

# Revitalizing Local Economy: A Comparative Study Between Thailand and Japan

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## I. Background of the Study

Cities worldwide are rapidly urbanizing (United Nations, 2014: 2-12; Khatoun & Zeadally, 2016: 46-57). Based on a United Nations (2014) study, global cities have been progressively urbanized, and half of the people in the world are now living in urban cities. As the United Nations (2014:1) noted, *"Globally, more people live in urban areas than in rural areas, with 54 percent of the world's population residing in urban areas in 2014...and by 2050, 66 percent of the world's population is projected to be urban."* Urbanization coupled with an expansion of capitalization is now the most significant challenge for governments and needs appropriate policy initiatives.

Urbanization and capitalization have advantages for national economic development and modernization. On the other hand, they also deteriorate the local economic vitality, particularly in rural areas. In the case of Japan, as a rapidly urbanized country, many local communities have promoted local development projects for their economic vitality. Depopulation and youth migration to urban cities are also distinct implications of Japanese urbanization (Iwashi & Kato, 2016:1-6). Residents in rural communities have abandoned farmlands and houses. The majority of active-citizens in a rural community is not young but elderly because the working-age population migrates to urban cities or works with big industries in neighboring cities. These issues are similar to Thailand and worldwide countries but remarkably different in impacts and

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urbanization levels.

The prevailing countermeasures to these issues are the private and public sectors attempts to re-invent their local economy. Therefore, this study selects two renowned cases of regional economic revitalization, one in Thailand, *the Don Kha Community*, and one in Japan, in *Nagahama City*. Researching the experience of local revitalization from these two cities would be beneficial to other local communities in Thailand and Japan to apply in their societies. Hence, learning different experiences of regional revitalization would be very helpful to Thai and Japanese local communities to improve their capacities and boost the local economy.

## **II. Objectives**

1. Investigating the approach of local revitalization project called '*Kurokabe Square*' in Nagahama City, Shiga Prefecture, Japan, and *the Don Kha Community's* case in Thailand.
2. Analyzing the causes that allowed a revitalization project and driven factors that contribute to the revitalized local project in each case study.
3. Analyzing impacts created by the local economic revitalization to the community on social and economic dimensions.

## **III. Literature Review and Research Methodology**

Various approaches could be applied for local revitalization research, and different methods reflect distinct aims and results. Kimura's study (2016: 4-21 & 2010: 1-17) examines the patterns involved with local revitalization in Japan based on *Appreciative Inquiry (AI)* and *Discontinuous Leap (DL)* approaches. These two approaches are useful to investigate how communities defined their conditions and visioning their future regarding local economic development. The Appreciative Inquiry (AI) is a "*strength-based approach*" and focuses on the best or success of past experiences and current situations rather than problems or failures. AI is a social constructionist approach that leads to a positive understanding of existing phenomena and energetic engagement among

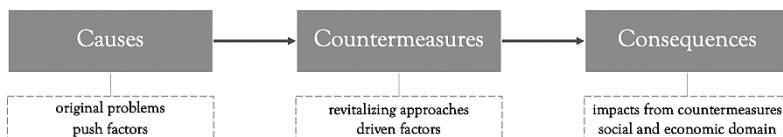
participants. In addition, AI focuses on "*the best of what is*" in reality, then visualizes "*what could be*" in the future. In comparison, Discontinuous Leap (DL) is more creative and imaginative than AI. Because the DL approach withholds the existing phenomena or current situations and "*leap*" to the creativity without being concerned about reality, and finally envisage and imagine the future by integrating creative ideas from the "outside" context of reality to the "inside" context of its existing phenomena. Additionally, DL also examines "what could be *beyond* the constraint of reality."

