Policies for Development of Rural Areas

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This study reviews the main measures for the development of rural areas positioned in Japan’s basic food plan. MAFF plays a central role in comprehensively promoting rural area policy in cooperation with related bodies along the 3 points; 1) Creation of employment and income through improving profitability by strengthening agricultural production bases and creating new value by utilizing diverse rural resources, 2) Establishing conditions for people to continue living in rural areas such as hilly and mountainous areas, and 3) Creating new movements and vitality to support rural areas over a wide area by raising public interest in rural areas.

Key words: basic plan for food, agriculture and rural areas, development of rural areas, rural area policy, Disaster countermeasures

1. Introduction

This paper reports on Measures for Rural Development in the Basic Plan for Food, Agriculture and Rural Areas. In addition, as cross-sectoral measures, the following items are reported: Measures for restoration and reconstruction from the Great East Japan Earthquake and response to large-scale natural disasters, Measures for organizations, Measures for the formation of a national consensus through the development of national campaigns on food and agriculture, and Measures against new infectious diseases such as the new-type coronavirus infection.

2. Policies for Development of Rural Areas

1) Positioning in the Basic Act and arrangement in the previous Basic Plan

Measures for rural development are stipulated in Chapter 2, Section 4 of the Basic Act as Comprehensive Rural Development, Development of Mountainous Areas, and Exchange between Urban Areas and Rural Areas. Of course, the policies for sustainable agricultural development in Section 3 are also closely related to rural development, and in conjunction with these policies the development of rural areas will be pursued.

In the previous Basic Plan, formulated in 2015, the government was tasked with promoting industrial policy in order to promote the growth and industrialization of agriculture and food industries, and the maintenance and fulfillment of the multifunctional roles of agriculture and rural areas.

It was indicated that the two sides would promote policy reform based on the regional policy. Specifically, regional policies are categorized into the following three categories: Steady promotion of a multi-functional payment system, and maintenance and succession of regional resources by exercising regional community functions, Employment and income generation through active utilization of diverse regional resources, and Urban-rural exchange through cooperation with various fields, migration to rural areas, and settlement.

2) Process of discussions at the Council on Rural Policy

An analysis of the current state of rural areas, which is a prerequisite for the discussion in the Council on Food, Agriculture and Rural Policy, shows that population decline is progressing ahead of that of urban centers in rural areas, particularly in hilly and mountainous areas, amid the declining birthrate and aging population in Japan as a whole as well as the full-fledged population decline. Figure 1 compares the population trends in rural and urban areas and forecasts the future. In rural areas, population decline is progressing quickly, compared to urban areas, and the population is projected to decline to less than half of the present population in mountainous areas by 2045. As a result, the number of villages whose survival is endangered is also
expected to increase.

On the other hand, cultivated land in hilly and mountainous areas occupies 40% of the cultivated land in Japan, and important production base of food.

Figure 1. Population trends and future projections by agricultural area type
Notes: 1) Based on recalculations of the Census. Figures from 2020 onwards (dotted lines) are estimates based on cohort analysis.
2) Agricultural area type is based on municipalities as of 2000, and is based on 2007. Calculations were made using the revised code in April of the year.
Source: Forecast of Population in Rural Areas and Agricultural Villages (August 2019), Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries.

It accounts for about 40% and is an important production base for agriculture in Japan. If the number of villages whose functions are difficult to maintain due to the aging of society and population decline increases, it may hinder the continued farming of producers who use the village as a living base, which in turn may lead to the weakening of Japan's production base. Therefore, necessary measures must be taken to cope with this population decline.

On the other hand, human resources in urban areas which had previously had little connection with agriculture and rural areas are reaffirming the value and attractiveness of agriculture and rural areas, and the “return to the countryside,” such as the traffic between cities and rural areas and settlement in rural areas, is continuing with the nationwide expansion, and there are movements in which this phenomenon contributes to regional revitalization.

Based on the view that it is necessary to develop measures in response to the population decline and changes in agriculture in rural areas, the content of the previous Basic Plan was evaluated as follows.

1) Steady promotion of a multifunctional payment system, and maintenance and succession of regional resources

Through the implementation of the Japanese Direct Payment System, conservation and management of farmland has been carried out through joint local activities by diverse human resources including non-farmers (verification of the effect of reducing the generation of wasted farmland is a prospect of farmland area formulated in conjunction with the Basic Plan. In addition, the effect of the direct payment system for hilly and mountainous areas to curb the decrease in arable land area was also analyzed in Hashizume (2016). In order to promote agriculture in hilly and mountainous areas, the MLIT has promoted agricultural renaissance projects in hilly and mountainous areas, in addition to supporting agriculture through the Japanese-style direct payment system. The MLIT has also promoted agricultural development that takes advantage of local characteristics, such as cultivation of highly profitable crops on slopes. In order to maintain, revitalize, and strengthen local communities, it is necessary to promote agriculture that makes use of topography and climate by broadening the scope and network of activity organizations, incorporating them, strengthening cooperation with people and farmland plans, building a system that enables agricultural production activities to continue even in disadvantaged areas such as hilly and mountainous areas, and introducing highly profitable crops, smart agriculture, and labor-saving cultivation techniques.

