24.3% and the national average of 15.5%. These marginal villages are categorized as “genkai shu-raku” when they are attributed with the following characteristics: the majority of the people living in the community is over the age of 65 (Tokushima prefecural government, 2012). Given the aged population, it becomes harder for these communities to function, as there are not enough people to maintain the functions of a community such as local governance, taking care of empty lands, and hosting

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ceremonial occasions.

To combat this issue, the prefecture has set forth the “Tokushima Village Revival Project (Tokushima Shu-raku Saisei Project)” from 2012. In collaboration with private businesses and non-profit organizations, the prefecture aims to achieve safety and security, the utilization of local residences, acquisition of human resources and their cultivation, and promotion of the region. Even with this policy, the prefecture is keen on calling in in-migrants that can lead the region towards revitalization (Tokushima prefectural government, 2012). The following are some of the policies outlined in the report by Tokushima prefecture:

- Attract human resources with the capacity to contribute and promote
- Enhance support system for in-migrants at both prefecture and municipality level
- Advance implementation of regional revitalization volunteers
- Cultivate human resources with patents through support by local firms and experts

Through these ways, the prefecture aims to obtain more individuals that can advance interaction between the villages and extra-local communities.

As for the prefecture’s local economy, the total production is experiencing a slow, but steady decline, especially from the year 2004 (Figure 4-11). As shown in Figure 4-12, the number of workers has also been declining from the year 1995. This
may be due to the decrease in youths and a high population of the elderly, as it will be explained in the next paragraph. Furthermore, over the decades, there is a significant growth of the tertiary industry, as opposed to a shrinking primary industry (Figure 4-12). This shows that in Tokushima prefecture, the service industry is growing as the main industry that supports the local economy.

Figure 4-11: Total production in Tokushima prefecture, 2001-2012

Source: Calculation of local economy, Tokushima prefectural government
Despite the challenges, Tokushima also has a particular strength unlike other prefectures. It has widespread access to information and communication technology (ICT), and is the prefecture with the most households possessing cable television service\textsuperscript{15}. This policy, formerly called the “e-Tokushima promotion plan” (2004), has now developed into the “ICT Tokushima Creation Strategy” (2014-2018), focusing on utilizing ICT as a tool to solve various local social problems. The availability of ICT is a strength that the prefecture has achieved through support from government funds.

\textsuperscript{15} As of March 2014. From Tokushima prefectural government.
4.2.1. Kamiyama town

Kamiyama is a small town in the Naruto region of Tokushima prefecture. It is about an hour away from central Tokushima city by bus, and is composed of several settlements in between the mountains. Kamiyama town has also suffered from population decline, with many youths leaving the town for education from high school or college. Its population decline is significant when compared to the mild population change in Tokushima prefecture as a whole (Figure 4-13).

Figure 4-13: Comparison of total population in Tokushima prefecture and Kamiyama town, 1960-2010

Source: “National population census”. Ministry of Internal Affairs and Communications
Contrary to in-migration efforts, the economic environment in Kamiyama town seems to be at a decline. For Kamiyama, the local production is declining continuously (Figure 4-14). In addition, just as data for Tokushima prefecture showed a decline in the number of workers in recent years, the same could be said of Kamiyama town; both the number of businesses and workers have declined between the years 2001 and 2012 (Figure 4-15). With regards to the labor population, we see a great increase in the number of workers in the tertiary industry (Figure 4-16). On the other hand, there is just a slight decrease from 2005 levels for both primary and secondary industries, noting that both of these industries still remain strong contributors to Kamiyama town’s economy. Furthermore, it is important to note that the majority is under private management at 56%, whereas private corporations are at 38% (Figure 4-17). The data on new businesses in Kamiyama town was only available for the year 2012\textsuperscript{16}; its ratio of new businesses to present businesses was at 0.67% (Ministry of Internal Affairs and Communication, 2012).

\textsuperscript{16} The town officials also did not have record of business start-ups before 2012.
Figure 4-14: Total production in Kamiyama town from 2003-2012

Source: Economic results for Tokushima municipalities, Tokushima prefectural government

Figure 4-15: Number of workers and businesses in Kamiyama town, 2001-2012

Source: “Economic census” and “Establishment and Enterprise Census”, Ministry of Internal Affairs and Communications

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Figure 4-16: Ratio of workers per industry in Kamiyama town, 2005-2010

Source: “National population census”. Ministry of Internal Affairs and Communications

Figure 4-17: Ratio of business types in Kamiyama town, year 2011

Source: “Economic census”, Ministry of Internal Affairs and Communications
4.3. **Data collection and fieldwork**

To assess the current situation of in-migration into these regions, I have analyzed data on the in-migration trends for each of the selected communities. In addition, I have conducted interviews with municipal employees involved in regional revitalization and in-migration policies, and actual in-migrants who have also become entrepreneurs. As not all data on in-migrants have been collected by municipalities, the in-migrants chosen for this thesis were introduced by the municipal employees. I have requested to interview in-migrant with the following characteristics:

1. They are either return migrants or in-migrants who originated elsewhere;
2. They have started their own business at the region after migrating;
3. They have migrated and begun their business between their 20s - 40s;
4. They are considered to be key individuals in the community.

The fieldwork took place over a course of five days, with three days being spent in Shimane prefecture and two days in Tokushima. Municipal employees were interviewed on the details of their policies, the effect of the policies along with the current situation of in-migration to the prefecture, and what in-migrants they perceive as necessary in the region (Appendix A). In-migrants were questioned on their thought process behind their decisions on migration as well as starting their business, to analyze what elements became determining factors of their decisions (Appendix B). I conducted an in-depth
interview with each migrant that was selected by the municipal employees as key individuals in the region. In this thesis, the migration decision-making process will not be regarded as a response to a particular circumstance, but as a complex decision-making process that depends on the transitions an individual goes through over the course of their lifetime. This approach, called the “biographical approach”, is also used by Stockdale (2002) and focuses on life-course migration. This understanding of migration can be defined as having the following three traits (Stockdale, 2002; Boyle and Halfacree, 1998). First, migration is part of a long-term biography formation; second, migration involves complex decision-making; and third, decision-making needs to be related to societal norms, which yield distinct migration cultures that reproduce migration. For this research, as I will be targeting particular in-migrants considered to be key individuals in the region, I have focused on interviewing each individual personally to examine both their transitional process towards in-migration as well as towards their activities in the community.

