

# The Method and Policy for the Development of One Village One Product Movement

## ~The Effects and Problems of One Village One Product Movement in Oita Prefecture~

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### Abstract

One village one product movement which was proposed by Oita prefecture and started in 1979 was "Movement Activating Regional Industry". This movement is based on the following 3 principles : 1)Local yet Global; 2)Self-reliance and Creativity; 3)Human resource development. One village one product movement was ideological and abstract as appreciated from these principles, and much of its practice was committed to the administration of municipalities. Consequently, although all movements were not successful, these movements could be the opportunity of the industrial promotion and produce the potentiality of activation in regions. From these results, the industrial activation of the regions due to the centralization of the population to the town was induced and the decrease in the population in the regions was prevented. Furthermore, this movement deprived the regional residents of their ideological disposition to rely on the administration of country or prefecture and implanted in them the morale and self-reliance. Therefore, the results of this movement had a greater influence on the spirit than the economy. Not products (commodities) but movement itself has been spread centering on Asian countries with the results of one village one product movement. The sign of regional activation emerged as a result of taking over the spirit of this movement in some countries which introduced it. This result was attributable to the efforts of JICA and the other organizations which supported the regions with human and financial resources.

The common point in the successful examples of Oita prefecture and the other Asian countries is that the residents developed their own one village one product movement which is different from other regions' movement by making the best use of nature, culture, life, industries, and festivals which were constructed through a long history. However, the residents in many

regions seem not to take care of the existence of the consumers who use the manufactured products and the market due to too much involvement in fineness of possible manufactured products. The leaders of this movement are required to change their idea from “make good products” to “make strong-selling products”.

The idea of “make strong-selling products” is called “consumer-orientation” and is the important concept in marketing. It is important for getting the fruitful results from this movement to introduce the spirit of one village one product movement to each region with strategies based on the idea of consumer-orientation.

I[Minagawa] came across a case of tackling with this kind of movement in Philippines. I got a real feeling of possible success in this movement , but the way how to develop the effective and efficient system by making the best use of the characteristics of each region will need much effort from now on.

**Key words : Local yet global, Self-reliance and creativity, Human resources development, one village one product movement, consumer orientation**

## **I .Introduction**

The regional economic recession continues after the collapse of bubble economy due to the centralization of economy. The sign of economic recovery is observed mainly in the leading companies and trade-related companies, but is not observed in the region yet. Consequently, the project team whose members were the teachers in Hagi International University has investigated the way to activate the region or town which is hard up financially and to make the life of residents in it lively.

Although the activation of region or town is often directed to the economy, industry, and culture, “Industrial health”, which involves the relationship between the transition of region or town and the health state in its residents, is to be investigated in this study. For example, the following 3 points have been taken as the subjects in this study : 1)To investigate the health character of fisheries workers in Hagi city whose specialized industry is fisheries; 2)To investigate whether its health character is inherent to the fisheries workers in Hagi city; 3)To investigate the relationship between the health state of fisheries workers, labor types (labor at sea, going fishing irregularly, and others), life style, and view of life.

Just at that time, I had a dispatch commission to Philippines as a temporary expert from JICA (Japan International Cooperation Agency). San Fernando city of La Union province was the assigned city. The purpose of this dispatch was to gain the information regarding to the activation

of regions. This operation contained the following programs : this plan that the mayors from 8 towns out of 6 provinces in Philippines, who participated in the regional product development study and training project based on “one village one product movement” supported by JICA through the year 2000 A.D. to 2003 A.D. joined the meeting of announcement about the results of study, training and practice, then reviewed mutually, and gave lectures. To respond to this commission as early as possible, we at first planned to investigate the industrial activation of region or town preferentially.

The name of study and training meeting was “One Village One Product Movement Conference”. The theme of my lecture was “The Effects of One Village One product Movement in Oita Prefecture”. This study is the argument of that lecture. We aim at the study regarding the industrial health, but in advance, we investigate the industrial development in provinces provisionally. We intend to continue this project until our purpose will be accomplished.

