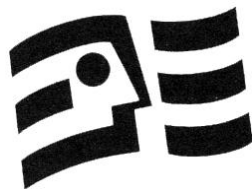


DBA THESIS (2011)

A Knowledge-Creating City: The Case of Mitaka City



Ayano Hirose

DBA Program in International Business Strategy
Graduate School of International Corporate Strategy
Hitotsubashi University

Abstract:

The city is the fundamental base of our daily lives because its economic sustainability and prosperity are closely related with our quality of life. As a consequence, cities, regions, and communities have gained attention from academics, businesses, and politics. To develop local businesses and solve local social issues, various stakeholders, namely, citizens, academics, local businesses, and the local and central governments in a city need to collaborate with each other. However, collaboration is not an easy process to implement successfully, because various stakeholders have different and sometimes conflicting objectives and interests. Moreover, how and why they can work together for a mutually agreed-upon goal is not clear, because there is no legitimate structure in a city which motivates them to collaborate. Then, the purpose of this dissertation is to identify how collaboration in a city can be implemented successfully. By grounding on the knowledge-creating theory of the firms, hypotheses were developed and verified with the case of Mitaka city. By identifying the key factors for successful collaboration, this dissertation can open a new research area for the management of cities, namely, the knowledge-creating theory of cities, which can be further transformed to the theory of social innovation.

Keywords:

Knowledge (-based) management, knowledge creation, collaboration, community, social innovation, practical wisdom, leadership

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1. Problem Statement

1.1. Objectives of the Study

The city¹ is the fundamental base of our daily lives even today. The city is the basic unit of our daily lives because its economic sustainability and prosperity are closely related with our quality of life. Despite the views from some scholars and journalists that the importance of the actual location of cities diminishes with the development and penetration of information and communication technologies (c.f. Toffler, 1980; 1990; Friedman 2005), cities are in fact central to our daily lives, especially in developing local businesses and solving local social issues (c.f. Barr & Huxham, 1996; Glaeser, 1998; Jacobs, 1969; Porter, 1990; Saxenian, 1994; Tamura, 1999).

To develop local businesses and to solve local social issues in the city, various stakeholders of the city need to collaborate² (Barr & Huxham, 1996; Healey, 2006). There are various stakeholders in the city, namely, citizens, academics, local businesses, and the local and central governments. To collaborate, they need to work together for a mutually agreed-upon goal of creating new social values. However, this

¹ “City” here does not mean only the urban cities and/or cities with a large population; “city” includes towns, villages, and cities in rural and urbanized areas. In Japanese, “city” should be translated as “toshi” or “machi.”

² Collaboration is the process of working together to achieve a shared goal by sharing knowledge, learning and building consensus (Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/Collaboration>). Cooperation is the process of acting together, by both intentional and non-intentional agents (Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/Cooperation>).

is not an easy process to implement successfully, because they have different and sometimes conflicting objectives and interests (Huxham 1996; Sink, 1996). Moreover, how and why they can work together for a mutually agreed-upon goal is not clear, because there is no legitimate structure in a city which motivates them to collaborate. Then two questions emerge: How can collaboration be implemented and promoted successfully in the city? and How and why do various stakeholders in the city work together for a mutually agreed-upon goal of creating new social values?

The purpose of this dissertation is to identify the key factors for successful collaboration in cities, and describe how and why various stakeholders in the city work together for a mutually agreed-upon goal. In the case of cities, collaboration creates new knowledge in its process of achieving a new social value. Collaboration in a city emerges from boundary-less multiple contexts and forms complex relationships.

To identify the key success factors and describe how and why these are implemented, I will review the literature on the economic development of cities to verify if any of them explain the factors of successful collaboration. I will also review the knowledge-creating theory of firms, because the theory explains the process of knowledge creation in structured organizations; however the contexts and relationships are less complex than in cities. By grounding on the knowledge-creating theory of the firms, but at the same time considering the differences of contexts between firms and cities, I will derive hypotheses on the success factors and processes

of collaboration in cities. To identify, concepts from the theory such as SECI process, *ba*, knowledge ecosystem, and knowledge assets can provide a useful and firm ground.

Then I will verify them with the case of Mitaka city, where collaboration has been promoted and regarded as successful (Akimoto, 2003; Intelligent Community Forum, 2005³; Kiyohara, 2000; Kiyohara & Awaji, 2010; Oomoto, 2010)⁴. The case of Mitaka city is ensured with reliability and validity by widely accepted reputations as a collaborative city. The central government, municipal governments, academia, and media in Japan acknowledge and refer to Mitaka as a model case and a benchmark. This is even so outside of Japan. In 2005, Mitaka was awarded as “Intelligent Community” by International Community Forum, winning over well-known, world-class intelligent cities including Singapore, Tronto, Canada, and Sunderland, UK.

