

Declaration of “New Public Commons”

June 4, 2010

Introduction

A vibrant civil society in which people support one another — this is the basic concept presented by the New Public Commons Roundtable set up by the Hatoyama Government. In such a society, various stakeholders voluntarily work together to create a “New Public Commons.” This is not a new idea. In fact, the concept of a “public commons” has long thrived in Japanese communities, although it is in danger of becoming a thing of the past. For this reason the concept has been revived and adapted to accommodate present circumstances in order to rebuild the bonds among people and communities.

Several examples can be cited from Japan’s recent past and present in which the people have joined together for their mutual benefit. On January 17, 1995, over 6,000 people were killed in the Great Hanshin-Awaji Earthquake. Soon after the quake, as local governments were inoperable and businesses were closed due to the damage that they had suffered, people in the disaster-hit areas spontaneously formed makeshift communities to support each other in coordination with “venues of cooperation” set up by nongovernmental organizations (NGOs), not-for-profit organizations (NPOs) and volunteers from across the nation. More than one million volunteers were said to rush to the disaster area, and for many of them, this experience brought about the realization that they, too, could lend a helping hand and achieve a sense of fulfilment in return. People cannot survive without mutual support, and this realization forms the basis of the “New Public Commons.”

In 1869, three years before the promulgation of the national educational system in Japan, residents in the city of Kyoto established *bangumi shogakko* (community elementary schools) in each of the city’s 64 *bangumi* (autonomous communities). These schools were supported in part by financial contributions called *kamadokin*, which were made by individual households in proportion to the number of *kamado* (kitchen furnaces for cooking) in each household. Each school had on its premises a community meeting room and quarters for local fire fighters and local patrols. In the autumn of 2006, the old buildings of one of such schools, The Tatsuike School, were renovated and reopened as the Kyoto International Manga Museum. Behind the project were local stakeholders, including a federation of local residents’ associations. Funds that had been collected over a long period of time were donated to the project by neighbourhood associations in the spirit of building their own city. Such examples demonstrate that a vibrant community of mutual support can be created when people make their fair share of contributions.

In Kamikatsu Township in Tokushima Prefecture, local senior citizens run a community

business called “Irodori,” which sells wild leaves, flowers and plants collected from nearby mountains to restaurants for use as garnish. About one-half of Kamikatsu Township’s farming families participate in the business, and its annual sales amount to 260 million yen. While the elderly account for 50% of the town’s population, the number of bedridden elderly is extraordinarily small. In fact, per-capita healthcare costs for the elderly in Kamikatsu are the lowest among the 24 municipalities in the prefecture. Everybody in the town has a place to go and a role to play. As a result, they have worked together to produce a community that is less costly and livelier than the neighbouring townships—one in which the residents also enjoy a high level of personal satisfaction.

A third example of mutual support in a New Public Commons is *The Big Issue*, a popular magazine sold on the streets by approximately 150 homeless people for a cover price of 300 yen. Since for each copy 160 yen goes to the seller, a hard-working homeless vendor can make a modest living by selling say 800 copies each month. Readers of *The Big Issue* do not buy the magazine because they feel pity for the homeless but because they find its articles interesting and because they enjoy conversing with the vendors, who often employ innovative sales approaches. This enterprise demonstrates the adage that quality sells, and it gives homeless people the opportunity and the confidence to support themselves. However, *The Big Issue* is not just a commercial venture. Rather, the interactions between the vendors and the buyers—and the empathy and commitment that they demonstrate—show that the market has the potential to be a “venue of cooperation” that binds people together.

These are just a few examples of real activities and experiences that employ the concept of the “New Public Commons.” More examples could be cited, and it is the hope of the New Public Commons Roundtable that more people will embrace this concept so that such actions can proliferate.

The “New Public Commons” and the Future of Japan

The traits promoted by the “New Public Commons” are mutual support and social vibrancy. In this society, everyone has a place to go and a role to play. People value the pleasure of helping others, and by generating new markets and services they allow economic activity to thrive. When the fruits of such activities are properly returned to society, people can live better lives. Thus, such a society develops in a virtuous cycle.