## **II .The history of one village one product movement**

“One village One product movement” in Oita prefecture which started in 1979 based on the following 3 principles : 1) Local yet Global; 2) Self-reliance and Creativity; 3) Human resource development, is “Movement Activating Regional Industry”. Governor Morihiko Hiramatsu who is the founder of one village one product movement began this movement with reference to 2 towns, Oyama town and Yufuin town as the model town.

### **(In case of Oyama town planning)**

Oyama town which is located in western side of Oita prefecture is the mountain village whose population is 3900. In 1961, the leader of Yawata agricultural cooperative union at that time (later the village headman) appealed the cultivation of plum and chestnut which is light work and profitable instead of rice production despite the promotion of rice production increase movement by State. The movement aiming at high profitability by not only shipping the raw plum and chestnut in the market but also processing them for the purpose of increasing added value had been spread out. This movement is just NPC (New Plum & Chestnut) movement. The catchphrase of this movement was “Let’s go to Hawaii by putting in plum and chestnut”. Now the possession rate of passport in citizens of Oyama town is the highest in Japan.

The sister-city affiliation was made between Oyama town and Kibbutz of Israel, and Oyama town trained the international persons by sending the young fellows to Kibbutz every year. This results of oversea study help discover the idea of new product development, enhance the mutual assistance, recognize the necessity of cooperative work, and enforce the relationship between

individual and region. Such an advanced tackling leads to the development of commercialization of mushrooms like Enoki mushroom and Pholiota nameko and cultivation of herb and orchid by using biotechnology. Furthermore, as a matter of course, the good way is figured out in the sales of these products.

**(In case of Yufuin town planning)**

Yufuin town with a population of 12,000 is a basin surrounded by mountains covered by green Beppu city, which is famous as the spa resort spot in Japan, is located in the east side of this town. Yufuin town is also the spa resort spot and the annual number of tourists as of 1975 was 1.4 million but now increases to about 4 million. Yufuin town is selected as the best town to which young ladies wish to visit according to the investigation of recent tourism journal.

The image of Yufuin town as “spa resort spot”, which takes care of the elegance and nature of agricultural village, was dispatched across the country by the holding of the various festival events.

The original events of this town are the following 3 : 1) “Yufuin movie festival” despite the lack of movie theater; 2) “Yufuin festival” of classical music despite the lack of music hall; 3) “Cow eating and screaming meeting” in the beautiful grassy plain. “The spa resort spot planning which makes the best use of the nature and can be carried out only in this town” is continued now by the originality and ingenuity of citizens who took advantage of the state nothing conversely.

Yufuin town has various art museums here and there across the town, and endeavors to dispatch the information via the intelligence network to propose the new life style regarding the leisure across Japan. Consequently, Yufuin brand will be in the limelight and its boom will be continued.

The common point in Oyama town and Yufuin town is that the citizens in these town promoted the town planning on their originalities and ingenuities with self-confidence, whose performance was helped by their behavior to underhand the disadvantageous conditions and “idea of reversal”. In addition it should not be forgotten that these towns owe their success to the existence of excellent leaders who promote the human resource development.

**III.The background of one village one product movement**

- ①The decrease of population and depression of vitality in each town of the prefecture due to the gathering of population to the urban areas.
- ②The necessity to promote the local industry by making the best use of local environments and

conditions, and to induce the vitality.

- ③The necessity to wipe out the trend of residents to rely on the governmental office of State, prefecture, cities, towns, and villages, and to offer the morale and the spirit of self-reliance to them.

#### **IV.The development of one village one product movement**

- ①The governor explained the heads of cities, towns, and villages how to tackle with this movement, then did it to the residents for himself.
- ②The opportunity of this movement was enhanced by utilizing the program of television and magazines.
- ③The product development and movement guidance organizations in each region across the prefecture were improved in order to support the manufacturing.
- ④"Private school for human resource development" in various fields were opened in order to bring up the leaders for the promotion of this movement.
- ⑤The enterprise in which the products of one village one product movement were introduced and sold was held through the events.
- ⑥The group which well developed this movement got an award.

