# Locality and Dynamics in OVOP Promotion: Oita's Experience for Developing Countries

Kazuhisa MATSUI

Senior Advisor, JAC Indonesia, Jakarta

Visiting Researcher, Center for Southeast Asian Studies, Kyoto University

Email: matsui01@gmail.com

## 1. Introduction: Meaning of OVOP Movement in Oita

One Village One Product (OVOP) Movement is a kind of local revitalization movement started in 1979 in Oita prefecture, Japan. The goal is to create value through specific and representative products and activities with something unique that can raise the local pride. The contents and quality of these products must be improved and its local value should be accepted nationally and internationally with recognition of them.

The term of OVOP was proposed by Mr. Hiramatsu, the governor of Oita prefecture in 1979-2003, and OVOP Movement started in all villages/towns in Oita prefecture in 1980. Before OVOP Movement started, most of villages/towns in Oita were busy to find fault of other villages/towns and had little motivation to do something new. They had always expected assistance from government without making their own efforts to improve their poor conditions. Mr. Hiramatsu was at a loss to face such reality in the field. However, there were a few successful revitalization movements as in Oyama and Yufuin towns, which were the lesson learnt by Mr. Hiramatsu to put forward the idea of OVOP Movement to improve the image of Oita. Also, similar revitalization efforts, although with different name, had been implemented in other provinces<sup>1</sup> for survival purpose under depopulation in rural area and overpopulation in city area.

What is the meaning of OVOP Movement in the context of local community development? In fact, OVOP Movement was just one of the development policy tools in

<sup>&</sup>lt;sup>1</sup> After OVOP Movement, there were many alike local revitalization movement conducted by prefectural government in 1970-1980s. However, most of them had not been continued because some of them were project-based and change of governor introduced new policy.

Oita prefecture. Oita also applied classic tools as attracting investment of heavy and high-tech industry of big company as Canon Corp. in Oita-Beppu seashore area which was named as the New Industrial City by central government. On other hand, there were many small villages/towns which could not expect such investment attraction but faced severe backwardness as depopulation problem. Mr. Hiramatsu did not want to disregard such villages/towns and tried to encourage them to continue their revitalization efforts. OVOP Movement was introduced for those backward villages/towns.

In this sense, the main essence of OVOP Movement in Oita should be put in 'local community development' and not in only 'local products production'. However, in most applications of OVOP in developing countries, training participants are usually more interested in the production aspect rather than local community development. Local community development needs locality that should be reflected in its specific products or activities. However, it is very difficult for local community to maintain locality as a source of energy for the development under current globalization drive.

In developing countries, people usually believe what comes from outside better than what exists inside. At last, they do not want to see local resources but expect products or assistance coming from outside, because they want to accelerate the speed of the development to overcome the backwardness as soon as possible. However, in original, OVOP Movement in Oita was not a tool to accelerate development drive but a tool to encourage local community development efforts with emphasis on its locality.

## 2. 'Local Products Production' and 'Local Community Development'

Is the production development always coexisting with local community development? Local community development usually starts from the production of some local specific products. However, with too much concentration on the process of the production, the activity is often separated from the local community.

Local products production usually starts for survival or revitalization of the local community. In the first stage of the production, the community utilizes its local resources existed there. Because of the limitation of the supply amount of local resources as the materials, the production volume may usually be small. With increase of demands for the products, the community must look for the materials from outside.

Then, local products production faces to severe competition with similar products produced by other local community, and needs cost-reduction. To cut the cost, the production needs lower-cost materials and cheaper laborers. Is the local resource still competitive in terms of cost? If the cost is relatively higher, the production tends to utilize lower-cost materials from outside. Or, the production site can be moved to other area to get lower-cost materials and laborers.

At the result, local products production starts to be separated from the local community. The production place is as like as accidentally at the local community but using materials with no relation to the community. After the producers move to other area, there is no longer local products production there. It means that the earnings from the local products products other areas and does not come into the local community any more. At last, local products production, separated from the local community, cannot take a role to push the local community development.

Indeed, there are several OVOP products in Oita prefecture that were originally made from the local resources before, but currently made in other places in Japan or even in China. Do local community people still take pride in such local products that has no longer concrete relationship with them?

Local products production is not always able to make promise to realize local development without keeping connection with unmovable locality. What is the strategy to promote local products production with keeping locality?