Furthermore, Inaba's study (2009) integrates inter-organizational collaboration theory to explore local business creation in Japan (See also in Inaba, 2000), focusing on origins, actors, and mechanisms in different collaborative settings. Inaba's study provides an analytical framework to explore regional revitalization and inter-organizational collaboration. He found that *joint entrepreneurship* and *various partnerships* with different functional roles largely contribute to the success of local economic regeneration in Japan. Inaba's study could find an in-depth analysis of causes, deterrent factors, essential elements, and roles of partners in collaborative networks and mechanisms of inter-organizational management for local industry creation (Inaba, 2009: 178-230). His study, however, does not cover an impact analysis generated by different forms and collaborative mechanisms. Therefore, this study investigates the selected cases from Japan and Thailand to fulfill the gaps that analytical frameworks in previous studies have not focused.

This study follows a qualitative research, which integrated documentary research, interviews, site visits, and participatory observations by staying with residents in the village and joining their activities to collect data. The authors decided the *3Cs model* as the main analytical framework for this study: (1) **Cause** or *push factors* that led to the emergence of a movement of revitalized projects in each case or a problem that steers to revitalizing projects in both Thailand and Japan; (2) **Countermeasure** refers to approaches the community integrated to revitalize their local economy and contributory factors affecting the success of regional revitalization in both cases; (3) **Consequences** of social and

economic impacts that are generated by a revitalized local project as shown in the Figure 1 below.

Figure 1 Social and Economic Impacts of Revitalized Local Projects



## IV. Results

### 1. Japanese Case: Development of Local Revitalization in Nagahama City, Shiga Prefecture

Local economy and shopping districts in Japan have been declining since the 1970s (Takatsu, 2013: 303; Inaba, 2009: 15). The recession of the local economy across Japan varies based on both internal and external factors in each location. However, noticeable factors that affect the decline of the local economy and shopping districts in Japan are the expansion of department stores, large-scale retailers, and convenience stores. Nagahama is also one of the cities that confront these challenges.

Retrospectively, Nagahama was ruled by a prominent Samurai, *Hideyoshi Toyotomi*, who educated and instilled an idea of self-governing and autonomous cultures for the Nagahama people (Takatsu, 2013: 307-308; Inaba, 2000: 6). During that time, town development was launched by the mutual agreement among residents. Also, during the Edo (1603-1868) and Meiji (1868-1912) periods, Nagahama was an industrial and commercial town with the prosperity of local industries, mainly related to sericulture, silk, and textile businesses, and also with geographical advantages for commerce. At this time, there were more than 400 local shops in the shopping district center of the town. Nagahama's local economy flourished until the oil crisis in the 1970s and late 1980s which led to the decline of customers in the shopping district center and big department stores also expanded to the suburbs nearby the local shopping district in

Nagahama. As a result, the customers were attracted to visit the new department stores rather than local shopping center of Nagahama (Inaba, 2000: 6-7).

However, to deal with this problem, residents and the local firms found the Kurokabe Bank as the cornerstone of their potential. This historical building was constructed in the Meiji era as a town symbol. The residents' struggle to revitalize their community economy against the influences of expanded department stores is successfully driven by a public-private mixed enterprise called *Kurokabe Corporation*. The Kurokabe Corporation is mutually funded among the local government of Nagahama City and eight companies that have a shared recognition of their local economic crises and the decline of the shopping district in town (Takatsu, 2013: 303-310; Kimura, 2010: 1-17; Inaba, 2009; Kikkawa, 2008: 37-57).

The initial purpose for creating Kurokabe Corporation is to conserve the historical building, Kurokabe Bank, located in the center of the shopping district. Eventually, this bank building was revitalized into glassware to sell unique glass handcraft products. The area around this building was also once again revitalized into a famous shopping district called *Kurokabe Square*. Nowadays, Kurokabe Square attracts two million people annually to its shopping district (Takatsu, 2013). This number of visitors shows a big different proportion from the 1970s till now, as Moraiki Sasahara, the then executive director of Kurokabe Corporation, said, *"on one of the streets in the city center, we can see only four people and one dog per hour"* (Yoshii, 2005; Kurokabe, 2004; Kimura, 2010: 6).