#### **V.The idea of one village one product movement**

There are 3 principles in one village one product movement.

##### **(1)Local yet Global**

Make "the products" which have national and international currency by making the best use of local culture and tradition.

##### **(2)Self-reliance and Creativity**

The residents have to determine what should be selected and brought up. They exert their originality and ingenuity, and make the characteristic products by developing the technology.

##### **(3)Human resource development**

Human resource development is the eventual aim of this movement. Pick out the local leaders who have great foresight and creativity and bring up the talented persons who can carry out the intention of the leaders.

#### **VI.The practice of one village one product movement**

One village one product movement is the tackling to aim at enhancing the brand force,

quality, and selling force and coping with the global market by making the best use of regional resources and characteristics and developing the regional products. It is 30 years since the beginning of this tackling in Oyama town and Yufuin town, and 20 or more years since the beginning of one village one product movement accomplished by this tackling in Oita prefecture.

The special products of Oita prefecture are spirit distilled from barley, dried shiitake mushroom, Bungo cow, Citrus sphaerocarpa, and house orange, though all of them are not the products resulted from one village one product movement. The dried shiitake mushroom has a 29% market share, and its quality and production is the highest in Japan. Citrus sphaerocarpa is one of the citrus family whose market share was occupied 100% by Oita prefecture.

These special products were brought forth as the results of the accumulated originality and ingenuity in the leaders who were good at production technology and agricultural guidance, and were steady practitioners as well. It is just the human resource development that is important in putting this movement into practice. Even if all these movements are not successful, the obsession and incessant effort result in the disposition which overcomes the failure. The getting into a habit of drinking a spirit distilled from barley with a Citrus sphaerocarpa floating in it is just the practiced result of one village one product movement.

Although there is a trend to make too much of the building in this movement recently, it is undoubted that this movement is proceeding to next stage (Table 1).

Table 1 The sale of special products and transition of number of items.

Fiscal year		55th fiscal year of Syowa	60th fiscal year of Syowa	2nd fiscal year of Heisei	7th fiscal year of Heisei	9th fiscal year of Heisei	10th fiscal year of Heisei	11th fiscal year of Heisei	12th fiscal year of Heisei
Selling amount(one hundred million yen)		359	734	1177	1294	1373	1363	1398	1402
Growth rate to 55th fiscal year of Syowa(%)		100	204	328	360	382	380	389	391
number of items	details								
	less than one hundred million yen	74	148	136	156	170	173	187	198
	1~3 hundred million yen	34	53	68	76	68	79	70	75
	3~5 hundred million yen	16	14	21	15	30	24	28	22
	5~10 hundred million yen	15	17	27	27	21	18	15	15
	more than 10 hundred million yen	4	15	20	15	17	18	18	19
Total		143	247	272	289	306	312	318	329

- ① Success in the innovation of the regional denizens consciousness to the activation of industry. The farmers had the confidence to tackle with the agriculture and developed new products by their own originality and device.
- ② The number of tourists increased, so the regional products were sold more.
- ③ The residents were familiar with each other more than before, and the declining “Conventional Festivals”, and “Events” were revived.
- ④ The decrease rate of regional population slowed down.
- ⑤ The elevation of publicity of Oita prefecture and cities, towns, and villages in Oita prefecture.
- ⑥ Vigorous international exchange was seen in the denizens because their view- points changed.
- ⑦ Ritsumeikan Asian-Pacific University and others were induced in Oita prefecture successfully.

