The Japanese Economy and the Kansai Region

Toshihiko Hayashi
http://www.hayashiland.com

University of the Air
Stanford Japan Center-Research
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GDP per capita

- LUXEMBOURG
- NORWAY
- JAPAN
- FINLAND
- SINGAPORE
- CHINA
- BANGLADESH
- CONGO
World’s GDP Share (PPP)
<table>
<thead>
<tr>
<th>Country</th>
<th>Average Distance (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>710.2</td>
</tr>
<tr>
<td>Canada</td>
<td>636.3</td>
</tr>
<tr>
<td>United States</td>
<td>200.9</td>
</tr>
<tr>
<td>South Africa</td>
<td>180.4</td>
</tr>
<tr>
<td>Indonesia</td>
<td>104.9</td>
</tr>
<tr>
<td>France</td>
<td>104.3</td>
</tr>
<tr>
<td>China</td>
<td>94.4</td>
</tr>
<tr>
<td>Italy</td>
<td>77.7</td>
</tr>
<tr>
<td>Germany</td>
<td>70.9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>69.0</td>
</tr>
<tr>
<td>India</td>
<td>63.0</td>
</tr>
<tr>
<td>Japan</td>
<td>58.8</td>
</tr>
<tr>
<td>Netherlands</td>
<td>55.6</td>
</tr>
<tr>
<td>Korea</td>
<td>49.9</td>
</tr>
</tbody>
</table>
# Crime and Arrest Rates

<table>
<thead>
<tr>
<th>Country</th>
<th>Homicides Rate</th>
<th>Rate of Incidence</th>
<th>Arrest Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>9.4</td>
<td>5.7</td>
<td>67.2</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2.3</td>
<td>2.9</td>
<td>92.0</td>
</tr>
<tr>
<td>Germany</td>
<td>3.9</td>
<td>3.6</td>
<td>94.2</td>
</tr>
<tr>
<td>France</td>
<td>4.5</td>
<td>3.4</td>
<td>77.2</td>
</tr>
<tr>
<td>Japan</td>
<td>1.0</td>
<td>1.1</td>
<td>96.7</td>
</tr>
</tbody>
</table>
Healthy Life Expectancy at Birth

<table>
<thead>
<tr>
<th>Country</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>75.8</td>
<td>70.1</td>
</tr>
<tr>
<td>Switzerland</td>
<td>74.4</td>
<td>70.5</td>
</tr>
<tr>
<td>Sweden</td>
<td>73.2</td>
<td>69.6</td>
</tr>
<tr>
<td>France</td>
<td>73.5</td>
<td>69.3</td>
</tr>
<tr>
<td>Germany</td>
<td>72.2</td>
<td>68.3</td>
</tr>
<tr>
<td>United States</td>
<td>68.8</td>
<td>65.1</td>
</tr>
<tr>
<td>China</td>
<td>51.3</td>
<td>47.7</td>
</tr>
<tr>
<td>India</td>
<td>53.3</td>
<td>49.7</td>
</tr>
</tbody>
</table>

The chart above shows the healthy life expectancy at birth for different countries, comparing both female and male populations.
Industrial-use Robots in Operation (2000)
Bubble and Its Aftermath

- From Stable Growth to Bubble
  - Asset Price, Self-perpetuating Expectation
- Bubble Burst
  - Asset Prices Fall
- Vicious Cycle
  - Negative Asset Effect, Shattered Expectation
- Old Keynesian Prescription Ineffective
  - Fiscal Stimulus
The Earth Quake of 1995

- The Great Hanshin-Awaji Earthquake
  - Killed 6,432 / Economic Damage ¥10 Trillion

- Illusionary Affluence
  - Material Abundance for What?

- Quest for New Value
  - Security, Redundancy, Quality of Life, Meaning of Life
Towards a New Economy

- Structural Change
  - Political System, Government Reform, Industrial Restructuring
- New Sense of Direction
  - Social Concern and Participation, Private Initiative
- New Economy
  - Information Technology, Quality of Life, Environment, Welfare, Sustainable Growth
Kansai: People, Culture and Economy
The Kansai Region
The Word “Kansai”

- Kansai = West of Gateway “Osaka” in Shiga Prefecture or West of Three Gates, “Aichi”, “Miho” and “Suzuka”
- Kansai = Cultural Extension-Kansai Dialect, Kansai Culture and Kansai Economy
- Kinki = Region Surrounding Kyoto
- Kinki = Geographical Retion-Kinki Region
The Kansai Region

- Normally includes Osaka, Kyoto, Shiga, Nara, Wakayama and Hyogo Prefectures.