### **(1) The Ways to Revitalize Local Economy in Nagahama City**

Kurokabe's project has been widely recognized as one of the successful cases of local revitalization in Japan (Takatsu, 2013: 303). The approach of this project is also distinctive. The UNESCO also recognized the Kurokabe project's local revitalization model, as in UNESCO's World Culture Report described that *"Kurokabe Square Project in Nagahama is a telling example of the way... to promote urban regeneration and revitalization... it also provides a model for public/private co-operation in managing this type of urban development project:*

*it is a model that could well be applied in other parts of the world"* (UNESCO, 2000; 133). Therefore, learning how to revitalize the local economy from the Kurokabe case is beneficial for local communities trying to promote their economy.

Kurokabe's local revitalization entirely displays a partnership-based approach. Partners working together with the Kurokabe project include residents, community associations, local companies, and Nagahama Municipality. However, the best way to examine the success of this partnership-based approach in Nagahama is to identify it as a *private-led style* rather than public-sector-led because the project and all revitalization procedures have been mainly launched by the private sector – *resident movements and local companies*. To summarize a systematic process and development of the Kurokabe Project, this paper classifies the revitalizing process in Kurokabe Project into four stages (Takatsu, 2013: 303-331; Inaba, 2000: 5-14 & 2009: 86-96):

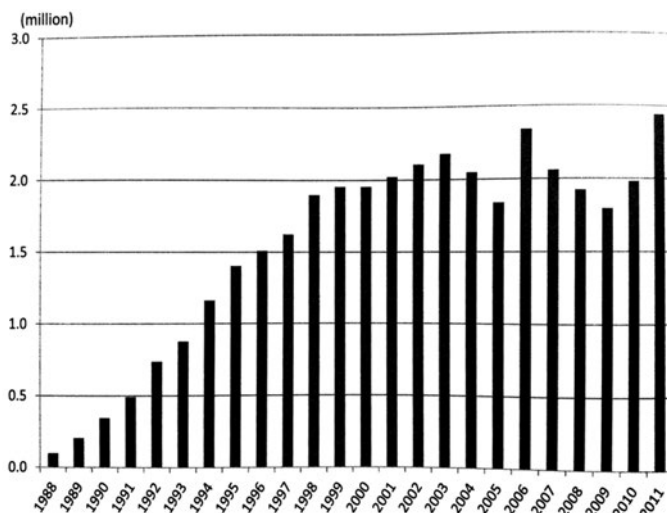
**1. Preservation of historical building**, Kurokabe Bank, had once owned by Nagahama Catholic Church who tried to eradicate and sell this old building because of its deteriorating conditions. However, the neighborhood community association ran a campaign to preserve the building and collaborate with Nagahama Municipality. To that end, Nagahama Municipality decided to initiate a public-private mixed enterprise, which included eight companies and city members gathering funds to buy and renovate this bank building estimated at around 130 million yen. After all, in 1988, *Kurokabe Corporation* was inaugurated with a fund of 130 million yen, of which the local government of Nagahama City provided 40 million yen, and eight local firms provided 90 million yen.

**2. Creation of a new business model by** integrating an idea of unique original values and international perspectives forming *glassware business*, which connects with the artistry of Hikiyama festival. The leading working member of the Town Creation Office (*Machidukuri Yakuba*) said that *"we preserve our culture by combining traditional culture and resources to develop the new thing,*

*which is glassware*" (on June 22, 2019, at Five Wise Men House in Nagahama). Kurokabe Corporation tried to create a sustainable revitalization and sought business opportunities. As a result of a European study tour, the glassware business started in 1989 under the concept of *differentiation* from other companies. Kurokabe Corporation created three business principles to revitalize its town center. First, there is the artistry of culture, which represents the Hikiyama festival. The second principle is historical value, which highlights the importance of preserving the historic building. The final principle is international value, highlighting the importance of integrating international ideas and the traditional local pride to tourists.