With a declining birth rate, the Japanese population is rapidly aging. This demographic shift will create new challenges and new social issues, and these issues cannot be resolved by the government alone or by simply injecting money and goods into the community. However, a society of mutual support and vibrancy, realized through the “New Public Commons,” can create communities that are rich in social capital and that enjoy a high level of mutual confidence, low social costs and a great degree of happiness. In such communities, new ideas can emerge from the bonds among people, triggering social innovations that will lead the way to fresh growth.

In the past, the Japanese people exercised their wisdom and social skills to create vibrant communities in which the people mutually supported one another, such as *yui*, *ko* and *za*, in which the public sector was not the sole provider of public services. For example, in the Edo era, Japan had a total of 15,000 neighbourhood private schools, or *terakoya*, in addition to local government schools, called *hanko*, and the *terakoya* is considered to be one of the most advanced private sector education systems in the world at that time. Various actors playing their respective roles cooperated in supporting public services and in building a vibrant society of mutual support and goodwill. Local governance, combined with festivals and events, invigorated towns and villages, and traditional activities, such as the tea ceremony, often produced business offshoots.

As Japan developed into a modern nation state during the Meiji period, however, people started viewing public services as the responsibility of the public sector. Consequently, decision making and the allocation of resources became concentrated in the central government. For some time, the central government bureaucrats played an important role in Japan's modernisation and in its rapid economic growth; since that time, however, these officials have lost much of their initial fervour. As a result, the Japanese public abandoned the idea that local governments should be the main provider of public services. People became less connected to each other and less involved in their communities, and it is now widely felt that each person is responsible for his or her academic achievements and for his or her own success in life. As such, individuals think of their own needs and concerns first rather than considering the public good, and people in general have lost their desire to work together for the benefit of society as a whole. However, people should remember that in Japan communities and individuals once played important roles in providing public services, and it is still possible for the Japanese public to recover this role. Collectively, the Japanese must foster the momentum for people to be reconnected to their communities by taking responsibility for working both independently and together to address the needs shared by all.

A long-standing view once common to many Japanese held that "Earning money or doing one's duty is not enough. Accomplishing the two makes a person complete. One's duty is to lend a helping hand to others and to do what one can for society." Modern private sector enterprises are important actors in the "New Public Commons." In fact, companies can achieve both goals—increasing their earnings and doing their duty to others—if their contributions toward building a sustainable community are accepted by society. In return, the people patronize their businesses, thus increasing such companies' profits and their market share. Under the recent global economic system, however, maximizing profit has become the sole objective of private industry. As a result, many business people have concluded that economic returns and social returns cannot be achieved simultaneously. The notion of a "New Public Commons," however, offers an opportunity to reconsider whether this conflict is an inevitable product of capitalism or whether new models need to be proposed concerning how capitalism functions in society.

In Britain, several measures, including the 2000 pension law revision, led to an increase in the amount of outstanding pension funds managed through socially, environmentally and ethically responsible investments from zero in 1997 to 80 billion pounds (approximately 11 trillion

yen) in 2001. Similar initiatives have yielded similar results in other European countries, and these initiatives have not resulted in a loss of revenue for the investors. In fact, it was a pensioners' group that first called for such changes in investment strategy in Britain. As social awareness rises among shareholders and consumers, capitalism can change for the better and lead businesses to act in accordance with long-term social perspectives. In other words, the social awareness of individuals and the will of society to make a change can achieve both economic returns for private companies and social returns for the community.

Increasingly, business managers have been exploring opportunities to make social contributions to the communities in which they operate, such as by making donations to NPOs that are working to resolve social issues, promoting volunteer activities by employees and using their business strengths to support regional projects. These activities have the joint benefit of improving corporate values and attracting high value human resources. In other words, company managers are learning that economic returns are not incompatible with social returns.

In addition, NPOs and other social enterprises have been helping to improve society by applying business approaches to the resolution of social problems. These social enterprises are contributing to creating the "New Public Commons" in a number of down-to-earth ways that could not be easily adopted by governments or corporations. For example, NPOs are providing medical care, nursing, childcare and education to local communities, and they are offering advice and resources in fields such as the environment, agriculture, forestry, culture and art. In other instances they are adopting novel business models, such as offering microfinancing to small business owners. Most of these entities engage exclusively in social activities and place a priority on creating social returns rather than economic returns.