- Sometimes Mie, Fukui and Tokushima Prefectures are added.
The Kansai Region
Natural environment

- Area = 27,000 square kilometers
- Woody mountains, flat land and the sea
- Population = 20 million
- Clear four seasons
Infrastructure

- Airports: Kansai Osaka (Kobe)
- Seaports: Kobe Osaka Sakai
- Highways and road system
- Public transportation
- Underground towns
- Telecommunications
Tale of Three Cities

- **Osaka**
  - CBD of Kansai; Merchant City
- **Kyoto**
  - Historic and Creative
- **Kobe**
  - Gateway to Heaven
The Kansai Economy

- World’s seventh largest country
- Japan’s second largest region
- Industrial but increasingly service oriented
- Small and medium sized enterprises
- Relative decline and potentials
The Seventh Largest Economy

図3-7 主要各国との対比

十億ドル□

<table>
<thead>
<tr>
<th>国名</th>
<th>数値</th>
</tr>
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<tbody>
<tr>
<td>アメリカ</td>
<td>4,762</td>
</tr>
<tr>
<td>日本</td>
<td>1,870</td>
</tr>
<tr>
<td>ドイツ</td>
<td>1,438</td>
</tr>
<tr>
<td>イギリス</td>
<td>1,305</td>
</tr>
<tr>
<td>フランス</td>
<td>1,073</td>
</tr>
<tr>
<td>イタリア</td>
<td>809</td>
</tr>
<tr>
<td>韓国</td>
<td>707</td>
</tr>
<tr>
<td>スペイン</td>
<td>580</td>
</tr>
<tr>
<td>メキシコ</td>
<td>561</td>
</tr>
</tbody>
</table>

資料：「国民経済計算年報」「県民経済計算年報」内閣府
Relative Decline

図 3 - 6 域内総生産の推移

(兆円)
Unemployment Rate is high

図3 - 完全失業率の推移

年

資料「労働力調査」総務省

関西、関東、中部はそれぞれ「労働力調査」の「近畿」、「南関東」、「東海」の
Number of National Treasure

<table>
<thead>
<tr>
<th>Prefecture</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fukui</td>
<td>6</td>
</tr>
<tr>
<td>Shiga</td>
<td>55</td>
</tr>
<tr>
<td>Kyoto</td>
<td>254</td>
</tr>
<tr>
<td>Osaka</td>
<td>60</td>
</tr>
<tr>
<td>Hyogo</td>
<td>20</td>
</tr>
<tr>
<td>Nara</td>
<td>205</td>
</tr>
<tr>
<td>Mie</td>
<td>35</td>
</tr>
<tr>
<td>Wakayama</td>
<td>231</td>
</tr>
<tr>
<td>Tokyo</td>
<td>8</td>
</tr>
<tr>
<td>Aichi</td>
<td>635</td>
</tr>
<tr>
<td>Chubu</td>
<td>283</td>
</tr>
<tr>
<td>Kinki</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>59.7%</td>
</tr>
<tr>
<td></td>
<td>26.6%</td>
</tr>
<tr>
<td></td>
<td>3.3%</td>
</tr>
</tbody>
</table>
People in Kansai and Tokyo

- Individualistic / Herd
- Casual / Formal
- Fun loving / Austere
- Pragmatic / Authoritative
- Price Speaks / Quality Speaks
- Money Making Admired

/ Achievement Respected
Business Ideas from Kansai

- Asahi Newspaper, Mainichi Newspaper
- Sumitomo bank, Sanwa bank
- Textiles
- Pharmaceutical
- Electric Appliances
- Whisky
- Prefabricated Houses
- Supermarket
Business Ideas from Kansai 2

- “Terminal” Department Store
- Moving Service Company
- “Capsule” Hotel
- Sushi Conveyer
- Futures Market
- Instant Ramen
- Kansai Through
Small Businesses in Kansai

- Bicycles (Sakai)
- Blanket (Izumi-Otsu)
- Artificial Pearl (Sakai)
- Hand Tools (Higashi-Osaka)
- Carpet (Sakai)
- Thermos
Some Recent Ventures

- Computer Software
  Nintendo, CSK, ASCII, Capcom
- Personnel Service
  Pasona
- Entertainment
  Yoshimoto
- Business Matching
  VentureLinks
New Business Model

- Deregulation
  - Banking, Communications, Energy
- Privatization
  - JR, NTT West, Postal Services
- Decentralization
  - Public Works, Project Development
- Value for Money
  - Private Finance Initiative
Kansai Potentials

- Cultural Heritage
- Cyber Society in Natural Environment
- Big Market
- Production Base
- Gateway to South East Asia
- Free Market Tradition
- Open to New Ideas
Welcome to Kansai!

Toshihiko Hayashi
Stanford Japan Center-Research
http://www.stanford-jc.or.jp