**3. Glass road initiation featuring a historical landscape**, after the creation of the glassware business in 1989, "*Kurokabe Square*" started three core projects: Kurokabe Glass shop, Studio Kurokabe (glass workshop), and Bistro Mure Noir (French restaurant). For these projects, a local road was reshaped into a *Glass Kaido or Glass Road*. Various traditional houses alongside the Glass Road have been conserved and renovated into traditional shops mixed with glassware products. After creating the Glass Road model and integrating historical events and buildings into economic activities, since 1989, the number of visitors to Kurokabe Square has vastly increased year by year, according the data in Figure 2 below.

Figure 2 Number of Visitors to Kurokabe Square



Source: Kurokabe Corporation's Guide (2004)

**4. Formation of clusters through functional differentiation,** Kurokabe Corporation was collaboratively operated among three functional groups. First, the *Kurokabe Group Association* includes affiliated companies and members who respond to a business strategy and long-term management. Second, the *New Nagahama Project*, established in 1994, is responsible for utilizing and managing vacant traditional houses and shops and screening for new tenants to ensure that future shop tenants fit into the corporation's strategy. Finally, *Machidukuri Yakuba, or the Town Creation Office*, works as a non-profit organization expanding, reinforcing, and networking with various organizations inside and outside Nagahama. The Town Creation Office operates as a liaison office and is the main actor launching the following traditional activities: *Hinamatsuri* (festival for girls), *Tango No Sekku* (festival for boy), *Hideyoshi* exhibition. Therefore, in Nagahama's case, the Kurokabe Project is formed by the collaboration between public and private sectors in which the private sector plays a key role.



## (2) Contributory Factors for the Success in Revitalizing the Kurokabe Square

The Kurokabe experiences demonstrate the contributory factors that drive the achievement of its project. *First, strong leadership from residents*, especially local businessmen, mobilized the funds to conserve and promote the local economy. Furthermore, commitment from Nagahama Municipality also reflects as one of the pushed organizations that contribute to the Kurokabe project. *Second, joint responsibility or mutual recognition of local problems* between residents in the community is also one of the influential driven factors. It is noteworthy that the resident movement in Nagahama City who launched campaigns to preserve a historic building is a cornerstone of the project; without them, Kurokabe's bank building and the Kurokabe Project could not have existed. *Third, creativity* is also conspicuous in the Kurokabe Project through the integration of economic development ideas from European site studies. Europe glass handcraft idea, which has been integrated as the central part of the revitalizing project, encourages human resource development and local economic vitality. This outside-in method of revitalization effectively draws many visitors, both foreigners, and Japanese, to Nagahama. *Fourth, self-identification* is another driven factor because the Kurokabe Project differentiates its products from other shopping districts in Japan. The central idea is creating glassware and meticulous glass handcraft products, which have not existed before in Nagahama and neighboring cities. Another self-identified character is an integration of historical buildings into unique shops decorated with glass-made handcraft products. It is clear that if the Kurokabe Project was launched without concern for self-identification that differentiates it from different projects, it would not be as successful. *Fifth, holistic revitalization* focuses on, the economic dimension, human resources development and professional training to preserve cultural and historical values. Kurokabe Project integrates local history and culture into its economic development. Traditional and cultural exhibitions stem from the history of Nagahama, such as *Hikiyama* festival, *Hinamatsuri* (festival for girls), *Tango No Sekku* (festival for boys), *Hideyoshi*

festival, or other exhibitions. All these activities contribute to both social and economic development in Nagahama, especially for social cohesion and human resources development.