Systems that pave the way for private enterprise to obtain economic returns in the marketplace while addressing social values in the community help to build a better society. To achieve this goal, these new social systems will need to include: institutional reforms, such as tax reforms that create incentives to donate to charities; the introduction of new schemes to support projects by central or local governments, with new approaches that differ from conventional subsidies; and effective financial support and investments to foster social capital. For entities that depend on economic returns that are not obtained through the marketplace, transparency should be increased—for example, by introducing requirements for financial disclosure and requiring evaluation by third party, non-governmental entities.

In this way, the people, businesses, NPOs and governments, among other entities, can work together to breathe fresh life into Japanese society. This is the essence of the "New Public Commons" that we are pursuing.

Creating a “New Public Commons”

The “New Public Commons” consists of venues of cooperation established by and among stakeholders to create a society of mutual support and vibrancy. In this way, individuals, citizens’ groups, local organizations, businesses and governments can work together to achieve social benefits for the community and economic benefits by increasing productivity. The cooperation needed to work out the rules and roles for creating such a platform resulted in the creation of the “New Public Commons.” To this end, the New Public Commons Roundtable expects people and businesses to contribute as outlined in items 1 and 2 below and recommends that the government implement the measures outlined in item 3.

1) People

Each citizen is a central player in the “New Public Commons.” Just a few examples will be sufficient to demonstrate this principle in action.

An elderly couple developed the habit of pausing at a neighbourhood intersection during their morning walk to make sure that school children could cross the road safely. The couple began this practice for the sake of the children, but it became a daily pleasure for them to receive greetings from the kids. Thus, every person can make a small step forward if motivated by a desire to help others. This is the basis of the “New Public Commons.”

The bigger the social issues are, the more important it is for each of us to be involved in resolving them. However, each individual may contribute in very small ways. For example, in Tokyo’s Mitaka City, exchanges among different age groups at a joint elementary and junior high school have reportedly brought about remarkable changes among the children. Junior high school students have become more caring by taking care of the younger children at community gatherings outside the school. In turn, elementary school students who saw the junior high school students lending a hand at elementary school sports events began volunteering at a nearby kindergarten.

In many towns and villages in Nagano Prefecture, volunteers, mostly in their fifties, are providing consulting services to members of their community. They talk to neighbours, ask how they are doing and distribute leaflets on healthcare and health-related topics to each household. As a result of this initiative, along with other factors, Nagano Prefecture is now known for its residents’ longevity, and its per-capita elderly healthcare costs are among the lowest of any prefecture in Japan. However, that was not always the case: the prefecture once faced serious healthcare challenges. The local health consultant system that has operated since the 1950s is regarded as one of the main factors behind this substantial improvement. The volunteer health consultants’ tireless efforts combined to improve the welfare of everyone in the community.

In 2007, the prefecture-run Kaibara Hospital in Hyogo’s Tanba City faced a crisis as it was losing its paediatric doctors. As the regional medical system teetered on the brink of a collapse, mothers in the region stood up. They called for others like themselves to do what they could to address this crisis by, for example, limiting their children’s hospital visits during

off-hours and expressing gratitude to the paediatricians. The campaign spread and, as a result, the number of patients visiting the paediatrics department during off-hours was halved. The municipality also took countermeasures and the number of full-time doctors was increased to five in the following year.

Needless to say, it is important for both businesses and governments to play their respective roles. However, the people should acknowledge that they are the ultimate social stakeholders and the central players in building a happier society.

2) Businesses

Businesses can make contributions to a society and increase their profits through public relations and improved goodwill. Therefore, companies need to take their social characteristics and contributions to society as seriously as they take their efforts to maximize profits. According to a purely capitalist model, funds shift to wherever the highest returns can be obtained. However, for their long-term survival enterprises must return their profits and wisdom to society in order to help the market on which they depend to thrive.