I intend this dissertation to provide both theoretical and managerial contributions. As a theoretical implication, the dissertation provides a new perspective by grounding on the knowledge-creating theory of firms and transforming it to a theory of cities. As

³ Mitaka was awarded the Intelligent Community Award 2005 by the Intelligent Community Forum.. In 2005, the ICF noted that Mitaka showed an exemplary characteristic, collaboration, which is critical for intelligent community development. Retrieved June 15, 2011, from https://www.intelligentcommunity.org/index.php?src=gendocs&ref=ICF_Awards_2005&category=Events

⁴ Collaboration in Mitaka city is often referred to by the public policy making processes in other cities around Japan: Town of Niseko in Hokkaido, Osaka city, Town of Mizuho, Itabashi-ward, Toshima-ward in Tokyo, Funabashi city in Chiba, and Oshu city in Iwate, to name a few (Data retrieved from Google search with key words, Mitaka city, collaboration (kyodo), and town management (machizukuri).

said, study of cities, regions, and communities is an emergent new field in academics with increasing attention and interest, and grounding on the knowledge-creating theory opens new field of research. Furthermore, the dissertation can be extended to establish a knowledge-creating theory of social innovation, which is about creating new social values, processes, and wisdom for solving social issues. As for the managerial implications, the dissertation identifies how collaboration can emerge and be implemented in cities, regions, and communities, through sharing physical and mental foundations, creating new knowledge, and fostering distributed leaders as drivers. These findings together with actual cases of Mitaka city should encourage collaboration in cities, regions, and communities.

1.2. Problem Statement

Cities are fundamental units of our daily lives, especially to develop local businesses and to solve local social issues (Nakazawa, 2003; Kaneko, Matsuoka, & Shimokobe, 1998). There are three fundamental problems that cities face to develop local businesses and solve local social issues (Hiroi, 2009; Hiroi & Kobayashi, 2010; Jinno, 2002; Jinno, 2010; Takezawa, 2010). One, the local governments do not offer appropriate services for the citizens' needs. Two, the for-profit companies do not solve social issues, even with their corporate social responsibility (CSR) activities. Three, the citizens' voluntary work has limits in terms of efficiency and effectiveness. To overcome

these problems, citizens, academics, businesses, and local governments need to collaborate by working together to achieve shared goals.

Collaboration is defined as a process of people working together to achieve a deep, collective, creative, and shared goal by creating and sharing knowledge and building consensus. In the case of cities, collaboration creates new knowledge in its process of achieving a new social value. But this is not an easy process to implement successfully (Barr & Huxham, 1996; Healey, 2006; Huxham 1996; Sink, 1996). One of the reasons why collaboration is not easy is because the stakeholders of the city today are isolated and detached from each other (Jinno, 2002; Jinno, 2010; Takezawa, 2010). Moreover, how and why they can work together for a mutually agreed-upon goal is not clear, because there is no legitimate structure in a city which motivates them to collaborate. In general, citizens and other stakeholders of the city form formal and informal relationships and participate in multiple networks and communities making the city a society (Putnam, 1993; Yamawaki, 2004). However, as the cities have urbanized, relationships, networks, and communities in the cities have become weak (Hiroi, 2009; Putnam, 2000). As a consequence, more residents live isolated and detached from each other, from the local government, and from the community.

In addition to the isolation and detachment, stakeholders of the city do not share the same vision or the same goal. The local governments and administrations only follow the rules and the manuals, making residents underserved and frustrated (Hiroi,

2009; Hiroi & Kobayashi, 2010; Jinno, 2002; Jinno, 2010; Takezawa, 2010). As a consequence, collaboration is difficult, despite an increasing need for collaboration among the citizens and other stakeholders to develop local businesses and to solve local social issues (Nakazawa, 2003; Kaneko, Matsuoka, & Shimokobe, 1998). Then the questions are how collaboration can be implemented and promoted successfully in the city where there is no legitimate structure to force them to collaborate, and how and why various stakeholders in the city can work together for a mutually agreed-upon goal of creating new social values.

There are various studies that focus on cities as a unit of analysis but from different perspectives such as history, sociology, architecture, urban design, public administration and governance, economics, and management, etc. These research fields focus on different aspects of cities. For example, researchers of public administration and public management focus their studies on the system and ideologies (Kikuchi, 2004; Kikuchi, 2007; Nakamura 2007; Yamawaki, 2004), such as liberalism, libertarianism, communitarianism. Researchers of public governance discuss the collaborations between the stakeholders of the city as a driver of economic development, improved public services and improved quality of life (c.f. Bovaird and Löffler 2003; Vigoda 2002). Researchers of economics and management view cities as systems that produce value from the value chain (Ergazakis & Metaxiotis, 2011; Eriksson, Niitamo, & Kulkki, 2010; Florida, 2002; Florida, 2005; Florida, 2009; Porter,

1990; Porter, 1998; Yigitcanlar, O'Connor, & Westerman, 2008; Yigitcanlar & Velibeyoglu, 2010); such as clusters, creative cities, knowledge cities and living labs. However, these research fields stand on the macro level and perceive the city as a system; the emphasis is more on its structure than its agents or the stakeholders and thus do not discuss how and why collaboration occurs and is sustained on the micro level.