5. Results

5.1. In-migration population trends in Gotsu city

The previous chapter showed both a declining local economy and total population in Gotsu city. To analyze the details behind the continuous population decline, levels of net in-migration were examined (Figure 5-1). Over the years, there has been a continuous out-migration over in-migration, which could also be a factor affecting the population decline. From 2008, there has been a decline in excessive
out-migration. While social population decline is not as large as it used to be, Figure 5-2 shows that the numbers of in- and out-migrants in general have been decreasing as well, over a longer period of time. Thus, the improvement in net in-migration levels is not due to any increase in in-migration or decrease in out-migration, but simply due to fewer migrants in general.

Figure 5-1: Net in-migration in Gotsu city, 2003-2011

Source: “National population census”. Ministry of Internal Affairs and Communications
Next, levels of in-migration from other prefectures, excluding the in-migrants from other municipals within Shimane prefecture, were observed (Figure 5-3). The result was similar to that of total in-migration levels; there is a decline up till 2008, but in the years that follow, the numbers seem to be stagnant. It could also be noted that the decline of in-migration has come to a halt since 2008, compared with the declining trend leading up to that year.

Source: “National population census”. Ministry of Internal Affairs and Communications
As seen in Chapter 4, the number of businesses and workers in Gotsu city also seem to be at a continuous decline, implying fewer jobs for local residents. The previous chapter has shown that total population also remains at a decline; despite less out-migration in recent years, in-migration does not seem to increase. As a result, it seems that Gotsu city suffers a generally declining population, leaving grim prospects for the city at the statistical level.

5.2. Shimane prefectural government’s policies

For the Shimane prefectural government, there are five steps for promoting in-migration:
1. Promotion and information sharing
2. Consultation and invitation
3. Experience and interaction in Shimane
4. Acceptance of in-migration
5. Follow-up

The staff explained that, at stage 1, it is crucial to “loosely surround” potential in-migrants, and have them study about Shimane and also envision what they wish to do after moving into the region. While Shimane targets a wide variety of people for in-migration, the process of recruiting in-migrants is carried out carefully.

To reach this approach towards in-migration, however, it took Shimane prefecture 20 years – since the beginning of its in-migration policies. This was because it took a long time for the municipalities and its communities to recognize the necessity of in-migrants for the region.

“What often happens is, some local residents would complain, ‘Why do we need to spend money to outsiders? Shouldn’t the local government do something about my house first of all?’ This was especially common 10 years ago. But now, the municipalities are clearly aware of the population decline and its consequences. Attracting new in-migrants means the local residents and municipalities are prepared to ‘welcome outsiders’.”
The staff emphasized that it is crucial for in-migrants to be embedded in the community, especially because not all communities are welcoming towards outsiders. To allow the embedding of in-migrants, Shimane places emphasis on having the individuals obtain a local job. The staff described that many in-migrants come because of the availability of jobs; if there are no jobs available for them in the first place, they do not move in. Thus, some individuals utilize short-term trial programs to experience life in Shimane before actually moving in and searching for jobs.

Among the municipalities attracting more in-migrants, Gotsu city was raised as a particularly interesting case. Despite the grim prospects for Gotsu city, the staff at *Furusato Shimane Teiju Zaidan* (Hometown Shimane Settlement Foundation) insisted that Gotsu city is interesting in terms of in-migration for the following reason:

"The reason why we say Gotsu is exciting is because it has been attracting individuals that have a strong impact. These people attract other people into the community. [...] If you look at the statistical data, it may not sound convincing. But just because there is a decline in population does not mean the community is losing its vitality. If a community has passionate individuals of ‘high quality’, then the community can be sustained."

The staff raised Gotsu as a model for in-migration, due to its success in attracting such passionate individuals.
“As part of our in-migration policies, we try to bring passionate individuals to the community, and let that passion spread to the locals. [...] These individuals raise the temperature of the community – this is what we think is the key to bringing in people who contribute to community building.”

While some local residents may only be focused on improving their own life, individuals from outside can influence the community with their passion for the region.

From 2010, Gotsu city started the “Go-Con (Gotsu Business Plan Contest)”, and from the following year, the city established a non-profit organization called “Tegonet Iwami” to be in charge of the contest’s operation. “Go-Con” aims to attract and discover individuals who wish to become entrepreneurs in the social business sector\(^{17}\). It accepts applications from individuals who wish to migrate into the region or also to start their own business utilizing local resources. The winner of the contest can receive funding for their initial cost in starting their business, and can also access support by the local network including the chamber of commerce, junior chamber, local banks and the city office. Despite the negative trends shown in data, Shimane prefecture looks to Gotsu city for further positive results in in-migration.

5.3. In-migration population trends in Kamiyama town

The previous chapter showed a declining total population trend for Kamiyama

town. When examining the net in-migration levels, however, an entirely different trend can be seen. As shown in Figure 5-4, the data presents a contrasting trend to that of Gotsu city: there is a diminishing level of social decrease in population up till 2011. It is even remarkable that the decline in excessive out-migration results in the increasing trend of in-migration levels (Figure 5-4). Although the social decrease becomes larger again in 2012, the apparent decline in excessive out-migration is worthy of attention, especially given the declining local economy as well. Furthermore, there is a narrowing gap between out-migration and in-migration, with the town experiencing its first social increase in the year 2011 (Figure 5-5).

Figure 5-4: Net in-migration in Kamiyama town, 2006-2012

Source: “National population census”. Ministry of Internal Affairs and Communications
While the total number of in-migrants is increasing, when compared with the number of in-migrants from other prefectures, such a trend is not clearly visible (Figure 5-6). Yet, if we consider the previously shown Figure 5-5 on in and out-migration, the decline in in-migration seems to slow down, and is gradually improving from 2007.
5.4. Tokushima prefectural government’s policies

The Tokushima prefectural government does not specify ideal in-migrants, but given the high percentage of marginal and ageing communities, the youth are especially desired. While the prefectural government leaves the approaches up to each municipality, there is collaboration among the prefecture, municipalities and in-migrants for follow-up after moving into Tokushima.