Many of the benefits of the “New Public Commons” may be intangible, but they can lead to measurable improvements. For example, by engaging in socially responsible activities, corporate executives and employees can encounter people from a variety of fields—which, in turn, can lead to new and creative manufacturing ideas and services. In fact, some commentators have argued that, as Japan has entered a period of slow economic growth, enterprises can only survive by refining their corporate values and addressing social goals. Many enterprises have begun to realize that by “going cultural” they can help their employees to widen their social and cultural perspectives, leading to the socialisation and diversification of the company as whole and to the realisation of flexible organisational structures. The result of such actions has been the enhancement of the companies’ corporate values.

Private enterprises should acknowledge the importance of their relationship to society through socially responsible and philanthropic activities, even if only to enhance their own sustainability. Corporations also need to be aware that their employees are members of the community and, as such, the companies should embrace a management philosophy that works to improve the social characteristics of their businesses—for example, by creating mechanisms to return their profits to society.

3) Governments

In order to realize the “New Public Commons,” governments should aggressively review their relationship with the people and the manner in which they provide public services. The public sector should recognize that it has been given a mandate by the people and by the private sector to provide core public services, and it should take such measures as those discussed below in order to play its many important roles successfully for the benefit of the New Public Commons.

Governments should implement reforms to attract more specialised, diligent and capable

public servants from outside the public sector and to share human resources between government departments to improve the quality of public services. They should stop wasting taxpayers' money and make use of new budgeting methods, such as program-by-program screening, to appropriately distribute funds. Furthermore, politicians and bureaucrats should cooperate in boldly fostering information disclosure, regulatory reforms and local autonomy.

In addition, the central government should acknowledge that various members of society—including individuals, citizens' groups and private enterprises—have the capacity to provide public services. Local governments should consider what cooperative and/or contractual relationships can be established among these actors to promote dialogue and to work together on an equal footing. In this way the government can open up to the “New Public Commons” services and functions that it has long monopolised, and it can increase the number of options available to the people while implementing such measures as institutional reforms and reviews of operational procedures. For the “New Public Commons” to be truly effective, the government must take specific measures to build a society in which the people become part of the decision making process.

In terms of institutional improvements in support of the “New Public Commons,” government must expedite tax reforms to introduce tax credits for public service projects, adopt the provisional authorization of NPOs to allow tax deduction for donors, review the public support test standards for NPOs and raise the ceiling on deductible contributions. In particular, the government should proactively reconsider the scale, the timetable and the eligibility of tax credits—as Prime Minister Hatoyama instructed at the New Public Commons Roundtable. Finally, governments should promote Socially Responsible Investment by institutionalising the disclosure of public pensions' investment policies. For these institutional improvements to be effective it is important when reviewing and reforming the existing regulations to recognize that people are the main actors in the “New Public Commons.”

It is also important for the government as a whole, including all ministries and agencies, to develop and promote systems and mechanisms for stepping up social innovations utilising the special reform zones, among other measures, and enhancing the social capital of local communities. The government, businesses and NPOs should work together to promote the training and education of human resources who will engage in social activities.

Governments and citizens' groups should work together to redefine their relationships with each other and with other sectors involved in the operation of central and local governments. To this end, the central and local governments should create new mechanisms for developing citizen-participation public works projects and innovative projects proposed by the private sector rather than employing the current conventional unilateral system of subsidies and subcontracts.

Human beings are a highly social species. People are naturally happy to help others, and people are pleased when their actions are appreciated. Under the “New Public Commons,” people are perceived as independent beings, not dependent on the government. However, people are also inter-dependent, and they can work together to support each other. This is the foundation for the

“New Public Commons.”

Finally, in order to define the rules and roles for and within the “New Public Commons,” a panel should be set up to maintain an ongoing discussion of the appropriate relationships among the people, private enterprises and local governments, among other entities, as providers of public services, as well as to monitor future governmental responses.

The above is a consensus among the members of the New Public Commons Roundtable.