On the other hand, the knowledge-creating theory of the firms may be able to explain the factors of successful collaboration because the theory explains collaboration as a process of knowledge-creation in structured organizations, mostly the for-profit firms. The knowledge-creating view of firms identifies collaboration in the knowledge-creating process which occurs with the interactions between individuals, groups and organizations (Krogh, Ichijo & Nonaka 2000; Nonaka 1991; Nonaka 1994; Nonaka & Konno 1998; Nonaka & Takeuchi 1995; Nonaka & Toyama 2002; Nonaka & Toyama 2003; Nonaka & Toyama 2005; Nonaka & Toyama 2007; Nonaka, Toyama & Hirata 2008; Nonaka, Toyama & Hirata 2010; Nonaka, Toyama & Konno, 2000)⁵.

⁵ The theory consists of a few models some of which will be introduced in chapter 2.3; the model of knowledge-creating process (i.e. SECI model), the model of knowledge-creating organization (i.e. the dynamic model which consists of vision, driving objective, dialogue and practice, *ba* (shared context in motion), knowledge assets, ecosystem), enabling conditions of knowledge creation (i.e. (1 instill a knowledge vision, 2)manage conversations, (3)mobilize knowledge activists, (4create the right context, and (5)globalize local knowledge), and the leadership capabilities that drive these models (i.e. six capabilities of *phronetic* leadership with practical wisdom: (1)Ability to make judgment on goodness, (2) Ability to create *ba* (shared context in motion), (3) Ability to grasp the essence of particular situations/things., (4) Ability to express the essence, (5) Ability to exercise political power, and (6) Ability to foster *phronesis* in others).

However, the theory has been focusing not on cities, but mainly on firms as the unit of analysis (Krogh, Ichijo & Nonaka 2000; Nonaka 1991; Nonaka 1994; Nonaka & Takeuchi 1995; Nonaka, Toyama & Konno, 2000; Nonaka, Toyama & Hirata 2008; Nonaka, Toyama & Hirata 2010). To date, only a few studies have tried to apply the knowledge-creating theory to analyze cities, regions, and nation (Nonaka, Izumida & Nagata 2003; Nonaka & Katsumi 2010). Thus, the theory cannot be applied to cities without examining the effect of the difference in the unit of analysis: firms versus cities.

Firms and cities differ in their structure and objectives. Firms are structured and closed organizations and thus have clear boundaries and hierarchies. Leadership is often top down; employees are given authority and power by the hierarchy and management. Firms aim at creating value for the customers and are evaluated by the return on invested capital. Firms are organized and operated strategically by corporate vision and business objectives. On the other hand, cities consist of various stakeholders who are autonomous, independent, and have their own interests and objectives. There is no clear structural boundary except its regional border, but people can easily move beyond such borders physically and mentally. There is no one among the various stakeholders assigned as a leader except the mayor. The leaders emerge among the various stakeholders depending on the context, and thus the leadership is flexible,

distributed and collective. Collaboration in a city emerges from boundary-less multiple contexts and forms complex relationships.

Then, by grounding on the knowledge-creating theory of the firms, but at the same time considering the differences of contexts between firms and cities, success factors and process of collaboration in the cities may be identified. To identify, concepts from the theory such as SECI process, ba, knowledge ecosystem, and knowledge assets can provide a useful and firm ground. By deriving hypotheses on success factors for collaboration from the knowledge-creating theory and verifying with the actual case of successful collaboration in Mitaka City, I will identify the success factors of collaboration and describe how and why the citizens and other stakeholders collaborate. By so doing, the knowledge-creating theory of cities would be established.

This dissertation constructs on a single case, Mitaka city and its stakeholders as the units of analysis. An in-depth historical study with multiple sources was conducted utilizing multiple and methodologies such as narrative-based approach, grounded-theory approach, and interviews. 30 in-depth interviews were conducted with Mitaka citizens and city staff members who were referred by interviewees by the name-generator method. Each interviewee was asked in a two-hour interview to describe when and how they began to be involved in the citizens' activities and to recount the three most memorable experiences.