#### **VII. The economic effects of one village one product movement**

- ① The sale amount of special products as of 1998 in Oita prefecture reached 312 articles ,that is 136.3 billion yen.
- ② There are 18 articles in which annual sale amount is over one billion yen.
- ③ This movement contributed to the movement of enterprise inducement in each area of prefecture along with the gaining of fame rate of Oita prefecture.
- ④ The increased rate of middle and elderly employment.
- ⑤ New regional products were developed positively.
- ⑥ One village one product movement was paid attention from abroad, which contributed to the internationalization of Oita prefecture.
- ⑦ The events like Oita prefecture product fair and others were held inside or outside Japan, which accelerated the transaction.

#### **IX. The effects of one village one product movement in cities, towns, and villages**

- ① The residents in cities, towns, and villages were inspired to develop the goods of regional products.
- ② Especially, the residents in the agricultural villages of prefecture were free from “Inferiority Complex”, and had the confidence to engage in agriculture.
- ③ The residents were familiar with each other more than before, the festivals and

conventional events were revived, and the number of tourists increased.

- ④ The regional culture, which had been made light of, is now made much of and shows a sign of decentralization of power.

#### **X.The problems of one village one product movement**

All of these movements have not been successful in, and it is a fact that they involve some institutional problems and unresolved tasks for development. Oita prefecture promoting this movement did not disclose and discuss the problems and tasks at all.

The market of spirit distilled from barley, Seki Saurel, Seki Mackerel, mushroom and the others out of 18 articles, in which annual sale amounts were over one billion yen, were already assessed very high, furthermore, the sale system by the middle class enterprise and agricultural party through the usual circulation channel were established. The sale amounts of these goods increased steadily along with the trademarking by one village one product movement, but the agricultural incorporation, whose markets of the products were limited to Michi-no-eki or to whole sale market, went bankruptcy. Moreover, many goods were forbidden to be produced because the goods were neglected in the markets due to the developmental investment regardless of consumers' needs in the developmental stage of the products.

The idea, aim, and relative procedure of one village one product movement are effective on the activation of regions, so they need to be rated high. But it is important for the development of this movement to recognize the needs for market, clarify the sale subjects, stabilize the productions, and do the marketing precisely even in the stage of initiation. In the light of this point, one village one product movement in Oita prefecture involves the tasks to be resolved.

#### **(The readjustment of problems and tasks)**

- ① "Marketing Activity" should be considered even for the regional products in the developmental process of them.
- ② It is necessary to establish the sale system by founding the sale companies.
- ③ It is necessary to prepare the subjects to produce and supply the goods steadily with responsibility by founding the incorporation for production.
- ④ It is necessary for the residents to understand sufficiently the meaning and aim of one village one product movement in advance.
- ⑤ It is necessary for one village one product movement to be developed as the expansive industry activation movement, not to be enforced according to the disconnected viewpoints of



cities, towns, and villages. The sale companies should coordinate with this movement.

#### **X I .The introduction of one village one product movement into Philippines**

The provinces and agricultural villages of Philippines are in an exhausted and declined condition because many young people have moved from the provinces and agricultural villages to the large cities. The introduction of one village one product movement is effective in preventing this trend and inspiring the motivation of the residents in the provinces and agricultural villages. In case that this movement is carried out, it is important for this movement not to be introduced as it is but rather to investigate the method which is fit for San Fernando city and its suburbs and its practice sufficiently before the introduction.

Although this movement is already carried out as One Region One Vision Movement in Calabarzon region of Philippines, this movement would produce multiplier effects if it were carried out as a national project, not as a regional project. In such a case, it is important to attach importance to the viewpoint of marketing and investigate the foundation of sales company and its utilization for the enforcement of sales power in the stage of planning, which were also the problems of one village one product movement in Oita prefecture.

#### **X II .The development of one village one product movement in San Fernando city and its suburbs**

One village one product movement, which was originated in Oita prefecture of Kyusyu western Japan, spread abroad, and so it has been already put into practice in such Asian countries as Korea, China, Malaysia, Philippines, Thailand, Cambodia, Laos, Mongolia, and Taiwan. Many other countries and regions in Europe, North and South America, Africa, and Oceania also tackled with this movement (Table 2). But all countries and regions have not necessarily succeeded in the development of this movement.