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Ryozo Ichimura	Mayor, Obuse Town, Nagano Prefecture
Hideyuki Inoue	Assistant Professor, Faculty of Policy Management, Keio University
Kensuke Onishi	Representative Director, Civic Force
Takehiko Ogi	President, Maruzen Co.
Izumi Oguri	Newscaster, Nippon Television Network Corp.
Ayumu Kaitsu	President, Swan Co.
Koichi Kaneda	Senior Manager, Corporate Communications Department, Takeda Pharmaceutical Co.
Shoji Sano	Publisher, Big Issue Japan
Kyoko Shimada	Part-time Lecturer, Japan Women's University
Naoko Taniguchi	Founder and Director, NPO Palette
Ken Terawaki	Professor, Department of Art, Kyoto University of Art and Design
Takeshi Niinami	President and CEO, Lawson, Inc.
Hirohiko Fukushima	Professor, Social System Research Institute, Chuo Gakuin University
Yoshiharu Fukuhara	Honorary Chairman, Shiseido Co.
Kumiko Hori	Director of Community Affairs and Diversity, UBS Securities Japan Ltd.
Tomoji Yokoishi	President, Irodori Co.
Nana Watanabe	Photographer

As government members participated the New Public Commons Roundtable, we agree to the Declaration of the New Public Commons based on the consensus among the members of the New Public Commons Roundtable and will strive to realize “New Public Commons.”

Yukio Hatoyama	Prime Minister
Naoto Kan	Deputy Prime Minister
Hirofumi Hirano	Chief Cabinet Secretary
Yoshito Sengoku	Minister of State for the New Public Commons
Yukio Edano	Minister of State for Government Revitalization
Koji Matsui	Deputy Chief Cabinet Secretary
Atsushi Oshima	Senior Vice Minister, Cabinet Office
Kohei Otsuka	Senior Vice Minister, Cabinet Office
Shu Watanabe	Senior Vice Minister of Internal Affairs and Communications
Naoki Minezaki	Senior Vice Minister of Finance
Hiroshi Suzuki	Senior Vice Minister of Education, Culture, Sports, Science and Technology
Kenta Izumi	Parliamentary Secretary, Cabinet Office
Seiji Osaka	Special Adviser to Prime Minister
Oriza Hirata	Special Adviser to the Cabinet

Appendix: Specific Image of “New Public Commons”

Invigorating nonprofit sector and developing social capital

◇ “New Public Commons” Creation Foundation and Contribution Promotion Organization

Proposes to create a nationwide “new society creation foundation”, modelled after the Kyoto Foundation for Positive Social Change, a public fund founded by citizens; to provide tax breaks and social credits for regional civic activities: to manage and utilize subsidies, loans and regional assets; to cooperate with relevant organizations in recommending “provisionally certified” NPOs through their open screening, in training relevant human resources and in providing interest subsidies. A “contribution promotion organization” will also be proposed to support benefactors in pursuit of a society in which citizens will contribute 1% of income.

◇ Civil Society Initiative Fund

The fund is a financial intermediary organization that has specialized consulting functions and receives various donations and grants from individuals, enterprises and other entities in order to increase financial resources for NPOs and secure the autonomous development and invigoration of the private nonprofit sector. In FY 2009, seven companies and one fund (individual) provided a total of 124.95 million yen to finance 123 programs through the fund. The fund also undertakes an internship program for students to learn at NPOs.

◇ SVP (Social Venture Partners) Tokyo

Building on donations of 100,000 yen per person mainly from working people, SVP Tokyo provides management advice and investment to support social ventures that try to resolve social problems. For example, SVP Tokyo implemented an investment program, including the development of an instructor certification system and system support, for Madre Bonita, which is an organization seeking to promote the beauty and health of mothers after child deliveries, allowing the organization to become a certified NPO, continue operations and scale out.

◇ 1% Club

The Japan Business Federation (Nippon Keidanren) founded the 1% Club in 1990 to help its corporate and individual members spend more than 1% of ordinary profit or disposable income on social contributions. The club has 234 corporate and 940 individual members (as of May 2010). In FY 2008, 391 companies responding to “a social contribution promotion survey” of 1% Club and Nippon Keidanren corporate members spent a total of 181.8 billion yen on social contributions (including gifts in kind).