I have selected Mitaka city because collaboration in Mitaka city has been promoted and widely regarded as successful case of a collaborative city and thus ensure reliability and valifity (Akimoto, 2003; Intelligent Community Forum, 2005; Kiyohara 2000, Kiyohara & Awaji 2010; Oomoto, 2010). The central government, municipal governments, academia, and media in Japan acknowledge and refer to Mitaka as a model case and a benchmark. This is even so outside of Japan. In 2005, Mitaka was awarded as “Intelligent Community” by International Community Forum, winning over well-known, world-class intelligent cities including Singapore, Tronto, Canada, and Sunderland, UK.

The case of Mitaka city begins with its historical development after World War II. Mitaka is a residential city in metropolitan Tokyo. Because it is a residential city, mayors historically regarded citizens’ knowledge as the most important resource of the city and sought for better ways to utilize their knowledge (Kawamura & Oasa, 2010; Kiyohara, 2000; Kiyohara, 2010). Accordingly, citizens’ participation and collaboration became a basic policy of administration, in all the areas of policy-making and administration planning (Machizukuri), local business development and incubation (Machiokoshi), and social and community based businesses (SB/CB). The case of Mitaka city will be able to offer numbers of collaborative events, and by studying the details of the events, I will be able to verify the hypotheses on the key factors for successful collaboration and how and why the stakeholders collaborate.

1.3. Overview of the dissertation

In Chapter 2, the background of this dissertation will be clarified by the literature review. I will review the existing literature relating to the development and the management of cities. I will also explain core concepts of the knowledge-creating theory of firms which defines the collaboration in the process of knowledge creation. From the literature review, I will point out the gap in the existing research and theories. Then in Chapter 3, I will present the research questions and the hypotheses. In Chapter 4, I will describe the methodology, which is a single case study with embedded units of analysis. Then in Chapter 5, I will present the case of Mitaka city, the details of the three main streams of the city's development, and each will end with a brief summary of the findings. In Chapter 6, I will analyze and discuss the findings, and in Chapter 7, I will conclude with the theoretical and managerial implications, the limitations and the future opportunities.

From the case of Mitaka city, I have learned that passion and commitment are both infectious, and so is creativity. I hope that this dissertation may offer a framework especially in reviving the Tohoku area suffering from the aftermath of the East Japan Earthquake in March 11, 2011. Collaboration does not only develop knowledge and wisdom, but also hope.

2. Background

Studies of cities have a long history and go back even to ancient Greece. For example, the Greek philosopher Plato (1997) said, “This city is what it is because our citizens are what they are.” Aristotle stated, “He who is unable to live in society, or who has no need because he is sufficient for himself, must be either a beast or a god” (Ross, 1995). We human beings are social animals, and we create cities together to live together. “Cities have the capability of providing something for everybody, only because, and only when, they are created by everybody (Jacobs, 1961: 238).” We may say that collaboration is a fundamental feature of the city from its origin. Then again, the question is how to implement successful collaboration in the city.

In order to identify the key factors for successful collaboration and describe how and why stakeholders collaborate to develop local business and to solve local social issues in a city, I will review mainly the three areas of management literature⁶. First is the literature which focuses on regional economic development: namely, Cluster, Creative Class, Creative City, Knowledge City, and the Living Labs. Second is the literature on social innovation, which is about social enterprises and social entrepreneurs who aim to solve social issues by applying the business approach. Third is the knowledge-creating theory of firms, which identifies the process of collaboration in knowledge-creating processes. In the next sections, I will review each of these.

⁶ The areas of public management and public governance will not be covered.

2.1. Regional Economic Development and Management of Cities

One of the functions of a city is to develop and maintain and revive businesses (Jacobs, 1969). Accordingly, in the management literature, some consider place as one of the most important factors for economic development and management (c.f. Porter, 1990), and there are many studies on the economic development and the management of cities, such as “cluster,” “creative class,” “creative city,” “knowledge city,” and “living labs.” I will review each of them briefly, and discuss whether they identify the key factors for successful collaboration.

Concept of Cluster

The concept of “cluster” was developed by Michael E. Porter (1990; 1998). Clusters are concentrations of institutions, rivals, related businesses, and sophisticated customers that share highly specialized skills and knowledge in a particular nation or region (Porter, 2000). To analyze the clusters, he proposed the diamond model which identified four factors of cluster development: factor, demand, supporting/supplying industry and rivalry (Porter, 1990). These factors need to be congruent and closely related for the creativity and innovation of the firms in the cluster (Porter, 1998). Porter states that “proximity in geographic, cultural, and institutional terms allows special access, special relationships, better information, powerful incentives, and other

advantages in productivity and productivity growth that are difficult to tap from a distance.” Porter concluded that in a cluster, “the whole is greater than the sum of the parts” (Porter, 2000).