In response to the damage caused by wildlife, comprehensive support has been provided for the installation of fences and the enhancement of capture by the local community as well as the development of treatment and processing facilities and incineration facilities. The cost of damage caused by wildlife to agricultural products has been decreasing for the sixth consecutive year (Figure 2). In the future, it will be necessary to revitalize the meat of hunted wild animals by developing and disseminating new technologies such as ICT and drones, maintaining and strengthening the functions of the Wildlife Damage Countermeasures Implementation Team, and disseminating the Domestic Givier Certification System and improving...
hygiene management techniques.

In addition to these evaluations, the Advisory Board made the following comments:

- In order to maintain the agricultural land area, it is necessary to continue measures such as Japanese-style direct payments. For this purpose, it is also important to maintain village functions.
- When considering the development of rural areas, it is necessary to support the community and daily life of local residents, and the range of measures required is wide. Efforts in cooperation with relevant ministries and agencies are necessary.
- Damage by wildlife was considered to be a decreasing trend. However, there is an effect that does not appear in the amount of damage, such as a case where the opportunity for wildlife damage is decreasing due to farmland abandonment due to the inability to tolerate wildlife damage, and there is no sense that damage is decreasing in the field. Further measures are required. Another issue is how to handle the post-capturing process, and it is necessary to increase the consumption of the meat of hunted wild animals.

Employment and income generation through utilization of community resources

As a result of the Food Industry and Sixth Industrialization Subsidy and support for the sixth industrialization provided by A-FIVE, etc. in order to create new added value, the market size of the sixth industrialization increased steadily, but ordinary profit declined in about half of the businesses that increased their sales due to the adoption of the sixth industrialization. This is attributable to the shortage of raw materials due to unstable production of agricultural products and excessive investment in processing facilities. In addition to farmer-led efforts, it is necessary to create businesses in secondary and tertiary industries in collaboration with agriculture and to promote activities corresponding to processing and business use.

As for biomass and renewable energy, Japan supports the introduction of renewable energy, such as demonstration of farm-based solar power generation, and selects model areas for the utilization of biomass. In the future, it will be necessary to promote the development of technology for the establishment of energy management systems and the commercialization of biomass products produced at power generation facilities in rural areas.

Urban-rural exchange, migration to rural areas, and resettlement

In terms of urban-rural exchange, support was provided to create a system to implement agricultural accommodation as a business in rural areas. In the future, it will be necessary to improve the environment to allow tourists, including inbound tourists, to enjoy themselves by establishing a system for hosting diverse accommodations, meals and experiences.

As stated in the previous Basic Plan, "Focusing on the effects of promoting mental and physical health through agricultural work, etc., the government will promote measures to improve the health and motivation of the elderly, expand welfare farms to support the self-reliance of the disabled and the needy, and to promote the establishment of welfare farms." Attention has been paid to the aspect of agricultural-welfare cooperation that supports the self-reliance of persons with disabilities and the needy. However, in recent years, with the decrease of the agricultural labor force, the increase of farmers working on the visualization of work processes through the promotion of GAP, etc., and the increase of interest in the SDGs in society, the government is focusing not only on these welfare-related measures but also on the keywords for the development of agricultural management. In the interviews with farmers in the first half of the survey, there were cases in which the project was developed by actively incorporating agricultural-welfare collaboration efforts.

In addition, the Government has promoted the dispatch of
human resources from outside the region, migration to and resettlement in rural areas, and the utilization of various functions of urban agriculture. In the future, it will be necessary to communicate the unique charms of each region to a wide range of people, not only local residents and those who wish to migrate, and to encourage local residents to actively participate in local activities. At the same time, it will be necessary to promote the expansion of the “related population” which supports the region, to develop a system that enables diverse working styles, such as side jobs and side jobs in farming, mountain, and fishing villages, and to promote the utilization of diverse human resources, as well as to make effective use of urban farmland.

In addition to these evaluations, the Advisory Board made the following comment:

- With the aging of the population and the change of generations in the host country for agriculture and inbound services, it is necessary to develop a system for coordinating and accepting such services in cooperation with the local government and JA.

3) Points of the new basic plan

The government decided to take measures on the three issues of ladder, ① Procurement of income and employment opportunities, ② Improvement of living conditions in rural areas, and ③ Creation of new movements and vitality to support rural communities. The utilization of the meat of hunted wild animals and the promotion of agricultural-welfare cooperation are reorganized according to the actual conditions of rural areas, such as by sorting them into the items for securing income and employment crisis councils based on the aforementioned evaluation.