## **2. Thailand Case: Local Economic Revitalization in Don Kha Community, Khon Kaen Province, Thailand**

Don Kha Community was formed in 1783. However, various migrant families moved to Don Kha Community in 1933. In the Don Kha area, there were many Makhamonge trees planted inside the community. Therefore, local authorities named the community at that time "*Don Makhamoge Community*" and people later shortened the name into "*Don Kha Community*" until now (Sukkho, *et al.*, 2017: 34). The Don Kha Community has plenty of natural resources (Sukkho, 2017: 40); the community forest in Don Kha covers 521 rai and includes four natural pools. These natural resources benefit local people in terms of agricultural and self-reliance aspects since the main occupation is agriculture-based works. The population pyramid, however, displays that Don Kha Community still has enough working-age population. Still, this population migrates to work with industries and companies in Bangkok and live in other urban cities. Therefore, elders and primary students are the central populations who have been launching the community activities. Youth migration is also one of the causes of Don Kha's revitalizing project, like in Japan. Residents have been trying to boost their local economy in various ways to solve existing challenges. As a result, there was the development of community-based tourism, and the community received many national and international awards for their achievements, such as *STi Thailand Award 2015*, and the *World Craft Awards 2018* given by UNESCO, guaranteed that their silks and local silk products are the best in this world.

### **(1) The Origins of Local Revitalized Project in Don Kha**

The authors classified the origins that led to the local economic renewal project into three main points. Firstly, *area-based problems*, as agriculture is a

prevailing business in Thailand, especially in rural communities. However, in the Don Kha Community area, the land or soil's quality is rough and hindered to plant or for agriculture in general. In the past, the land was prosperous with various plants and forests, but it has been deforested since the 1990s. As Mr. Dhawee, the president of Don Kha's revitalized project, said: "*Don Kha Community is the area where it is difficult to plant, cultivate, and do business for local people*" (interviewed on December 20, 2018). This situation affects the low-income issue for villagers since their lands and other natural resources are not completely used to generate income. Secondly, *local resources conservation and low income*, there were various high-value local resources in Don Kha Community, but these resources have been gradually vanishing from the community since locals do not prioritize them. These resources are *local cultures and natural resources*. In the initial phase, the project aimed to revitalize these local resources to generate income for themselves. Finally, *youth migration*, as the economic growth in the urban city has attracted working ages to migrate to urban cities throughout Thailand. In Don Kha Community, many youths and working-age people have moved to cities in Khon Kaen and advanced industry provinces. As there are no sufficient work opportunities for them, many move to other urbanized cities. Therefore, the revitalized project in Don Kha aims to reinvigorate these issues and give residents more work opportunities.

## **(2) The Approach of Revitalizing Local Economy in Don Kha, Thailand**

Don Kha's local economic revitalization approach comprises four main elements: local-self development, partnership-based development, creative local resources integration, and outside-in methods.

**1) Local self-management:** All the community's development ideas are initiated and fully managed by the residents. Participation from associates in the community is the fundamental concept in Don Kha Village. Besides, local residents formed the *Don Kha Community Enterprise (DKCE)* to function as a central organization that deals with all developmental and revitalized projects

and financial development, including incomes and expenses budgeting for their works and community fund. Even though the Don Kha Community receives government funds, the budget is quite petty. They could not productively launch any significant project to boost the local economy with their small governmental grant. Therefore, the *Don Kha Community Enterprise* is a central community organization that efficiently assists residents in financial management. Another point of self-management in the Don Kha Community can be explained by *self-identification*. The self-identity they made by creating unique products and activities promotes their community and starts new businesses such as MAKA OKME, the only silk-design originally created by villagers that is well-recognized throughout the country; traditional activities are applied to preserve local cultures promote to the tourists, etc.

**2) Partnership-based development:** the revitalized local project in Don Kha has been launching with various allies, particularly with the public sector. The residents themselves are the main contributors to the community. Indeed, they are the cornerstone of the project. However, public institutes contribute much to revitalizing projects in Don Kha, such as regional agencies, local government, and universities. Eight leading organizations that have long worked with Don Kha Community are 1. *Khon Kaen Provincial Community Development Department* (OTOP, Community-based tourism), 2. *Chonnabot District's Community Development Division*, 3. *Khon Kaen Provincial Cultural Development Department*, 4. *Regional Industry Development Department*, 5. *Nanotech Institution, Ministry of Science*, 6. *Weaving Institution, Ministry of Industry*, 7. *Research for Social Development Institution, Khon Kaen University*, and 8. *Khon Kaen Provincial Commercial Department*. Therefore, organizations are now supporting the residents boosting the local economy.