“We hold interactive sessions between the in-migrants, and seek their opinion on challenges and ideas to invite more in-migrants. We think this is necessary and important for the in-migrants.”

Source: “National population census”. Ministry of Internal Affairs and Communications
Some individuals, while migrating to Tokushima, do not remain in the prefecture for a long time. These in-migrants tend to be those who did not have a vivid, specific image of living in Tokushima from the start.

“There are some people who come with only a broad image such as ‘the countryside is better for living’ ‘I’m tired of the city life’, etc. But for the individuals with such a fluffy image, in-migration becomes a difficult transition. These individuals especially have a hard time right after arriving, when they look for jobs or gather the initial capital for farming.”

There are many private actors who actively offer help to in-migrants for making their residential move go smoothly. For example, the upturn in in-migration levels in Kamiyama town could be linked to the activities of a particular organization. In-migration support has especially been given not by the town office, but by a non-profit organization called Green Valley. The non-profit had originally been planning an art project, “Kamiyama Artist In Residence” since 1999, where they invited artists from other countries to display their artworks in the town. In 2007, Green Valley was asked by the government to manage Kamiyama’s in-migration support center, unlike the centers in other municipalities that were run by the respective city and towns. Green Valley has since then been offering residence information while, on the other hand, recruiting in-migrants by actually naming individuals, or specifying types of
in-migrants they wish to have in the town.\textsuperscript{18}

Green Valley has three projects for calling individuals into the community: 1. Satellite offices, 2. Work in Residence, 3. Kamiyama-juku. For the first project on satellite offices, Green Valley promotes the well-established ICT infrastructure in the prefecture to attract firms from other cities. Up till August 2014, 22 firms have entered the town, with even 46 jobs being created for the locals (Iizumi, 2014). By this project, Kamiyama town has been developing a new type of working style in the rural areas: telework, a flexible working style that utilizes IT and is not bound to time or location\textsuperscript{19}. The ICT environment in Tokushima prefecture has allowed Kamiyama town to use this strength to offer a new work style and attract firms from cities to the town.

The second project is an extension of the past “Kamiyama Artist in Residence”. In this project, Green Valley recruits in-migrants by specifying certain entrepreneurial in-migrants for each vacant housing they offer. This is possible because the actor in charge is a private actor (non-profit organization) instead of a public actor, which would not be able to specify in-migration recruitment to particular job titles.

The third project, “Kamiyama-juku”, is a six month training program for employment seekers. The participants, who are job seekers, spend the six months thinking about their career while engaging in community activities. Interaction is frequent among the program students; they stay at a local resident’s house in groups, and local residents also hold weekly dinner parties for the trainees. Beginning in

\textsuperscript{18} For example, if the community wishes a bakery, Green Valley would offer a vacant house only for in-migrants that could open a bakery in town.

\textsuperscript{19} Definition by the Japan Telework Association. (Akio, 2008)
December 2010, it has already welcomed 77 individuals over the six terms. Of the participants, about 50% have in-migrated, showing effect in attracting individuals over the years through the program (Table 5-1; Ominami, 2014).

### Table 5-1: Number of participants and those who in-migrated afterwards in Kamiyama-juku

<table>
<thead>
<tr>
<th>Term</th>
<th>Participants</th>
<th>Participants who stayed in Kamiyama</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>15</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>5</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>6</td>
<td>14</td>
<td>7</td>
</tr>
</tbody>
</table>

Source: NPO Green Valley

Not only are there Kamiyama town and the non-profit Green Valley, but there are also other examples within the prefecture such as Irodori Company in Kamikatsu town, and the presence of a “welcome coordinator” in Minami town. The local government also cooperates with new projects by providing funds annually. Through these local initiatives, many communities are making efforts to yield more people into their regions.

“In these ways, we think there is a growing number of activities that ‘call
people in’, creating a good flow of people. Each of the communities are establishing a structure that calls people into the region.”

When asked if the advanced ICT environment makes Tokushima more advantageous than other prefectures for attracting in-migrants, the staff disagreed.

“ICT is just a tool for individuals to start their activity, not a reason for their in-migration. It only makes things convenient. [...] Our ICT environment only became successful because of the people at the core. [...] The people in Tokushima made success possible. There was an individual at the core, and others gathered around him/her, keen on working together with that person. We need to always think of people at the core of things.”

Such a model that “creates a flow of people into the community” is significantly represented by Kamiyama town’s Green Valley, and could be a reason why Kamiyama is one of the most popular destinations for in-migration in Tokushima prefecture. However, even Green Valley took 20 years to reach its current success, showing that it is a long-term process that is still ongoing.

5.5. Actual in-migrants: process to in-migration

Six in-migrants – four in Shimane and two in Tokushima – were interviewed for the fieldwork (Table 5-2). Three were in-migrants to Gotsu (of which 1 now lives in
Hamada city, neighboring city). Two were in-migrants residing in Kamiyama town, Tokushima prefecture. The remaining individual was an in-migrant to a small town in Shimane prefecture, formerly called Yunotsu (but has now been integrated into Oda city next to Gotsu city\textsuperscript{20}). His case was used for comparison between communities with different levels of embeddedness.

