

A proposal for the new industrial century

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Basic problems today in Japan

[1] Aging and shrinking population

The average number of children born by a woman is now smaller than 1.3, which is far smaller than 2.0 necessary to maintain a steady size of the population. The decrease of our overall population began last year, two years earlier than expected. This is the first incidence in our modern history, hence its social, economical and political impacts need to be carefully studied.

[2] Gigantic financial deficit

The financial deficit of our government is now over 700 trillion yen, which is equivalent to ten years of our national budget. If the deficit keeps increasing at this rate, our economy will collapse in the near future.

[3] Discontinuity of technical transfer

The number of out-sourced workers has increased and the number of fully employed workers has decreased dramatically for the past ten years along with relaxation of employment regulations. Not only the working condition of the out-sourced and part time workers is poor and unsteady, but it also deprives the youngsters of the apprentice or job training period essential to build their careers and maintain the technical standard of our industry.

Another important factor is the 2007 problem; the retirement of the baby boomers from 2007. About 7 million baby boomers will retire in Japan during three years starting next year. There is a danger that a grave discontinuity of technical transfer can occur, which can weaken our competition in the world market.

[4] Big competition in the world market

The competition is getting tougher in the more open and free market of the world. In addition to USA and EU, China, India and other Asian countries have emerged as powerful competitors in the world market. Those countries have many times greater populations and natural resources than Japan,

hence Japan must face increasingly harder competition in the world market.

A proposal for the new industrial century

Here I make a proposal that will give us a chance to keep growing and strengthening our competitive edge in the world market. My proposal includes the following points;

[1] Generation of new industry

I propose generation of a new industry which is characterized as Project-based-Distributed type Enterprise Union. It is similar to co-operative or NPO in some points but is unique in the following points;

- The members of the Union are individuals geographically distributed but
- Collaborates through the Internet
- A Union Center is established in the Internet and the members collaborate in the following steps;

[2] Open forum

The basis of the Enterprise Union is the omni-present and life-time learning system which I call the Open Forum. The members can mutually teach and learn through the Open Forum which is a part of the Union Center. Various courses will be provided to help the members take systematic learning courses. The members can take those courses for their education or can raise any problem to start a new study group.

[3] Study Group

The members who are interested in the proposed problem can form a study group to study the problem more deeply in co-operation. The results of the study will be made open to the Open Forum bulletin.

[4] Development Consortium

Those who want to put the study result into practice will form a consortium for the development. The development work will be made in a closed group. The fruit of the development effort will be registered in the List of Products in the union center bulletin. The registered items include the function, technical specification, delivery time length, price and the names of the responsible providers.

[5] Marketing

The union members can promote the registered products under close contacts with the responsible provider of the products.

[6] Quotation venture

If there is a tender, then the promoter and the producer will form a quotation venture and quote for the program.

[7] Program execution venture

If a contract is awarded then the quotation venture will be upgraded to Program Execution Venture under the responsibility of the producer and promoter and work to complete the awarded contract. The PEV will be disbanded after completion of the work.

How the proposal can work

Now let us examine how the proposed industry can solve those problems.

[1] Aging and shrinking population

The proposed Enterprise Union is sort of an organization of SOHO and can be joined by the people living anywhere connected through the Internet. Thus people living in remote islands, mountainous areas can collaborate as well as people working in SOHO. The retired people can work at home as well as housewives. Thus the shrinking population can be not only compensated to maintain the working forces but also be solved by enabling housewives work at home while raising children.

[2] Gigantic financial deficit

The maintainability of the pension, medical and social security system is critical for the healthy growth of the nation. The proposed Enterprise Union is an organization to provide us with a means for life-time and omni-present learning and working. As more retired people can keep working, the pension and social security systems will be maintained. As the burden for those security systems gets lighter, depletion of the national debt will continue until it can be fully cleared.

[3] Discontinuity of technical transfer

The proposed Enterprise Union offers means for universal learning and working. The young part-time or out-sourced workers can join the Enterprise

Union for continual distance learning, marketing or venture programs together with the older generation members. Thus the knowledge transfer will be naturally achieved and the technical competitive edge can be maintained and strengthened.

[4] Big competition in the world market

The omnifarious nature of the proposed Enterprise Union can create a new industry over the conventional industry which is mostly of pyramidal layer structure. The knowledge of the older generation can be combined with the vitality of the younger generation. The productive power of the conventional industry can be combined by the omni-present and local marketing capability of the proposed Enterprise Union. The housewives can work in SOHO while raising children. Thus the proposed Enterprise Union can provide everybody with a means of life-time and omni-present leaning and working not only to maintain our competitive edge in the world market but also to improve our quality of life through remedy of the current excessive Tokyo-centric structure toward more distributed ad well balanced distribution of industries and population all over Japan.

In conclusion,

We need to create a new industry system to solve the grave problems we are facing today. Those problems come from the old industrial and social systems built on the assumption of unceasing growth of the population, price of the land and the natural resources. In a word we have come to a limit of the old system hence we need to create a new industry over the conventional system. I believe the proposed Enterprise Union has such a potential and worth trying.