There are two direction of the strategy. First, the production more concentrates on the quality improvement with still using local resources, without concentration on volume expansion of local products production. In other word, unit value of local products should be increased. And second, even though the material is coming from outside to expand the production volume, strong locality should be inserted in the local products with additional activity for contribution to local culture promotion. What is the most important is to promote local products production with utilizing the local specific resources that does not exist anywhere. In Japan, silver dinnerware in Tsubame-Sanjo, Niigata prefecture, or Japanese swords in Mino-Seki, Gifu prefecture, has been still famous since more than 100 years, because these skilled craftsmen are unmovable. Most of traditional Japanese local handicrafts had been maintained in this way and could not separate from the local community.

Also, there is another way to advertise the local community itself to outside through the local products production. Oyama town in Oita prefecture becomes famous by continuous production of new local products production as cherries, chestnuts, *enoki* mushrooms and other more than 120 products, and set up the Oyama's own antenna shop *Konohana Garten* and the farmer's restaurant (mainly local foods in which materials and cooks come from Oyama) in outside cities as Fukuoka to connect directly between the production activity and the consumer's market with promoting its locality. In the Ajimu-Imori valley in Oita prefecture, the production of various unique local products as *tofu* (Japanese bean curd), made from domestic organic soybeans, is embedded in its all area with connection to daily life of the local community.

In general, government tends to pursue making products whose quality can be accepted by world market in relation to strengthening international competitiveness. The farer the distance of government is from local community, especially in central government, the lower is the concern about relationship between production and its locality. In Japan, the basic stance of regional development policy had been put on the relocation of industry at national level since 1950s.

How do we understand the relationship between local community development and the industrial promotion with concentration on local products production? This is a basic question. In other words, what is the industrial promotion for local community? We should more attention to "local community development through the industrial promotion" rather than "the industrial promotion located in local community". To realize "local community development through the industrial promotion", the key is how strong its locality is.

# 3. Network of Local Community Leaders as a Guarantee for Sustainability

Although main theme of local community development is usually to awaken some activities for its revitalization, it is also important to think how to continue the activities sustainably. Training participants for OVOP from developing countries often tend to concern on technique to awaken some activities. The key to make dynamic continuation of the effort from the awakening stage is the steady effort of human resource development in local community.

Local revitalization is very difficult to be planned in advance and always passed trial and error process. During the process, there may be many success and failure cases. What is important is whether or not people can learn the lesson from such cases and utilize it to the next step. In OVOP Movement in Oita, there were many cases in which a strong local community leader, as Mr. Yahata in Oyama town (located in mountainous area and very poor rice production), was at the front and leads the trial and error process in local revitalization<sup>2</sup>. Under very severe condition, people had no choice without

<sup>&</sup>lt;sup>2</sup> Mr. Yahata directly taught cost accounting to farmers every week to create independent farmers, which became the base to realize many competitive products and overcome the serious poverty condition before. Oyama town now realizes "one village 120 products".

following to the leader to change their unlucky destiny in local community. We could not deny the existence of those strong local community leaders necessary to shift from awakening to continuation. Even though those leaders took strong role to local revitalization, there was little trace that they wanted to be politically powerful to control all of local community for their own interests.

Mr. Yahata, who was the town head and the head of agricultural cooperatives there, had sent several young people to overseas since early 1970s and tried to feed back what they learned abroad to the development strategy of Oyama town. New stimuli through them from overseas had been continuously given to local community and created some dynamism of transformation from awakening to continuation in its local revitalization. The influence was not limited in Oyama town, but was extended to other local community leaders in neighbors as Yufuin town. After hearing the story from local community leaders of Oyama town, several local community leaders in Yufuin also went to Baden-Baden, a small spa town in Germany to learn environment-friendly hot-spring management, with borrowing the fund from local banks and cooperatives, to look for different development strategy from neighboring Beppu, a famous hot-spring city with night life and the entertainment activities.

Oita prefectural government prepared a lot of kinds of exchange seminar and study meeting for local community leaders, held in the name of OVOP Movement. Especially, *Toyo-no-Kuni Zukuri Juku*<sup>3</sup>, founded by Oita prefectural government, had played a very important role to make the strong network of local community leaders. The *Juku* was an evening seminar course to mutually learn about local community development strategy and exchange various experiences among local community leaders, and was held once a month in several local towns in Oita<sup>4</sup>. The graduates had been organized in their alumni association. Governor Mr. Hiramatsu often attended the *Juku* to give a lecture and directly discuss about OVOP Movement with local community leaders.

