EDUCATION REVOLUTION
STUDENTS BACK ON THE STREETS

The deregulation of the education sector will help to stimulate knowledge-based activity, offering an environment that helps to retain investment and strengthen the economic capability of the city.

Deregulation of the public education system is part of the Koozumi government’s goal to reform old ways of working and stimulate the economy. To do this, the government has incorporated universities, requiring them to take responsibility for managing their budgets and determining their own education policies. It is encouraging science and engineering departments of universities to strengthen their Technology Licensing Organizations. Universities are starting to spin out companies from research projects. These changes are creating opportunities for foreign companies which have hitherto found it difficult to participate in technology collaborations with universities in Japan.

Back to the downtown

In terms of city planning, a very important step was the abolition of the law which required major cities to locate institutions of higher education and factories outside the central city area. Introduced in the 1950s, the law was designed to facilitate downtown redevelopment and promote commercial activity in the post-war rebuilding period. The result is that five of the universities in Osaka, both public and private, are grouped outside of the city. In comparison with Tokyo, it has made Osaka a city of suits.

Over the last few years, no fewer than 17 learning institutions have established business graduate colleges in central Osaka, representing an investment by almost every major university or college in the Kansai area. Most have relocated to floors in existing office buildings, and offer courses in areas like business administration, accountancy, technology management, and law. Osaka University has also established a multi-storey facility in central Osaka, for shared use by other universities, to offer courses for business professionals.

It is possible as well to open new colleges of further education downtown under a Special Deregulation Zone law introduced across Japan in 2002. Out of the 17 colleges which have opened downtown, two privately-operated ones have received permission in this way. The growth of the education sector is creating new employment and broadening Osaka’s economic base.

International exchange

The city is actively promoting deeper exchanges with universities around the world – for example University College London and Tongji University in Shanghai. International student and teaching exchanges will help to produce a more cosmopolitan population and prepare the economy to operate in an international environment.

LIFESTYLE CITY
A NEW MANCHESTER IN THE EAST

Calling Osaka a New Manchester may seem premature, but Osaka is set to change in much the same way as its old nemesis.

To attract investment, cities also have to make areas attractive for people to visit and live in. Manchester in the UK was until recently perceived as a failing regional city. Then, educational reforms, similar to those now being tried in Japan, helped the university to repurpose itself as an international centre of education excellence. Manchester has developed a more cosmopolitan feel, which changed the personality of the city. Around the same time, Manchester United Football Club became an icon of youth culture, by actively positioning itself to head the worldwide soccer craze. During the same period, the city started working with the private sector to help fund redevelopment of inner city areas. The private sector introduced commercial ideas, including attractive designs, which attracted more people to want to visit and live in the city.

Lifestyle attractions

Osaka faces the same need to reposition itself as a student, visitor, and international centre. Major investments in tourism facilities, the success of Osaka Gamba soccer team, the creation of a series of attractive retail spots around the city, and the growth of the education sector, are all starting to position Osaka as a lifestyle hub. To attract more visitors, however, Osaka has to create a strong brand image that differentiates it from other cities. Its ace card perhaps is its compactness. That is, it has all of the attributes of a major city, while remaining smaller in scale, especially compared with Tokyo.

One group which understands Osaka’s lifestyle, from an international perspective, is the expat community. It views Osaka as the hub for doing business, while nearby there is a good choice of international-standard housing and schools. The mountains and the sea form a calming backdrop, and there are many interesting places to visit within easy travel distances, including the famous gardens of Kyoto, and the World Heritage castle at Himeji, next door to Kobe.

An edge of excitement

Despite this, Osaka still has an image problem, because for so long it has been a city of businessmen and merchant activity. What is helping to change this perception is the growth of new shopping and restaurant areas around the city. The promotion of tourism is making Osaka more aware of its softer assets, especially the high quality and value of its food. Somehow organically, an immense number of boutiques, many of them designer shops with independent labels, have been opening. The choice of hotels, the high service levels, combined with the manageable scale of the city, are all positive assets which will help attract visitors. Most importantly, urban regeneration projects around the city signal change, which gives the city an edge of excitement.

The final step in the repurposing of Osaka is the need for more attractive and high-grade condo developments in the downtown area. There is a boom in construction of condos, but most of the buildings are undifferentiated. Super deluxe condos, suitable for expat families and international business executives are planned on part of the

Kita Yaidori. If this stimulates high-grade developments elsewhere it will help the city to attract a younger generation of professional and knowledge workers to live downtown, as has happened in cities in Europe and America. If so, Osaka will have achieved its transformation from a business city to a service-driven, lifestyle capital.