Table 5-2: Interview results for in-migrants on their in-migration

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Destination of in-migration</td>
<td>Gotsu, Shimane</td>
<td>Gotsu, Shimane</td>
<td>Gotsu (Now Hamada), Shimane</td>
<td>Yunotsu (Oda), Shimane</td>
<td>Kamiyama, Tokushima</td>
<td>Kamiyama, Tokushima</td>
</tr>
<tr>
<td>Age of out-migration</td>
<td>15</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>15</td>
<td>20s</td>
</tr>
<tr>
<td>Reason for out-migration</td>
<td>Education</td>
<td>Work, Peer pressure</td>
<td>Education</td>
<td>Education, Entertainment</td>
<td>Education</td>
<td>Work</td>
</tr>
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<td>Attachment to hometown</td>
<td>Strong</td>
<td>Strong</td>
<td>Weak</td>
<td>Weak</td>
<td>Weak</td>
<td>Weak</td>
</tr>
<tr>
<td>Age of in-migration</td>
<td>Early 40s</td>
<td>Early 30s</td>
<td>Early 30s</td>
<td>Late 20s</td>
<td>Late 20s</td>
<td>Late 30s</td>
</tr>
<tr>
<td>Reason for in-migration</td>
<td>Childcare</td>
<td>Presence of community</td>
<td>Renewed interest in hometown</td>
<td>Family business</td>
<td>Family business</td>
<td>Tohoku earthquake 2011</td>
</tr>
<tr>
<td>Type of in-migrant</td>
<td>Voluntary return</td>
<td>Involuntary return</td>
<td>Voluntary new</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{20} The integration took place in 2005; however, the community of Yunotsu still exists. In 2005, the final recorded population of Yunotsu town was around 3900 people.
All interviewees had out-migrated during their late teens to early 20s for education or work. Yet, they had different reasons for their in-migration. There were three types of in-migrants among those interviewed: the voluntary return migrants, the involuntary return migrants, and the voluntary new migrants. This typology categorizes individuals depending on their process leading up to their decision to migrate into the particular rural region.

First, the voluntary return migrants are those who willingly returned to their hometown. One individual, who now owns a cafe at Gotsu city, had the desire to return from when he resided in Nagano prefecture with his wife. He had a clear vision of raising his child in the same environment he had been raised in.

“I couldn’t imagine raising my child in the city. When I think back to how I was raised by my parents in the countryside, it’s easier for me to visualize.”

The man held such a positive impression of his hometown due to his enjoyable childhood spent there.

“I think it was because I had such fun memories of my childhood that I had come back to Gotsu as a result. If you wanted to play video games, you could do that anywhere, probably even more in the cities. Instead, I was riding horses along the beach. You can only experience this kind of fun in
the countryside. These experiences stay in your heart. So, even if you do go out to the city, you eventually start wanting to come back. And you do.”

Another interviewee, founder of a design office and who had also willingly returned to his hometown in Gotsu city, shared similar thoughts on the motive to return.

“If you've spent your childhood with good friends and a good home environment, you hold a positive image of your life at your hometown. Then, you keep the option of returning. For some reason, you hold a broad idea of wanting to go back at some point in your life. It’s just that those who haven’t yet have just not been able to.”

For these voluntary return migrants, their pleasant childhood memories were a fundamental cause that prompted their return to their hometown.

Others did not originally have positive images towards their hometown. One interviewee left his hometown in Hamada city of Shimane prefecture to go to a university in Tokyo. At the time, he had not planned to return to Shimane at all.

“When I was leaving for Tokyo, I didn’t think I would return at all. I simply had no interest. I didn’t know anything about my hometown back then.”

Yet, during his job in Tokyo as a secretary to a diet member, he had the opportunity to
interact with local residents of the electoral district. There, he realized the values and challenges that he had overlooked in communities. This became a turning point for the individual to rethink about his hometown and of the possibilities that lie in the community. In this way, even if an individual does not have positive feelings toward his or her hometown initially, personal experiences while being away from home could allow the individual to revisit the hometown with an entirely new perspective. This could thus allow voluntary return migration to occur.

Those who inevitably had to return regardless of their situation are the “involuntary return migrants”. In the cases of two interviewees, neither had a special feeling of attachment to their hometown. One man disliked his hometown due to lack of entertainment in the area, and thus willingly out-migrated when entering higher education.

“Up until high school, I wanted to abandon my home in the countryside and go out. There was nothing at Yunotsu town. I wanted to go to the famous disco parties in Kyoto.”

For the other, he wished to leave his hometown in Kamiyama, but not because he disliked the town. His decision to out-migrate was determined partly because he wished to see what was outside of his small hometown, but it was also prompted by his determined future that he would eventually return to inherit his family’s business.
“I was born in a family of four siblings, and I was the only boy. Because of that, I was constantly told from the people around me, ‘You’re going to come back, right?’ That notion was rubbed into me. It was a given. So, I thought, if I am going to eventually come back anyway, I’d might as well go and see the world. I have always been interested in foreign countries from when I was little. […] I also wanted to go to Tokyo at least once. I simply wanted to see what was outside. I’d eventually come back, anyway.”

Both individuals eventually returned, but not upon personal will. It was a given that they would return for their family’s business, and therefore both individuals knew from before that they would return sooner or later. One man described his feelings at the time of return migration as the following:

“I thought I had to return. There was no one to take over the business. I felt that I had no other choice but to return.”

A significant component that may have allowed the two individuals to become leading social entrepreneurs in the area is that they did not resist the return. Although their return was determined from the beginning, they were not reluctant towards the idea. This absence of negative feelings with regards to returning may have made it easier for these individuals to pursue activities for their hometown later on.

In contrast, for other individuals that do not have such concrete reasons to
return, encouraging return migration depends on their personal experiences, just as how the voluntary return migrants were able to return due to their positive childhood memories, and how one reconsidered returning to his hometown due to his discoveries while living outside. For these individuals, however, it is a natural decision for them to make, because they are originally from that area. In the case of individuals who have hometowns elsewhere, they have little connection with the region of destination. Such individuals can be perceived as the third type of in-migrants: the voluntary new migrant. These are individuals who, while having a separate hometown, still decide to migrate into the region for other reasons. The voluntary new migrant, like some of the other in-migrants, also wished to leave her hometown in Osaka to see the outside world.

“I’ve always wanted to leave my hometown and see what’s out there. I felt that the world here in this city was too small and narrow.”

After leaving for France, and Tokyo in her years after university, she moved to Kamiyama town in 2012. Coupled with her yearning of becoming independent, the individual was encouraged to move when the Great East Japan earthquake and tsunami occurred on March 11, 2011.