It made a chain of various stimuli to be extended to local community leaders in all villages/towns in Oita. In addition, the network is extended to local community leaders in outside Oita and this network has nowadays become one of the core networks of local community leaders in Japan. At the result, this kind of network among local community leaders has always been revitalized to create sustainable process of human resource development in local community development. This human resource development makes a contribution to prepare the environment to make them always think the next

<sup>&</sup>lt;sup>3</sup> *Toyo-no-Kuni* is another name of Oita and the original meaning is the rich country. *Juku* originally means preparatory school in Japanese.

<sup>&</sup>lt;sup>4</sup> The *Juku* was usually held at town's community center. There was alumni organization of the *Juku* graduates with its strong unity.

step of local community development, not just stopping at the awakening stage. This process may continuously give encouragement and incitement to local community leaders to make and maintain the healthy competition atmosphere among them with new innovative ideas. On the other hand, Oita prefectural government has set up several research institutes and conducted many kinds of training courses on local specific products as bamboo handicrafts to support the necessary technical improvement.

What is important is to utilize local community leaders with connecting them with various networking to enhance their feeling of healthy competition among them. Government supports the technical improvement needs coming from the real world of local community development. Without this local development management, it is very difficult to transform from 'awakening' to 'continuation' and also to guarantee the sustainability of dynamic local revitalization. In this regard, local development management conducted by Oita prefectural government in the name of OVOP Movement is worth to be learnt by developing countries.

## 4. Insiders, Outsiders and Catalysts in OVOP Movement

Other than local people, qualified outsiders (or insiders who come back from outside) as catalysts play very important role to make dynamism of local community development, to learn other experiences and to disseminate the lesson to other developing countries.

In an ordinary world seen by local people, it is very difficult for them to search for hidden local values from local resources to realize local revitalization. However, there are many cases to revive the local values once an outsider ask or tell a word to local peoples. Ordinary scenery for local people can be changed to very beautiful and interesting one for outsiders. The important point is how outsiders communicate with insiders. Outsiders should not decide or suggest which local resource is useful in the local community. In OVOP Movement in Oita, for local self-reliance, Oita prefectural government requested local people to decide what local-pride products were. The local-pride does not always mean its economic values, but is the foundation for local self-reliance. Outsiders just can assist local people to look for the local-pride.

The role of outsiders can be done by insiders who stayed outside for a long time and came back to their local community. There are many examples of such 'outsiders'. Mr. Nakaya, who is one of leaders of environment-friendly hot-spring management in Yufuin, was a movie assistant director in Tokyo and came back to Yufuin to accede his family-managed famous hotel. Mr. Hiramatsu was also a high-ranking government official of Ministry of International Trade and Industry (MITI, now METI) in Tokyo before came back to Oita as a governor to initiate OVOP Movement. Young people in Oyama who went abroad to learn other agriculture management may be regarded as such 'outsiders'. The manager of Yufuin Tourism Promotion Office has been recruited from non-Yufuin person. In fact, OVOP Movement in Oita had been revitalized by many kinds of outsiders and 'outsiders'. Such dynamism at last has guaranteed the sustainability of OVOP Movement.

## 5. Role of Oita Prefectural Government

In OVOP Movement in Oita, there are three roles of Oita prefectural government. The first is the regional development management with sustainable healthy competition among local governments. Oita prefectural government had given encouragement to all villages/towns to look for at least one local specific product<sup>5</sup> with its local pride and to improve its quality to be accepted by national and international market. In this process, the key is the locality and Oita prefectural government had requested them to create 'only one' products rather than 'number one' products, because the value of the products become higher if the locality is higher. The local pride increased the value of local community. It had been realized through an atmosphere of healthy competition of locality and quality of local specific products among villages/towns.

The second is the supplementary support to these local specific products. Oita prefectural government set up several research institutes on them to support the technical improvement to higher quality connected to higher local value. Also, Oita prefectural government promoted these local specific products to outer market as Tokyo and Osaka, with top sales by governor Hiramatsu<sup>6</sup>. Government did not make any intervention on the selection of local specific goods by villages/towns, but gave necessary support to promote them and connect to the market.

The third is making various human networks among local community leaders not only in Oita, but in other areas. The *Juku* was established by prefectural initiatives for exchange of experiences and sharing of information on local community development

<sup>&</sup>lt;sup>5</sup> There are some cases of misunderstanding about "One Village One Product", as the limitation of only one product in a village to prepare enough quantity of a product to realize the scale merit. The main purpose of OVOP is not the number of product but the improvement of local value.