◇ FIT Charity Run (FIT: Financial Industry in Tokyo)

The FIT Charity Run is an annual charity event planned, managed and implemented by volunteers among employees working at financial services and relevant companies. The event has continued to expand since the first one in 2005 (the 2009 event featured 5,180 participants from 97 companies). Past contributions through the charity event totalled more than 219 million yen.

FIT aims 1) to collect funds for local nonprofit groups which carry out locally rooted significant activities, 2) to increase the public awareness of organizations subject to its support through the event, and 3) to provide more citizens with opportunities to support volunteers and local nonprofit bodies.

□□ **Fostering social and public human resources to undertake the New Public Commons**

◇ NPO learning scholarship system: NPO-government-enterprise cooperation in fostering social human resources

Under the system, NPOs, government organizations, enterprises, education institutions and the like will work together in fostering young people who can find social problems and think and act on their own to undertake the New Public Commons; NPOs will accept internships; the government and enterprises will provide scholarships and information; education institutions will select the young people joining the program and certify credits. The number of people experiencing NPO activities will increase to enrich human resources that will allow everyone to undertake the New Public Commons.

◇ Invigorating PTAs to develop public schools into community schools

Proposes to set up NPOs or utilize existing regional organizations to support PTA executive officers faced with heavy clerical duties. The government may use contract program outlays and educational benefits to financially support these organizations and may found audit committees to check their governance. These measures will make it easier for everyone to participate in PTAs, promoting parents' social participation to foster regional society leaders. Also, public schools throughout Japan should be developed into community schools.

◇ Local residents' efforts based on comprehensive local sports clubs

Proposes to develop local sports environment centring NPO-type community sports clubs managed voluntarily by residents with member fees or donations, departing from gratuitous public service by the government. Various sport, health and cultural activities integrating sports clubs and schools, such as utilizing schools and unused school facilities and dispatching sports instructors to schools, should lead to the development of inter-generation exchanges and community schools.

□□ **Public service innovation**

◇ Building relationships between public service and citizen sector under new ideas

The government and the citizen sector are required to conclude a new compact representing their respective duties and attitudes to build their new relationships. In Aichi Prefecture, the prefectural government has compiled an agreement with NPOs. The governor and 657 organizations (as of October 2006) signed the agreement to create a "cooperation rule book." Abiko City founded a proposal-based public service privatization system to transfer certain public service to the private sector as proposed by the sector. These efforts are spreading to other local

communities.

Reference: The United Kingdom has promoted welfare pluralism since 1990, leading NPOs and private enterprises to compete with each other. Local governments have thus become service purchasers and NPOs have worked as service providers. Government funds provided to NPOs have shifted from subsidies to contract-based payments. Recently, the Office of the Third Sector issued an action plan to appropriately award contracts or orders in efforts to increase effects, social outcomes and efficiencies.

□□ Utilizing local resources under new ideas

◇ Local residents revived *Kamigata rakugo* theatre to triple shopping street visitors

Osaka's Tenjinbashi shopping street association has established a culture centre, sponsored various events and developed new products in a bid to make the street more attractive. In an effort to revive *rakugo* theatre at the Osaka Tenmangu, the association and the Rakugo Association collected donations from individuals, enterprises and other organizations. As a result, the "Tenman Tenjin Hanjo-tei" *rakugo* theatre has been completed to revitalize the street with shopping and art culture. The theatre has become a new sight in Osaka.

◇ Obuse's town development by a stock company

In Obuse Town, Nagano Prefecture, the local chamber of commerce and industry and the administration sector cooperated in collecting 16.5 million yen in investment to found Ala-Obuse Co. Investors provide funds, labour and ideas and benefit from the overall improvement of Obuse Town as a result of the company's business. The company has contributed to build a town with mature lifestyles through business activities including the management of community spaces and lodging facilities, the publication of sightseeing leaflets and the promotion of local industries.

◇ Free movie theatre admissions for students aged 14

A campaign is proposed to provide free movie theatre admissions to students aged 14. Local communities, PTAs, enterprises and the like may collect donations from campaign supporters to help finance the campaign to offer free movie theatre admissions only for 14-year-old students. Junior high schools may encourage second-year students to go to movie theatres in a bid to diffuse movie-watching experiences. The government sector may support movie-screening events in areas without movie theatres and promote advanced self-expression through movies in order to promote movie culture.