“March 11 changed the way I saw our lives. I was in Tokyo at the time, working. I realized how dependent we were to things. The disaster showed how we were too dependent on nuclear energy, especially in Tokyo. That
made us all very vulnerable. I wanted to lead a more self-sustainable life.”

In this way, similar to the previously mentioned voluntary return migrant, an external event triggered the individual to change her mind.

On top of that were her ties with Kamiyama town through her university friend, which allowed her to leave Tokyo and come to Kamiyama, to better pursue her ideal lifestyle. The individual first found out about Kamiyama town from her acquaintance from university, who had also migrated to Kamiyama. Thus, while not having any inherent ties to the region, personal connections with an individual living in the town allowed her to gain the opportunity to visit. In this way, voluntary new migrants need not just a personal experience but also the social connection to the community in order to decide on in-migration.

From these observations, we can see what factors especially played a role in causing the individuals to in-migrate (Table 5-3). Among those interviewed, those with positive childhood memories in their hometown were more likely to eventually return (the first and second voluntary return migrants). Even if they did not necessarily hold a positive impression of their hometown, if they experience a turning point in their years away from home that allows them to reconnect with their hometown, this could also lead them to return (the third voluntary return migrant). The significance of experience was the same for the voluntary new in-migrant; however, in her case, it was important to have personal connections with the particular region, such as with her friend from university who also lived in the town. As for the two involuntary return migrants, since
their in-migration was not under their own control, their return was determined from the beginning regardless of the individual.

Table 5-3: Typology of social innovator in-migration

<table>
<thead>
<tr>
<th>Interviewees</th>
<th>Typology of in-migrant</th>
<th>Decision-maker</th>
<th>Childhood memories of hometown</th>
<th>Turning point experience for in-migration</th>
<th>Personal connection with region of in-migration</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>1. Voluntary return</td>
<td>Self; independent</td>
<td>Positive</td>
<td>N/A</td>
<td>☎</td>
</tr>
<tr>
<td>B</td>
<td>1. Voluntary return</td>
<td>Self; independent</td>
<td>Positive</td>
<td>N/A</td>
<td>☎</td>
</tr>
<tr>
<td>C</td>
<td>2. Involuntary return</td>
<td>Other factors; dependent</td>
<td>Indifferent</td>
<td>☎ (While living outside)</td>
<td>☎</td>
</tr>
<tr>
<td>D</td>
<td>2. Involuntary return</td>
<td>Other factors; dependent</td>
<td>Indifferent</td>
<td>N/A</td>
<td>☎</td>
</tr>
<tr>
<td>E</td>
<td>3. Voluntary new</td>
<td>Self; independent</td>
<td>N/A</td>
<td>☎</td>
<td>☎ (Friend)</td>
</tr>
</tbody>
</table>

* The cells marked in bold show the key factor that directly led to the in-migration to the rural region.

5.6. Actual in-migrants: process to entrepreneurship

While the previous paragraphs explain the process behind in-migration, a separate explanation is needed for the process of these in-migrants towards their entrepreneurship or activity that defines them as the social innovator for the region. Each in-migrant had different motives for starting their business or activity in the region. As shown in
Table 5-4, four of the six interviewees, all voluntary in-migrants, relied on an existing organization or program to start their business, such as the “Go-Con” and requests by Green Valley in Kamiyama town. For the other two, the involuntary return migrants, they already had a job to begin with – their family business. The involuntary return migrant to Kamiyama town gradually established his activities after getting together with other individuals on smaller community projects. The other in Shimane prefecture decided to open a cafe alongside the business, but did all on his own, due to lack of support from his family and other influential actors in town. He gave the small community as a key reason behind this difficulty.

“I had no one to consult but myself. All the people in the hotel association, tourism association, even the town mayor joined forces against me. The hotels were worried I would take away their profit. In a small town like Yunotsu, even if you are a return migrant, if it’s a tight community, people tend to be hesitant towards new initiatives.”

Among the six interviewees, three were cafe owners. While residing in different communities and varying in in-migration type (voluntary return, involuntary return, and voluntary new), they all shared similar reasons for starting a cafe: they wanted to create or strengthen the community and believed that such a space was a necessary function.
“After coming back, when I went to the community center, I felt like I didn’t have a place there. I realized it is no longer the generation to gather at community centers. [...] There was no place for people to just gather and relax. Without a place, there is no way people can gather.” (Voluntary return in-migrant)

“At a small town like this, we didn’t even have a place where we could meet and exchange information. In the past, it was normal to gather at community centers for meetings. But we can also have meetings while having a cup of coffee, right? [...] Just like having post offices & hair salons, cafes are an important community function.” (Involuntary return in-migrant)

“Throughout my life, I had always been supported by many people. Before, I was working in the IT sector so I couldn’t see whom I was helping through my business. This time, I want to connect with people directly, and I want this cafe to become where everyone can casually gather and have a good time.” (Voluntary new in-migrant)
### Table 5-4: Interview results for in-migrants on their entrepreneurship

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Destination of in-migration</strong></td>
<td>Gotsu, Shimane</td>
<td>Gotsu, Shimane</td>
<td>Gotsu (Now Hamada), Shimane</td>
<td>Yunotsu (Oda), Shimane</td>
<td>Kamiyama, Tokushima</td>
<td>Kamiyama, Tokushima</td>
</tr>
<tr>
<td><strong>Type of business</strong></td>
<td>Cafe</td>
<td>Design office</td>
<td>Promotion, Planning</td>
<td>Cafe</td>
<td>NPO</td>
<td>Cafe</td>
</tr>
<tr>
<td><strong>Start-up year</strong></td>
<td>2011</td>
<td>2012</td>
<td>2012</td>
<td>2005</td>
<td>Late 1990s</td>
<td>2013</td>
</tr>
<tr>
<td><strong>Previous job</strong></td>
<td>Chef</td>
<td>Renovation, housing, freelance</td>
<td>Secretary to Diet member, NGO</td>
<td>Car dealer</td>
<td>Construction</td>
<td>IT</td>
</tr>
<tr>
<td><strong>Reason for startup</strong></td>
<td>Community creation</td>
<td>Desire to connect producers and consumers</td>
<td>Answer local needs as a local firm</td>
<td>Promote values of Shimane prefecture</td>
<td>Utilize own skills, create a function necessary for the community</td>
<td>Desire to establish a natural flow of in-migration</td>
</tr>
<tr>
<td><strong>Planned or unplanned entrepreneurship</strong></td>
<td>Unplanned</td>
<td>Planned</td>
<td>Planned</td>
<td>Planned</td>
<td>Unplanned</td>
<td>Unplanned</td>
</tr>
<tr>
<td><strong>Received external support</strong></td>
<td>Business contest</td>
<td>Business contest</td>
<td>Business contest</td>
<td>None</td>
<td>None</td>
<td>NPO</td>
</tr>
<tr>
<td><strong>Key individual</strong></td>
<td>Friend from community activity</td>
<td>Sister</td>
<td>N/A</td>
<td>High school friend</td>
<td>PTA members</td>
<td>University friend</td>
</tr>
</tbody>
</table>