In addition to Porter, there are a few researchers who have tried to link the micro level of agencies and the macro level of structure. For example, Maskell (2001) investigated the nature of the cluster when knowledge-creation becomes the key, and concluded that co-location and coordination among the firms in a cluster affects the creation of knowledge. In terms of the variety of created knowledge and the cost of creating knowledge, the amount of knowledge created depends on the fit and the interdependencies between the specific activities of a cluster and the particular institution. Furthermore, Maskell and Malmberg (2007) investigated evolutionary processes of knowledge-creation at the aggregate levels of cities, regions or nations, by combining the evolutionary theory (Nelson & Winter, 1982) and the concept of the cluster (Porter, 1998).

The concept of cluster has been accepted by scholars and is applied to business development strategies of regions and countries, and considered as the most influential theory on regional economic development (Martin and Sunlet, 2001). The concept presents the enabling factors of a cluster and identifies the importance of connecting and relating those factors. However, the concept focuses on the macro level of regional economic development, and fails to take into consideration the micro level of individual

agencies. Furthermore, Porter and others assume leadership, communication, knowledge-creation, and social capital to be externalities, despite the fact that they admit these factors drive the relation and the connection of the factors to the Diamond model (Porter, 1998; Maskell, 2001; Maskell & Malmberg, 2007). Some argue that the positive benefits of co-location, such as efficiency in sharing information and knowledge, known as “knowledge-spillovers,” drive connecting and relating (Audretsch and Feldman, 2004; Franz, 2010; Glaeser, et al, 1992). Others claim certain kinds of activity require face-to-face contact to connect and relate (Feldman, 2000; Jaffe, 1989; Audretsch, 1989; Audretsch and Feldman, 1996).

In sum, the concept of cluster assumes economic equilibrium and focuses on economic development in a macro level of regional structure with the aim to compete with other clusters. Although some of the studies and research on cluster recognize the role of communication, social capital and leadership as supporting conditions, they do not discuss how these subjective and qualitative factors can be nurtured. Even more, they do not discuss how these factors work in connecting and balancing the factors of the diamond model. To conclude, the concept of cluster perceives cities and regions as a structure in which the four factors of the diamond model are balanced congruently in order to promote the economic development of the cluster. However, the activities of the individual agents remain out of their scope.

Concept of Creative Class

The concept of “creative class” was introduced by Richard Florida (2002; 2005; 2009). He had identified that people with knowledge-intensive occupations drive the economic development of cities, and called these people the creative class. Creative classes usually have high income and high motivation for growth, and include scientists, engineers, university professors, poets and novelists, artists, entertainers, actors, designers, and architects, as well as the thought leadership of modern society. Creative classes of people engage in creative problem finding and problem solving (Florida, 2003). Through quantitative research, Florida has identified the correlation between the number of creative people and the economic growth of a city (2002). The economic growth of a city depends on how much a city can attract the creative class. Florida perceives knowledge and innovation as an outcome of the creativity of the creative people (Florida, 2005). To attract creative people, a city must have “3Ts” which are interrelated: technology, talent, and tolerance (Florida, 2002; Florida, 2003), and the city needs to implement policies around these “3Ts” to attract and retain talented people (Florida, 2005; Florida, 2009). This finding indicates that the more a city is tolerant to the diversity of citizens, such as gays and lesbians, the more the city will develop economically. Because of this view on tolerance of the citizens’ diversity, the concept of Creative Class has gained general attention.

The concept presents an interesting perspective on the drivers of economic development of cities beyond the conventional studies of regional development. It is the creative class of people and not the companies, firms, or industries which drives the regional economic innovation and growth (Florida, 2003). Florida also argued that the concept transcends the conventional theory on social capital (Florida, 2003). Social capital theory states that regional economic growth is associated with tight-knit communities where people and firms form and share strong ties (Putnam, 2000; c.f. Lin, 2002; Lin, Cook, and Burt, 2001; Lin and Erickson, 2008). On the contrary, Florida viewed social capital in the tight-knit community as a double-edged sword; it can reinforce belonging and community on one side but it can shut out newcomers, raise barriers to entry, and retard innovation (Florida 2002; Florida 2003).

The concept of Creative Class has attracted wide interest. The concept is successful in demonstrating how people should seek for a creative place, and how a city needs to be creative to attract creative people (Florida, 2009). However, it has been subject to a few criticisms (Mcgranahan and Wojan, 2007; Markusen, 2006; Peck, 2005). The concept does not explain how the creative class of people is developed; the concept focuses on competition for talent rather than the collaboration among talented people. To conclude, the concept of creative class perceives cities at the macro level of economic development as the systemized and centralized structure, and perceives the creative class of people as its agent with given characteristics. Thus, the activities of the

individual agents are outside the scope of this concept, and it does not discuss collaboration among them.