◇ U.K. and U.S. projects launched for people to create places of their own

The "NPO Participle" program in the UK has positioned "isolation" as the fundamental problem for an aged society and provided a mechanism for registered citizen volunteer helpers to respond to telephone requests from elderly people who may say, "I have become ill and would like to ask you to take my dog for a walk," or "Will you hang a frame on my wall?" The U.S. "Senior Tutor Program" allows senior citizens to get education coupons by serving as tutors for children at orphanages or low-income families. The coupons can be used for education of grandchildren and foster children.

◇ Kasumigaura Asaza Project as a citizen-led public works

This is a citizen-led public works project in which Asaza Fund, an NPO, as well as

enterprises, local residents, agriculture-forestry-fishery participants, local industries, education institutions, administrative agencies and the like cooperate in improving the environment and fostering biodiversity in the Kasumigaura Region. A total of 200,000 citizens and more than 200 elementary and junior high schools have participated in the project covering a total area of 2,200 square kilometres in 24 municipalities of three prefectures since 1995. The project includes environment improvement planning based on interviews with elderly people by elementary school pupils, the utilization of idled paddies for production of pesticide-free rice for sake and bank protection using forest thinning.

□□ **Economic activities based on sympathy and commitment to form social connections**

Reference: “Warashibe Choja” (The Straw Millionaire) is a tale found in Tales of Times Now Past (Konjaku Monogatari) and Uji Shui Monogatari. “A poor man tied a fly with straw and a child wanted the fly. Then, the man exchanged the fly for an orange. He received cloth from a thirsty person in exchange for the orange. He then got a dray horse in exchange for the cloth. As he gave the horse water, the horse got well. Then, a person wanted the horse for his imminent travel. The poor man took over and cultivated paddies left by the person and eventually became a millionaire.” The fly the poor man gave to a child can be interpreted as an inventive idea and the orange was a healing. Amartya Sen questioned rational economic behaviours to maximize returns and indicated “sympathy” and “commitment” as new choices. The Straw Millionaire represents sympathy and commitment.

◇ Palette and Swan Bakery

Palette is an NPO, while Swan Co. is a stock company. The two organizations of different types both provide handicapped people with employment opportunities. Palette sells cookies and Swan breads. Based on the principle that customers should buy these products not because they are made by handicapped persons but because they are delicious, Palette and Swan have simultaneously realized economic activities and opportunities for handicapped people to get roles to play based on sympathy and commitment. Palette for regional operations and Swan for chain-based operations are social ventures that have pioneered “the scale out of sympathy.”

□□ **Private sector’s organized public support**

◇ Private sector platform to address large-scale disasters

No one knows when big disasters like the Great Hanshin Awaji Earthquake Disaster could occur, while the administration sector is expected to take much time to address such unforeseeable events. Therefore, Civic Force, a public interest incorporated association, has called for a private sector-led platform to promptly and effectively provide 500-person balloon shelters, transportation of goods and other services and coordinate enterprises and volunteers in the event of large-scale disasters. Such platform may be implemented by the private sector but must be authorized by local administration authorities. The private sector’s close cooperation with the administration sector is considered as a future challenge.

◇ Civic water resources conservation activities and trust law

Water resources are expected to become more precious than oil in the 21st century. Civic

trust activities have been launched to conserve deep-mountain water resources. Lands totalling 1,536 hectares have already been purchased under the activities. In order to promote these activities, "a trust law" should be considered to ban land transfers (including sales, collateralizing and compulsory subrogation without Diet resolutions) and exempt contribution or inheritance of trust assets from tax.

◇ Citizens watching commuting children

A campaign has been under way for citizens to watch commuting children for Kyoto City's No. 4 Kinrin elementary school for their protection from crimes. Store owners advance the time for opening their stores, elderly couples put off morning walks slightly, housewives adjust their afternoon shopping times, and Kyoto University sports club students change their running times and routes. In this way, some 400 citizens have made the best use of inventiveness to continuously participate in the campaign. This campaign has contributed to invigorating the local community as well as to preventing crimes. Many similar campaigns are seen throughout Japan.