Whether the in-migrant utilized an existing platform or started activities on their own, for most individuals, their entrepreneurship was often triggered by others in their community. For example, those who used a platform like the “Go-Con” business...
plan contest were introduced to the opportunity by another friend. Some were also inspired to take action for their community due to others who were also contributing socially.

“Every time I came back to Gotsu, I noticed the good atmosphere created by newcomers in the city. Though my capacity as an individual is limited, I thought that if these people are here, there are many things we could do together.” (Voluntary return migrant)

“My friend, who is younger than me, had been saying he wants to start Iwami Kagura\textsuperscript{21} in Yunotsu town. I sincerely wanted to encourage and support him. His passion inspired me a lot.” (Involuntary return migrant)

Regardless of whether the individual was a voluntary or involuntary in-migrant, most interviewees mentioned others in the region who had inspired their actions or allowed them to take the opportunity to initiate. Only one did not mention a particular individual that affected his entrepreneurship; this individual was determined to start a business back in his hometown, after being inspired by his years away from Shimane prefecture.

6. Discussion

Both Gotsu city and Kamiyama town were selected due to their original

\textsuperscript{21} A traditional performing arts in the Iwami region.
categorization as a “less popular” rural region; both have been experiencing a continuous population decline, with out-migration exceeding in-migration. Rather than comparing the two in terms of economic scale, more focus was laid on their trends over the years. As shown in Chapter 5, their data showed differences in the characteristics of their society and in-migration trends. The difference in the in-migration changes to the local economy, as well as levels of embeddedness, may help explain the policy approaches taken by the municipalities.

6.1. Regional differences

Two main differences could be observed between Gotsu city and Kamiyama town. The first is the relationship between the local production and in-migration trends. For Gotsu city, the local production has remained fairly stagnant, though leaning towards slow decline over the years. On the other hand, there has been a continuous social decline, with excessive out-migration over in-migration throughout the years. Kamiyama town has been facing a declining economy, with its productivity continuously dropping. However, contrary to expectations, the in-migration levels have been picking up in recent years.

With regards to social capital, Gotsu city – and perhaps at a wider level, in the Iwami region – seems to have a more rigid local embeddedness. As observed from the interview with the municipal employees, entrepreneurship as an in-migrant seems difficult. For Gotsu city, the business plan contest has served to be an effective entrance to entrepreneurship in the region; however, without such a system, it may be difficult
for an in-migrant to become an entrepreneur from the start, just as one of the involuntary return migrants had trouble starting his cafe. For rural communities in Shimane prefecture, over-embeddedness seems to be present – the process of embedding oneself in the society becomes important for the in-migrants, especially for entrepreneurship, because the communities are not fully welcoming of strangers. On the other hand, Tokushima prefecture has had the culture of “Shikoku pilgrimage”\textsuperscript{22}, and has higher tolerance for newcomers. This flexible embeddedness may have been a key in allowing more in-migrants to arrive, as well as letting them start their own activities in the community.

6.2. Differences in policy approach

When examining the policies taken by both local governments, a clear contrast can be seen. For Shimane prefecture, where there is a more rigid local embeddedness, there are more government-led initiatives recruiting individuals for in-migration. For example, the “Go-Con” business plan contest was initiated by Gotsu city, and the program acquired a firm local support system among the local chamber of commerce and banks. On the other hand, Tokushima prefecture and its local municipalities have allowed more private-led initiatives such as Kamiyama town and the non-profit Green Valley. Such grass-root and private-led activities may be possible due to the more flexible embeddedness in the community, allowing more fluidity in the

\textsuperscript{22} A historical and cultural tradition of the Shikoku region, where individuals travel to 88 temples in the Shikoku region. Traditionally, the journey was done by Buddhist monks.
It can also be noted that Gotsu city takes a more individual-based approach, whereas Kamiyama town is community-based. For example, Gotsu city recruits ideas from the individuals, and supports them to match their entrepreneurial ideas to Gotsu. This allows the individuals to make use of their human capital for the local community first. Kamiyama town takes the macro approach and bases recruitment on the community, such as with the Work in Residence project. Even for the “Kamiyama-juku” project, Green Valley welcomes individuals and lets them experience life in Kamiyama as a community. The town has also created the “Kamiyama Valley Satellite Office Complex”, a co-working space for entrepreneurs and the creative industry. Such shared spaces also allow frequent interactions with each other, formulating a stronger social capital. In these ways, Kamiyama town takes advantage of its existing social capital and supports the communities to embed other in-migrants in the community.

6.3. Policy proposal for Japan and its municipalities

At the national level, as mentioned in Chapter 2, there are currently four basic goals. However, there is no differentiation on goals or KPIs for the various kinds of rural regions; instead, each municipality is expected to publish their own basic goals and policies. The fact that each municipality establishes their own goals is not a problem; yet, given that the national policy emphasizes job creation and in-migration levels as KPIs for the basic goals, many other municipalities may also pursue job creation to encourage in-migration. It is true that both Gotsu city and Kamiyama town
also pursue job creation for their community; however, there is a significant contrast between the two approaches, and this difference should be considered when devising in-migration policies for other rural regions as well.