This Basic Plan included a description of farming operations utilizing the characteristics of hilly and mountainous areas and agricultural development in rural areas, such as “half-farming half-X”, and emphasized the part linking regional and industrial policies. In the Outlook for Agricultural Management, various lifestyles and examples of efforts that contribute to regional revitalization are introduced.

Furthermore, many pointed out that rural livelihoods are not comprised of agriculture alone, and are closely related to policies on all aspects of livelihood infrastructure, and that initiatives in collaboration with other ministries are necessary. Based on these opinions, the council organized and discussed the regional policies of each ministry. Ultimately, it is necessary to comprehensively promote the planning, drafting, and promotion of regional policies by each ministry and agency.

Based on the conclusion that this was the case, there were four main items.

① Procurement of income and employment opportunities utilizing community resources
② Improvement of conditions for people to continue living in rural areas such as hilly and mountainous areas
③ Creation of new movements and vitality to support rural communities
④ Creation of a framework for continuous promotion of the “three pillars” through collaboration among the relevant ministries and agencies

3. Measures for Recovery and Reconstruction from the Great East Japan Earthquake and Response to Large-Scale Natural Disasters

The Measures for Recovery and Reconstruction from the Great East Japan Earthquake was newly added to the Basic Plan formulated in 2015. It states that steady progress will be made in recovery and reconstruction from the earthquake and tsunami and the nuclear disaster, and more than 90% of the agricultural land damaged by the earthquake and tsunami has now been restored. In light of this progress, the Basic Plan continued to include a description of recovery and reconstruction from the Great East Japan Earthquake.

On the other hand, natural disasters such as the East-Iburi earthquake in 2018 and the heavy rainfall disaster caused by Typhoon No.19 in 2019 tend to occur more frequently and intensely, and the amount of damage to agriculture, forestry and fisheries caused by natural disasters is also increasing (Figure 3). In light of these circumstances, the new Basic Plan incorporates two new elements in addition to the response to the Great East Japan Earthquake: Preparedness for Large-Scale Natural Disasters and Recovery from Large-Scale Natural Disasters. This is not only done in terms of hardware, such as the earthquake-proofing of agricultural water facilities, but also in terms of software, such as the dissemination of agricultural insurance and the dissemination of business continuity plans (BCPs).

4. Measures of Relevant Bodies

Article 38 of the Basic Act stipulates that necessary measures shall be taken for the efficient reorganization and improvement of associations related to food, agriculture and rural areas. Based on this stipulation, the agricultural
cooperative system, the agricultural committee system, the agricultural mutual aid organization, and the land improvement district are described.

Following the change from the Measures for the Reorganization and Improvement of Organizations to the Measures for Organizations, each organization, following on from the previous plan, has been reviewing the current agricultural reform and various systems.

Figure 3. Amount of damage to agriculture, forestry and fisheries by disasters in recent years
Source: Ministry of Agriculture, Forestry and Fisheries (as of the end of April 2020).

I expect that the functions and roles of agricultural cooperatives will be effectively and efficiently exercised. Especially in the case of agricultural cooperatives, the role of supporting the infrastructure of industry and life in rural areas was newly stipulated.

5. Policies for Formulation of a National Consensus through Development of a National Movement for Food and Agriculture

The Measures for Formation of a National Consensus through Development of a National Movement for Food and Agriculture was newly included in the basic plan, taking into account the fact that many members of the commission stated that the current situation and issues faced by agriculture and farming villages need to be addressed by the farmers and farming villages concerned, as well as sharing the understanding with consumers, to support food and farming for the entire nation, and to lead to the next generation.

In order to expand consumption of domestically produced agricultural products, the public and private sectors, including consumers, food-related business operators, and producer organizations such as agricultural cooperatives, will work together to develop a national movement in response to the deepening of the linkage between food and agriculture. In order to implement these efforts effectively, the SDGs/Consumption Expansion Project will proceed with consideration.

6. Response to New Infectious Diseases such as COVID-19

This section was included in the final stage of discussions on the Basic Plan, in light of the fact that COVID-19 had begun to be recognized as an important societal issue. In the midst of the discontinuation of large-scale events and the temporary closure of elementary schools, the report states that appropriate information should be provided and measures should be taken flexibly to deal with various issues, given that the demand for fresh products such as flowers and milk has decreased significantly in the agricultural sector, consumers’ purchasing behavior has changed, and the labor force is short.

7. Conclusion

This paper introduces the position of rural policy under the Basic Law, the progress of the discussions in the Planning Committee, and the points of the new plan. Because of the limitations on length, it was difficult to cover all of them. For detailed discussion, please see the minutes on the website.

References
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