Concept of Creative City

“Creative city” is a concept developed by Charles Landry (2008). He pointed out that creativity has been the lifeblood of cities and cities have offered a place for creativity. The culture of the city is a vital foundation for fostering creativity (Landry, 2008; Landry and Bianchini, 1995). However, he emphasized that creativity can come from anyone, not only from creative and talented people (Landry, 2008). Moreover, his emphasis was not only on the creation of new ideas but on the flow of ideas, that is, mobilizing everyone’s knowledge is also crucial in a creative city (Landry 2008; Landry 2006; Woods & Landry 2008). Landry defines culture as the values, insight, way of life, and form of creative expression, which is like the soil from which creativity emerges and grows (Landry, 2008). Therefore, culture is closely linked to the economic development of a city. The culture defines the past, present and future of a city (Throsby, 2001).

As a consultant to municipal offices (Helgesen, 2010), Landry presented a practical toolkit on how to revive the city by drawing fully on the talents and creativity of the residents (Landry, 2000/2008). The concept of Creative City was accepted by scholars and politicians in Japan in the early 2000s (c.f. Goto, 2005; Sasaki 2001,

Sasaki & Mizuuchi 2009; Suzuki, 2010). Some policy makers initiated creative city policies in business revitalization of cities (“machiokoshi” in Japanese), and focused on culture as the identity and as a driver of differentiation (Sasaki, 2001). By utilizing culture, creative city policies are intended to also solve the issues of sustainability and diversity (Goto, 2050; Throsby, 2001).

In sum, the concept of creative city explains how citizens can collaborate by utilizing culture which is able to stimulate creativity. Landry placed city at the center of his discussion. He stated that a city and its culture determine the creativity of the people, and that creativity results in the competitiveness of the city (Helgesen, 2010). However, he did not present how culture can be invigorated, or did not explain how a city can become culturally attractive. Landry only proposed the idea of a “learning city,” where a city reflects on and responds to its achievements and shortcomings, and assesses progress continuously in a structured way (Landry, 2008). To conclude, the concept of creative city also perceives the city in a macro level of economic development, and places only limited focus on its agents, and therefore do not discuss collaboration among them.

Concept of Knowledge City

There is also a concept of “knowledge city⁷” (Ergazakis & Metaxiotis, 2011; Ergazakis, Metaxiotis, & Psarras, 2004; Ovalle, Márquez & Salomón, 2004; Yigitcanlar, O'Connor, & Westerman, 2008). Knowledge city can be defined as “a city that was purposefully designed to encourage the nurturing of knowledge” (Edvinsson, 1999). The concept of knowledge city originated from the trend towards knowledge economy (Yigitcanlar, et. al., 2010), and tries to link knowledge management developed from businesses to knowledge-based development of the regions (Ergazakis, Metaxiotis, & Psarras, 2004). The concept focuses on knowledge as an important resource for the economic development of cities, especially considering creativity as a tacit knowledge form (Yigitcanlar, Carrillo, & Metaxiotis, 2010), ultimately leading to a knowledge cluster (Yigitcanlar, O'Connor, & Westerman, 2008). To best create and utilize knowledge as a resource, a knowledge city promotes the use of information and communication technologies (ICT) and the development of technological infrastructure, which enables networks to share knowledge and promote discussions (Ergazakis, Metaxiotis, & Psarras, 2004). However, the knowledge-sharing culture depends on the local culture and values, and how to foster this is a challenge for future research (Ergazakis, Metaxiotis, & Psarras, 2004).

To design and implement a knowledge city, it is important to have strong links, synergies, and trust among the social actors, national and local governments,

⁷ The concept of Knowledge Milieu is similar to the concept of Knowledge City, and thus will not be covered.

universities, and the society (Ergazakis, Metaxiotis, & Psarras, 2004). For a successful knowledge-city, many aspects of the city, such as economic, social, and cultural aspects, need to be considered and aligned (Ergazakis, et. al., 2007; Ergazakis, Metaxiotis, & Psarras, 2004; Carrillo, 2006; Palacios and Galvan, 2006). However, Ergazakis and Metaxiotis (2011) found that in the majority of cities that utilized knowledge, they did not integrate knowledge-city strategy and only employed *ad hoc* solutions. To fill this gap, they proposed a methodology, “The KnowCis 2.0” which enables cities to develop and implement knowledge-based development strategically and systematically. This methodology is now under experiment in a city (Ergazakis and Metaxiotis, 2011).

In sum, the concept of knowledge city aims at strategic development of a city utilizing knowledge as an asset or resource, which is either already available or will be explicitly created for the members of the city to store, share, evaluate and use (Ergazakis, Metaxiotis, & Psarras, 2004; Ergazakis & Metaxiotis, 2011). In other words, the concept pursues management of knowledge, but not the management by knowledge, or the management for creating knowledge. Therefore the concept tries to identify a methodology that strategically promotes creation and utilization of explicit knowledge by structuring and systemizing various members of the city. Accordingly, the approach is structured and systematic and again, perceives the city at the macro level of economic development, where the activities of the individual agents are not considered.