<sup>&</sup>lt;sup>6</sup> Mr. Hiramatsu always brought Oita's specific products when he went to outside Oita as Tokyo, and introduced them to high-ranking officials. He utilized the night time to go to Ginza, the most prestige place in Tokyo, to introduce the local barley *shochu* (distilled spirit) to bar owners where many high-ranking officials came. The *shochu* became famous by mouth-to-mouth advertising by them.

in Oita. Even though some of local community leaders were very critical to government policy and governor Hiramatsu, prefectural government accepted and utilized them to enhance the dynamism of the network for sustainable movement. These various human networks are now extended to local community leaders in other areas in Japan and sometimes to them in overseas.

In most developing countries, OVOP-type approach has been tried to apply as a national project by central government. Project in general has the limited term and is usually evaluated by strict criteria and numerical targets. On the other hand, OVOP Movement in Oita was not 'a project' but 'a movement'. There is no specific OVOP related budget for specific activities in Oita. Local government as villages/towns used their ordinary budget and subsidies allocated to activities in OVOP Movement. In relation to the main objectives of OVOP Movement, it is very difficult to evaluate whether OVOP Movement in Oita was succeeded or failed, for example only from the economic aspect as per capita income or the agricultural production.

OVOP-type national project in many developing countries tends to concentrate to the local products production. It may be gradually far from the locality and separate from the local community development. Rather, it often focuses on production and export of products to international market, without concerning to who the producer is and where the product is produced. In case of 'a project', it is also difficult to guarantee the sustainability and dynamism for the local community development in the long term.

## 6. Concluding Remarks

In original, OVOP Movement in Oita started to improve its bad image with giving stimulus and encouragement to villages/towns which were at a loss with their backwardness to develop themselves. With OVOP Movement, villages/towns had been expected to decrease their dependency on outer assistance and in turn to change mind-set to be more self-reliant for their local community development. In this sense, the locality owned by each local community is essential and key factor to local revitalization under OVOP Movement in Oita.

The locality, with unmovable local resource there, is very important for local community to connect 'local products production' and 'local community development'. However, there are many cases for OVOP training participants to more concentrate to the production aspect than the role of locality on local community development. As mentioned, the local products production does not always promote the local community

development because of searching for lower materials and cost efficiency with increasing dependency on outside. We should try to make a system to continue the income circulation inside of the local community to increase its local pride and value.

The dynamism of OVOP Movement in Oita had been guaranteed by a lot of kinds of human networks among local community leaders in and outside Oita. Those networks had been created partially by some facilitation of the Oita prefectural government with various exchange seminar and mutual learning opportunities through the *Toyo-no-Kuni Zukuri Juku* set up by the government. Even though not a few local community leaders in Oita are very critical to the Oita prefectural government, they had not been omitted from OVOP Movement but played important roles to vitalize their local communities with healthy competition on creative and innovative ideas and practices among them. It was also facilitated by the Oita prefectural government.

For developing countries that want to apply OVOP Movement in Oita, it is important to remember the basic objectives to encourage the self-reliance of local community with focusing on the locality and local pride through continuous improvement of the local specific products. The main actor should be local people.

After about more than 20 years since OVOP Movement started, currently in Japan, central government has strongly conducted the merger of local governments to tackle the problem of local finance because of high ratio of aged people and little financial source for local government. Under this merger, not only of local government but also of agricultural cooperatives in the name of "selection and concentration", the locality in local community has become weaker.

In Oita prefecture where OVOP Movement was started, village/town had also been disappeared and merged to city, currently only one village and three towns in 2006 from 47 villages/towns in 2000. Famous villages/towns in OVOP Movement as Oyama, Yufuin, and Ajimu are now administratively disappeared and merged to bigger city, with finish of OVOP Movement in 2003 instructed by the new governor Mr. Hirose who was elected after retirement of Mr. Hiramatsu, a founder of OVOP Movement.

Local communities, not only in developing countries but also in Japan, are currently facing almost the same situation with weakening their localities and local identities under the strong drive of globalization. OVOP Movement in Oita should not be regarded as a past example in Japan for lessons only to developing countries, but as materials for learning together among local communities in both Japan and developing countries about what local community development is based on the initiative of local people. OVOP Movement in Oita has certainly some very important implications on it.