**3) Local resources and traditional uniqueness integration:** as interviewed with project president and other engaged members and residents in the community. The Don Kha area is very difficult to plant compared to other

neighboring cities. Therefore, residents have diversified local resources to promote their community instead of relying on agriculture. Residents have relied on aspects such as a unique tree found in the community as a symbol of local branding, traditional ways of life, local silk weaving, local herb's sauna shop, traditional shows, dancing, ways of customer service, and local cooking. These activities are integrated to Don Khas' local resources. Therefore, the *utilization of traditional uniqueness* is also one of the influential factors which convince tourists to visit the area while preserving its traditional cultures.

**4) Outside-in method:** a method for boosting the local economy and making it more attractive. Working members of the Don Kha Community had visited various good-practice sites before they launched projects in the community. Ideas and concepts they have learned and experienced from other site studies in Thailand have given them lots of useful images and awareness. As one of the residents said: *"after I went to the other sites to learn about how they are developing their community, I suddenly recognized that my community also has many capacities to improve our local economy."* (a working member of the Don Kha community, interviewed December 19, 2018). Moreover, based on an interview with project president (on December 20, 2018), another significant idea that Don Kha Community gained from other sites is the integration of the Sufficiency Economy. Since the main activity of the other places they visited is agriculture-based development. Therefore, King Bhumiphol's Sufficient Economy has affected their ideas of local revitalization in the Don Kha Community. As Mr. Dhawee Khumsukkho said that: *"We have recognized that the best ways of local development should be based on the Sufficient Economy that is "understanding" what you are going to do first, then "achieving" with innovative ways, and finally always "develop" what you have done, try to always better it."*

## V. Discussion and Conclusion

In this section, the authors try to generalize findings from both case studies

into a comparative view. Results show that local economic revitalization in both cases is fundamentally grounded on *partnership-based development*. However, the partnership model of the Nagahama Approach is a "*private-led-based method*" mainly managed by the Kurokabe Corporation, the public-private mixed enterprise between local firms and Nagahama Municipality. The partnership model of the Don Kha Approach distinctly displayed the "*public-led-based method*," which predominantly works based on collaboration with the community, national agencies, local government, and the university.

This study found the leading causes of local revitalization in both cases can be classified into two categories: first, *the grand cause* – causes that widely influence the local economy throughout the country which are the *capitalization* and *aging society*; and second, *the common cause* at the local level emerges in different forms based on the specific context and location in both cases, which includes the *local resource crisis* and *income decline*. The origins that led to the creation of revitalized projects in both cases are similar in terms of the grand causes, but the scope and level of its influences are different – Japan is an advanced capitalist state. Therefore, the expansion of department stores is more comprehensive, and the crisis on super-aged society and youth migration is higher than in Thailand, as detailed in Table 1 below.

Table 1 The Main Causes of Local Revitalization Projects in Both Cases

Causes	Don Kha	Nagahama
<b>Grand Cause</b>	Expansion of department and convenience stores in local areas	Expansion of department and convenience stores in local areas
	Aging society, youth, and working ages migrate to urban areas	Super-aged society, youth, and working ages migrate to urban areas
<b>Local Cause</b>	Local Resource Crisis	Geographical problems, low quality of soil, local cultures, and folk wisdom downfalls
	Income decline	Regression of visitors and retailers at the shopping center

Moreover, this study found that the driving factors which contribute to the achievement, or at least leading the projects to an effective outcome, are heavily grounded in a combination of the "5C" notion:

*Communication*—both cases launched local campaigns to gain public trust and collaboration from public and private sectors. In Nagahama, citizens (mainly local businessmen) spontaneously created local campaigns and the communication among residents to gain collective recognition on historical building's eradication. In the Don Kha, similarly to Nagahama, leading committees tried to communicate with residents to gain public trust, but few members were interested in joining. As such, the leading committee launched communication campaigns targeting local politicians asking for support and spreading the news about successful stories of the projects from residents through the community and eventually gaining support from both public sectors and the increasing number of members.