Concept of Living Labs

Living Labs⁸ is a method of collaborative development of new technology and/or new products, which involves various stakeholders of the city or the region, including the end-users, academy, government, and firms (Eriksson, Niitamo & Kulkki, 2005). In other words, Living Labs entails collaboration to experiment and develop new technologies, services, and businesses. It is an open innovation ecosystem in a real-life setting, in which user-driven innovation is fully integrated in the co-creative process of new services, products and societal infrastructures⁹. Living Labs nurture and stimulate open innovation, which brings in leading edge technology from academic laboratories to a real world situation in order to mobilize the knowledge of the users (Eriksson, Niitamo & Kulkki, 2005). In short, Living Labs are social-technical systems of innovation (Schaffers, Merz, and Guzman, 2009). The ability to interact with and involve the users is what distinguishes the Living Lab approach from other, more traditional supplier-customer partnerships, or clusters, etc. (Niitamo, Kulkki, Eriksson, and Hribernik, 2006).

Because Living Labs aim at experimenting and developing new technology, services, and businesses, they require a great number of users to participate. Therefore

⁸ The concept of Smart City is similar to the concept of Living Labs and thus will not be covered.

⁹ European Commission, Information Society, Living Labs. Retrieved on June 15, 2011, from http://ec.europa.eu/information_society/activities/livinglabs/index_en.htm

they are often initiated and funded by local governments that aim to develop new local businesses (Niitamo, Kulkki, Eriksson, and Hribernik, 2006). Accordingly, the local government coordinates the different, sometimes conflicting interests of the participants. Often, each participant has a different agenda. For example, academics need practical testing environments for the technologies that they are developing, businesses need to seek new technologies and new business opportunities, and citizens want to participate in the product development so that their needs and wants are reflected in the final product. Living Labs bring together these stakeholders to collaborate by creating a system which combines several concepts and theories¹⁰ with the ICT (Schaffers, Merz, and Guzman, 2009).

The concept of Living Labs has become widely accepted and practiced in European countries¹¹, and is spreading globally to Brazil, China, etc. To date, 212 Living Labs are listed in the European Network of Living Labs¹². Also in Japan, there are a few cities that have implemented this concept¹³. For example, Fujisawa city in

¹⁰ Included are: National innovation systems (Porter, 1990), Socio-technical systems (Lyytinen, Newman, 2008), Structuration theory (Orlikowski, 2000), Action research (Baskerville, 1999), and Spiral development as in SCRUM development (Schwaber, 2004; Sutherland and Schwaber, 2007).

¹¹ The chairman of Dimes Association, an organization that promotes Living Labs, was an executive from Nokia, and has a strong connection with the business community around the area. Interview with Kimmo Ojuva, January 31, 2011.

¹² European Network of Living Labs. Retrieved on June 15, 2011, from <http://www.openlivinglabs.eu/aboutus>

¹³ The Living Labs initiative has similarities with existing collaborative technology experiment initiatives in Japan, which are often referred to as Kan-Gaku-Min (Public, Academies, and Private) collaboration. The difference is that Living Labs are more focused on developing technology than experimenting with technology; the former has more room for collaboration and participation than the latter.

Kanagawa prefecture offers Living Labs to local businesses and Sendai city in Miyagi prefecture provides Living Labs to local hospitals and healthcare services.

In sum, the concept of Living Labs provides a practical method of mobilizing the knowledge of citizens and other stakeholders in the city in a real-life situation by constructing a system with an intense use of ICT. Because the concept relies heavily on the utilization of ICT, the knowledge it deals with is basically explicit, and processed in the structure or the system. Therefore, the concept stands at the macro level of economic development, and perceives a city as a construct for a testing laboratory. Accordingly, participants of the Living Labs are considered components of the Living Lab system, and thus the collaboration between the participants is considered as an externality of a given condition.

Limitations of the Five Concepts

The five concepts, Cluster, Creative Class, Creative City, Knowledge City, and Living Labs, all consider place as an important factor and describe the city or the region as a structure to promote creativity and innovation for economic development. From this review, it becomes clear that these concepts perceive the city from the macro level of economic development and view the city as a structure to maximize economic growth and the creation of new economic values. As a consequence of their focus on the

structure and the system, these concepts do not consider the agents of the city, or assume that agents follow the structure and the system.

To conclude, in order to identify the key factors for successful collaboration, these concepts may be able to offer some implications on what factors need attention. However, these concepts fail to offer any explanations of how and why various stakeholders in the city work together for a mutually agreed goal.