Neo-endogenous development outlines that economic values should be placed on social factors as well, and that a combination of exogenous and endogenous policies are necessary for development. When establishing policies per municipality, there could be two different approaches for achieving sustainable in-migration: the individual-based approach and the community-based approach (Figure 6-1).

The individual-based approach focuses on providing direct public support for individuals to generate jobs from within, by recruiting those with the necessary skills for a local job. As it considers the individual at the core, emphasis is laid on utilizing human capital – the individual’s capacity to bring new value into the region, as well as to develop the individual’s capacity. The “Go-Con” business plan contest is a significant example of this approach; the individuals who apply are all those with entrepreneurial plans, and the winners receive support from the local network of actions for the start-up. As the approach is from the individual level, the municipality tries to apply their human capital for the betterment of the community.

The community-based approach focuses on providing direct public support for the community to embed individuals into the process of initiating their own job or to yield actors that can provide the region with necessary functions. This is different from the previous approach, because rather than centering direct public support on the individual’s human capital to match the community, it does the opposite: there is direct
public support towards the existing social capital and community values to attract individuals. Just like in Kamiyama town, understanding the town’s needs to strengthen the community comes before recruiting in-migrants, and when in-migrants come to the town, they are embedded locally by interacting with the people within the community. Eventually, this leads to the individuals discovering their sense of belonging within the social capital.

**Figure 6-1: Individual-based and community-based approaches**

![Diagram showing individual and community-based approaches]

It is important to note that these two approaches do not neglect each other. Both human capital and social capital are necessary for the two approaches; it is just the matter of which to emphasize for public support. The local government’s choice of
policy approach may depend on the region’s characteristics, especially in terms of the level of embeddedness. If a rural region has rigid embeddedness, it may be difficult to utilize social capital to welcome especially new in-migrants unless there is another factor that assists the in-migrants to enter the community. In this case, a mediating platform or actor is necessary to bring the in-migrants in, and to allow the in-migrants’ human capital to be utilized for the benefit of the community. Such assistance becomes crucial when yielding in-migrants to a rigid community, because over-embeddedness can stifle entrepreneurial actions by in-migrants. Thus, municipalities must be well prepared to provide the support when attracting in-migrants, especially for entrepreneurship.

For regions that have more flexible embeddedness and can welcome individuals from outside, the local government could focus on strengthening the social capital in the community to smoothly embed in-migrants into society. Not only do actors such as Kamiyama town’s Green Valley become important coordinators, but the creation of platforms such as shared spaces for interaction are also effective for social capital. In Kamiyama town, such spaces are now common; participants of Kamiyama-juku regularly communicate with each other and the locals at the weekly dinner parties and community activities, and there are also several cafes and restaurants run by both locals and in-migrants. These spaces have replaced the role of past community centers, which no longer serve as a community hub for youths in rural regions. The creation of these spaces became possible not just because of the flexible embeddedness that welcomes people from outside, but also because the local
government established such initiatives and allowed the local actors (such as Green Valley) to take action.

For over-embedded regions, in order to achieve a social capital more open towards outsiders, it may be essential to first attract capable individuals to establish such shared spaces in place of the community centers. As some interviewees from Shimane said, their communities did not have an alternative to community centers, where now only the elderly gather, and thus the younger generations do not enjoy casual interactions. These spaces, unlike the formal buildings made for meetings, allow more natural interactions between residents, and could be an effective tool for embedding new in-migrants as well.

When preparing the policies, it is worth considering which actors are to take the lead. For Gotsu city, the local government takes the initiative; in Kamiyama town, the local non-profit organization was entitled to manage the in-migration policies. The decision to make activities mainly public-led or private-led may depend again on levels of embeddedness (Figure 6-2); without an influential actor that could serve as a coordinator, it would be difficult for a region allow a private-led process. A public-led process will also have its own restraints, such as not having the liberty to guide activities autonomously – as a public-led process, policies must be implemented in a way that is fair for all\textsuperscript{23}. Thus, such municipalities will need an individual who can serve as the coordinator for the region, and therefore lead the regional transition.

\textsuperscript{23} Thus, policies such as choosing whom to call as an in-migrant, as done in Kamiyama town, would be impossible.
Rural regions should not be generalized and approached as being the same “rural”. Job creation is one necessary function in attracting in-migrants. However, if the in-migration process is not managed carefully, even if jobs are available, not all individuals would be able to successfully in-migrate, or even become entrepreneurs. Attention is especially needed when setting the local version of the national strategic plan against population decline. The municipalities are expected to come up with clear KPIs of their own for the five-year period from 2015 to 2019. In addition to raising numerical goals for in-migration and job creation, municipalities need to also keep in mind that the process of attracting in-migrants and leading them to entrepreneurship
should be carefully planned, according to the community’s local embeddedness and capacity of existing human and social capital. It is not just the numerical and institutional factors such as job employment, housing and welfare that determine successful in-migration. If a community especially wishes for entrepreneurial in-migrants, the direction of the process should be designed upon the local levels of embeddedness as well.

7. Conclusion

This research aimed to analyze the process of in-migration and entrepreneurship in a rural region. Based on the neo-endogenous development approach, in-migrants to the rural regions were considered the potential frontrunners that could introduce new values and mobilize both internal and external resources for local development. The challenge to sustainable rural development is an especially urgent issue in Japan, where population decline and out-migration from the rural to the urban localities are occurring rapidly. For fieldwork, two rural municipalities were chosen: Gotsu city in Shimane prefecture, and Kamiyama town in Tokushima prefecture. Both locations face population and economic decline, and can be considered “less popular rural regions” as opposed to larger rural areas. At these two sites, in addition to observation of their current policies and in-migration trends, interviews with municipal employees and actual entrepreneurial in-migrants were conducted.