The common factors in the countries and regions which succeeded in the development of this movement are the following 7;

- ①The residents appreciate and participate in this movement.
- ②The landmark of this movement is very comprehensible and can be activated by effort.
- ③There were some excellent leaders.
- ④Market research was done.
- ⑤There were some appropriate sales methods.
- ⑥Every result of this movement was known to the residents.
- ⑦The culture and life of the regions were taken good care of.

**Table 2** The countries which put “One Village One Product Movement into practice.

	Name of a country	Regional interchange
Europe	United Kingdom	Wales
	France	Languedoc-Roussillon
	the Russian Federation	Federal government
North and South America	The United States of America	Los Angeles, Texas, Louisiana
	Canada	Manitoba
	Jamaica	Jamaica government
	Brazil	Espirito Santo
Africa	the Republic of Malawi	Republic government
	The Republic of Cameroon	Republic government
Asia	South Korea	Seoul, Cholla-namdo, Saemaul
	China	Shanghai, Jiangsu, Hubei, Gansu, Jiangxi, Shangxi
	Malaysia	Kedah
	Philippines	Calabarzon
	Thailand	Thailand government
	Cambodia	Cambodia government
	Laos	Laos government
	Mongolia	Mongolia government, Bayanhongor
	Taiwan	Kaohsiung
Oceania	Australia	Queensland, Tasmania

San Fernando city had to develop the original one village one product movement which is different from that developed in other regions by making the best use of the regional character.

(1) The establishment of region (town) royalty

The original movement should be developed based on the resources of nature, culture, life, industries, and festivals which the regions have created in a long history and subjected to the concept in which the different points from other movement were defined. Moreover, it is important for the residents to create the brand-oriented force which has the splendid originality with reference to other successful cases, not to introduce such cases into the regions blindly.

(2) The introduction of viewpoint aiming at the market

The concept aiming at the market contrasts well with that aiming at manufactured goods,

and is also the notion that one should not introduce one's own manufactured goods into the market but develop and sell the goods matched for the needs and wants of the market. Therefore, it is important for the residents to grasp the needs of the market appropriately. There are some trends aiming at health, aiming at nature, aiming at service, aiming at leisure, aiming at real article, and aiming at mild article in the needs of Japanese markets. After the trend of market was analyzed in further detail, it turned out to be a cue of the success whether the leaders can manufacture the new goods by "translating" the needs of markets into seeds. The existence and human resource development of the talented persons who can translate the needs of markets into manufactured products are very important (It was very regrettable for me not to be able to translate the needs of markets and the seeds of regions into manufactured products by making an on-site inspection prior to the lecture due to my schedule).

(3)The development of the manufactured products added high value

It is necessary not to sell the agricultural and aquatic products left untouched but to sell them added high value by processing. This is called 1.5 industrialization after the name of primary industrialization and secondary industrialization. Furthermore, not only the processing but also the promotion of tendency for brand and self-sales are needed for the development of 2.5 industrialization. In addition the consideration of the foundation of "trading company of products sales" and "retail company of products sales" for sales are needed. The reason is that there is high employment rate in commercial field, which contributes to the activation of regions.

(4)The planning of market strategy

The planning of market strategy is necessary in order to develop and sell the marketable products. The persons who will participate in one village one product movement should understand the entire strategy and which fields are fit for themselves to function.

The market strategies are composed as follows;

①The setting up of the target market by market segmentation strategy

②The planning of effective market mix strategy

- Product strategy in accordance with the needs of markets
- The setting up of appropriate price strategy spreading into the markets
- Sales promotion strategy driving the consumers demand
- The planning of channel strategy, for example, the foundation of their own sales company and the utilization of the trading company or large retail company

## Materials

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*The flow chart for the development of one village one product movement in San Fernando city or its suburbs*

Investigation of the regional royalty necessary to be established