*Common ground for the common goal*—is a term that describes collective responsibility and awareness in local crises and a shared vision between residents in the community. *Common ground* illustrates a collective awareness of local crisis. *The common goal* is a collectively shared vision and responsibility among residents trying to solve local issues *together*. Both cases share the same features of common ground and a common goal. At first, residents were *collectively aware* of local problems—the eradication of a historical building in Nagahama, geographical-based crisis, and a local culture and tradition downfall in Don Kha. These local problems have been *mutually* recognized among residents to unravel their local crisis through the roles of community organizations partnered up with other institutions.

*Cultural and local resources integration*—Nagahama and Don Kha have adapted original abstract and concrete resources from the local community into economic activities that are distinct from other cities. In Nagahama, the Kurokabe Square mainly proceeds by integrating local historical and cultural activities, especially *Hinamatsuri* (festival for girls), *Tango No Sekku* (festival for boys), and *Hideyoshi* exhibition. Kurokabe Square is also the best example

of a combination of historical buildings in the city center to boost the local economy. Similarly, in the Don Kha case, integrated its own local culture, ways of life, and folk wisdom to advance their local economy and promote tourism-based community, especially the *traditional ways of life, local homestay, and Don Kha's silk branding*.

*Community-based management*—Nagahama and Don Kha are grounded mainly on the *"local-self-management method,"* as community organization is active in developing their local economy. *Don Kha Community's Enterprise* and *Kurokabe Corporation*, and *Machidukuri Yakuba (Town Creation Office)* in Nagahama are the community-self management bodies central to the local revitalization projects in each case. The leading roles of these organizations are various self-managing functions: *learner, coordinator, and leader of the community* to deal with any issue related to local development.

*Contribution from public sectors*—supports from the public sector are influential in boosting local revitalization. In the Nagahama case, Nagahama Municipality granted the Kurokabe Project 40 million yen to fund the Kurokabe Corporation, which is a central organ of improving the local economy in Kurokabe Square nowadays. Besides, the construction approval of the new JR rapid train that directly goes to Nagahama is the best example of a government support lesson from Nagahama. This support significantly contributes to an increasing number of visitors to Kurokabe Square. Like the Don Kha case, most public sectors involved with the project are regional agencies, universities, and local governments. As mentioned before, the Don Kha is classified as a *public-led based method* because public agencies have an essential role to the regional revitalization in both funding support and training programs.



Table 2 Comparative Approach and Driven Factors Contribute to the Success of Local Revitalized Projects in the Don Kha and Nagahama cases

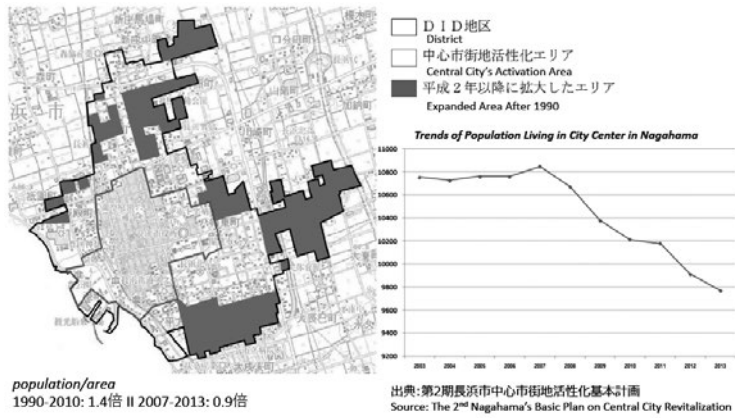
<b>Approach/Driven Factors</b>	<b>Don Kha Approach</b>	<b>Nagahama Approach</b>
<b>Partnership-based Development</b>	Public-led-based model	Private-led-based model
<b>Financial Support</b>	Funded by public institutions	Funded by local firms and municipality
<b>Communications</b>	local campaigns to public agencies	Local campaigns to the municipality and private companies
<b>Cultural and local recourses integration</b>	Shifted from agricultural dependency & integrating cultural and local folk wisdom to promote community-based tourism	Shifted from old to new business model by integrating local history, tradition, and antique buildings with European ideas
<b>Community-self management</b>	Managed by Don Kha Community Organizations, supported by public sectors	Managed by Kurokabe Corporation, and community organizations
<b>Common Ground to Common Goals</b>	Residents' common awareness of local problems and collective community visioning	Residents' common awareness of local problems and collective community visioning
<b>Contribution from Public Sectors</b>	Financial support, training, marketing promotion, research development	JR's route & financial support & coordination
<b>Output</b>	Community-based tourism	Commercial town