Data showed that while in Gotsu city, there is a declining number of in-migrants each year, Kamiyama town has been seeing an upward improvement in its
in-migration numbers since 2007. Gotsu city has been pursuing in-migration through their unique business plan contests, a government-led initiative that recruited individuals wishing to in-migrate with a business plan for Gotsu city. On the other hand, Kamiyama town had offered the responsibility over in-migration policies to a local non-profit organization called Green Valley, which now organizes various projects that allow individuals to experience Kamiyama life and to open a business requested by the local residents. Lastly, the in-migrants who were interviewed could be categorized into three types: voluntary return, involuntary return, and voluntary new in-migrants. The return in-migrants are those who return to their hometown; they become involuntary return in-migrants when they have no other choice but to return, such as due to their family business. New in-migrants are individuals who migrate to an entirely new community for themselves. All of the in-migrants interviewed had some kind of personal connection with the region, which encouraged their in-migration.

While both municipalities hope to call in more in-migrants for the region, two different approaches could be identified: the individual-based approach and the community-based approach. The individual-based approach, as portrayed by Gotsu city’s example, is where the local government directly supports the individual through their in-migration and embedding into the community, and helps their business start-up as well. The community-based approach, taken by Kamiyama town, shows the local government directly supporting the creation of the community, and then leaves the community itself to welcome in-migrants and embed them into the community. The difference between the two approaches could be determined by the original state of
embeddedness in the community: if a community has rigid embeddedness, it is difficult for the in-migrants to integrate on their own as well as for the community to adapt and welcome them. Therefore, direct public support for in-migrants is crucial to assist the embedding process and to gain more understanding from the locals. If a community’s embeddedness is more flexible, however, the government can give more freedom and autonomy to the community as the locals can accommodate the in-migrants from themselves. The local government can assist with funds to help initiate community activities, and the activities can be led by actors at the grass-root level.

The identification of these two policy approaches is crucial for discussion on neo-endogenous rural development, because the process of in-migration must be managed carefully depending on the state of the host community’s embeddedness. While the contribution of in-migrants via job creation is important for a rural region, and while human and social capital are both necessities for successful in-migrant entrepreneurship, the process to achieve successful in-migration of these frontrunners consists of a complex mechanism for each locality. The findings of this research are significant in terms of policy-making for rural regions, especially the municipalities. While it does not simply point out the necessary factors for rural revitalization, it outlines the factors that need to be considered during the initial process of bringing in the drivers of revitalization. As policies have been devised as the national level in Japan, and as municipalities present their local strategies for in-migration, this research provides a guide for how the municipalities should carry their policies out in a way that results in sustainability for the communities in the long run.
While the two different policy approaches are useful in devising suitable in-migration policies for the region, both approaches have their own challenges. The community-based approach would only be successful if there is the presence of a well-versed local actor with enough local ties and capacity for communication and coordination between the local and extralocal. However, once a rural region can pursue a community-based approach and can maintain a continuous flow of in-migration, the region would be well on its way for sustainable development. The difficulty would be with the individual-based approach, which many rural regions may take, given their level of embeddedness. If a community does not originally possess characteristics that can allow more flexibility in its embeddedness, the process will become complicated. For example, Tokushima prefecture originally had the culture of welcoming extralocal individuals; however, the rural regions in Shimane prefecture were much more closed to begin with, due to reasons such as its geographical traits. It would be crucial for communities to develop the mentality that in-migrants are necessary for their region – but to have the mentality come to surface is another complicated layer for the transition of the rural region. The local government will need to obtain a capable individual with strong local and extralocal ties as soon as possible – however, as most municipalities suffer from both rapid population decline and budget constraints, the capacity of these local governments may also be limited. Further research is needed to identify how policies can effectively and efficiently help assist municipalities overcome this stage of over-embeddedness.

The ultimate constraint against both policy approaches would be time: just as
Gotsu city and Kamiyama town both took 20 years to reach their current policies, and are still in the process of achieving success, the process to in-migration indicates a long battle for the rural regions. Given the rapid population decline in many regions, taking 20 years with in-migration policies may insinuate a dead end. However, it is because of this time constraint that the process of in-migration must be handled carefully, to get the local residents to recognize the gravity of their community’s decline, and for the municipalities to pave the way for more in-migrants to enter.

While this research has shown that the social conditions of a rural community can guide in-migration policies in different ways, further research is needed to examine if the two policy approaches can be applied to other rural regions. A wider variety of entrepreneurial in-migrants should be assessed to build on the current observations made in this research. Yet, given the samples in this research, it is clear that there is some correlation between the level of embeddedness in a community and the different policy approaches taken by the local governments. Since the embedding process of in-migrants is a long-term process, there are many rural communities that are still in their early stages of constructing their in-migration policies. As population decline and concentration intensifies, the rural regions will be adversely affected in consequence: it is paramount that the in-migration process be further analyzed so that policies can be pursued for the sustainability of the rural regions.
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9. Appendices

APPENDIX A

Interview questions for municipal employees

1. What kind of individuals do you target for in-migration?

2. What kinds of individuals in-migrate to the prefecture?

3. What are their reasons for in-migration?

4. Where do the in-migrants receive information on your prefecture?

5. What questions do you receive from individuals who wish to in-migrate?

6. Are you seeing any changes in the number of in-migrants overall in the past years?

7. Are you seeing any changes in the number of in-migrants from major cities such as Tokyo or Osaka over the past years?

8. What policies do you implement to encourage in-migration?

9. What policies do you implement to encourage the in-migrants to permanently reside in the region?

10. Which municipalities in your prefecture are popular for in-migration?

11. Which municipalities have been notable for in-migration?
APPENDIX B

Interview questions for entrepreneurial in-migrants

1. Where is your hometown?

2. Where have you previously lived, and for how long?

3. When did you first leave your hometown?

4. What was the reason for your out-migration?

5. How attached were you to your hometown?

6. When did you in-migrate to your hometown/current location?

7. Why did you decide to in-migrate?

8. Did you consult with any local government or public service when preparing your in-migration?

9. Are you glad to have in-migrated to this region?

10. Did you have any issues during your in-migration process?

11. How often do you interact with the local residents in the community?

12. Is there any place to gather in this community?

13. When did you start your business?

14. What was your previous job?

15. Did you originally intend to become an entrepreneur?

16. Why did you decide to start your business?

17. Did you have any challenges or issues when you were starting your business?

18. Why did you wish to start a business in this community?

19. Did you receive any support from anyone for your business?