Furthermore, this study found impacts of revitalization projects classified into two domains. First, there is the *progressive impact* on *empowering and democratizing local communities*. Nagahama and Don Kha mainly rely on their capacities to strengthen the local democracy. Both cases formed active *civil societies*, which are the *Don Kha Community Enterprise (DKCE)* and the *Town Creation Office in Nagahama* – show extreme participation, collective decision-making, and local democratic engagement with public agencies. Second, the

revitalized local projects strengthen the *learning community* that develops local human resources through integrated programs. Communities collaborated with universities, local schools, and other outside organizations to train new professional skills to residents, both elderly and young generations. Third, there is *income generation*. The more visitors, the more chances to earn income. In Nagahama and Don Kha, the number of visitors and their consumption while traveling inside the community constantly increases. The number of visitors eventually sustains the local economic vitality.

However, this study also found *unexpected impacts* generated by the local revitalized projects in both cases. In Don Kha, one of such impacts was the competition between neighboring cities that have similar capacities. Rivalry is common between Don Kha and some neighboring cities to gain more supports from the public agencies – *government and university projects*. In Nagahama's case, a remarkable impact of its city center revitalization is that residents living in the city center have decreased since 1990, more prominently between 2007-2013, as displayed in Figure 3 below. They are moving out to the suburbs – *the process of suburbanization*. The possible reason is that retail shops in the city center area are insufficient to meet the needs of residents. Plus, it could be that the number of visitors, especially during festivals, is overwhelming, which is unpeaceful and inconvenient to the local residents.

Figure 3 Trend of Population Living in the City Center Area in Nagahama



Adapted by the author from The 2<sup>nd</sup> Nagahama's Basic Plan on City Center Revitalization

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## **Revitalizing Local Economy: A Comparative Study Between Thailand and Japan**

<Summary>

Suriyanon Pholsim & Yushi Inaba

This paper examines and compares the ways of local economic revitalization in Nagahama City, Japan, and Don Kha, Thailand. There is an analysis of the causes and driven factors that contribute to the success of local revitalization projects and investigates the impacts of local revitalized projects in selected cases. This study is grounded on a qualitative method that integrates interviews, participatory observations, and documentary research analysis as the central methodology. The results show that noticeable ways of local revitalization in both Nagahama and Don Kha cities are grounded on a *partnership-based approach*. However, Nagahama's revitalized approach is predominantly a private-led and public collaboration, while the Don Kha method is mainly grounded on a public-led method. This study found the leading causes of local revitalization could be classified into two categories: *grand cause* – capitalization, aging society, and *local cause* – local resource crisis, income decline. The driven factors that contribute to the success of local economic revitalization found in this study are grounded on the "5C" notion: "*communication*" – community's local democratic campaigns to gain collaboration and information diffusion among residents; "*common ground for a common goal*" – collective awareness on local problems, mutual responsibility, and a shared vision among residents; "*cultural and local resources integration*" – adapting original abstract and concrete resources into economic activities, "*community-based management*" – a self-managing approach and community as the central body of holistic revitalization: learner, developer,

coordinator, and leader; "*contribution from the government*" – roles of the public sector in encouraging local development through support programs. This study reveals that the impacts from revitalized projects can be divided into two types: *progressive impacts* on social cohesion, strengthening self-managing and learning community, income generation and local economic vitality, and *unexpected impacts* on suburbanization – in Nagahama, and competition among neighboring cities – in Don Kha.

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