2.2. Social Innovation

Social innovation is a general term for social enterprise and social entrepreneurship. These terms are sometimes used interchangeably. Social enterprise, social entrepreneurship and social innovation define the activities in a city or region as having a social aim which tackles social issues with a business method and innovative approach (c.f. Con 2008, Hattori et al 2010, Saito 2004)¹⁴. Social enterprises are business activities but with social purposes (Borzaga & Defourny, 2001; Dees, 2008; Elkington, 1994; Elkington & Hartigan, 2008; Kerlin, 2009; Leadbeater, 2007; Nyssens, Adams & Johnson, 2006; Seanor & Meaton, 2008; Tanimoto, 2006; Tsukamoto & Yamagishi, 2008). Social entrepreneurship applies business methods to create new social values, to change the society, or to solve social issues and improve quality of life (Bornstein, 2004; Dees, 1998; Dees & Anderson, 2006; Goldsmith, Georges & Burke,

¹⁴ In Japanese, the terms social business and community business are widely used.

2010; Guclu, Dees & Anderson, 2002; Kramer, 2005; Leadbeater, 1997; Light, 2009; Mair & Marti, 2006; Martin & Osberg, 2007; Nicholls, 2005; Nicholls, 2008; Short, Moss & Lumpkin, 2009; Thompson, 2002). There is not yet an agreed-upon definition of the terms and therefore social enterprise, social entrepreneurship and social innovation are often discussed together (Brown & Wyatt, 2010; Dacin, Dacin & Matear, 2010; Dees, 2007; Dees, Anderson & Wei-Skillern, 2004; Edwards & Edwards, 2008; Phills, Deiglmeier & Miller 2008; Thompson, 2002; Zahra, et.al., 2009). In this dissertation, social enterprise will be defined as an organization and its activities with both business and social purposes, and social entrepreneur will be defined as an individual who acts for both business and social purposes.

Social Enterprise

Social enterprises are organizations that seek social and economic objectives at the same time. The concept of social enterprise is not new. There have been commercial organizations which had both social and commercial missions and pursued both social and economic values (Borzaga and Defourny, 2004; Dees, Emerson, and Economy, 2001; Leadbeater, 2007; Price, 2008; Tanimoto, 2006; Tsukamoto & Yamagishi, 2008). However, the concept of social enterprise has attracted attention recently because it provides an alternative way of looking at business, and shows how business can make a social impact that may support or even replace the shortcomings of public services

(Price, 2008). Social enterprises are based on the understanding that when the market fails to achieve an optimal state, non-market social institutions will arise, at least to some extent, to bridge the gap (Arrow, 1962).

Social enterprises can take any organizational structure, as long as the organization has a social mission and conducts business activities to realize the mission. They include both non-profit organizations (NPO) and for-profit organizations (Tanimoto, 2006; Tsukamoto & Yamagishi, 2008). The choice of organizational form depends on the situation, the cost, and the benefits (Bacchiega and Borzaga, 2004). In sum, social enterprise is regarded as a business with a combined mission of creating social and commercial values (Dees, Emerson, & Economy, 2001). Social enterprises range in a continuum from mainly profit-driven, mainstream businesses at one end to purely voluntary non-market solutions at the other end (Leadbeater, 2007).

The key features of social enterprises seem to be their ability to strengthen the trust relationships within and around the organization, and to mobilize resources from individuals and from the local community (Bacchiega and Borzaga, 2004). In other words, networking individual social enterprises may be more promising in creating value for the society, rather than building a social enterprise to large scale, which is the case for many for-profit enterprises. This means small social enterprises with disruptive and innovative businesses can have more impact on entire industries (Leadbeater, 2007).

Social enterprises gained attention in the 1990s, and since then, many studies were conducted and much literature has been written about their activities in various parts of the world (Kerlin, 2009; Tanimoto, 2006; Tsukamoto & Yamagishi, 2008). However, there are only a few scholars who have discussed and illustrated both theoretical and practical considerations for the field (Bull and Ridley-Duff, 2011). Most of the research so far has focused either on the forms of businesses, or on the how-to of establishing and operating a social enterprise successfully. Some suggest that the trust relationships are established and strengthened due to the leadership of the leader who runs the social enterprise and/or the social capital formed in and between the social enterprises. However, to identify how to align and synthesize multiple social enterprises remains a challenge for future research (Leadbeater, 2007).

In sum, the activities of social enterprises are aimed simultaneously at solving the local social issues and developing and operating a business. They deal with the micro level of economic development, often pursuing alignment or networking of multiple social enterprises, and/or other players of the city in trust relationships. However, the research is still at the exploratory phase, and thus only able to offer some insights.

Social Entrepreneur

Social entrepreneurs are the people who run social enterprises. However, the precise definition of social entrepreneur or social entrepreneurship is not fixed (Dacin,

Dacin & Matear, 2010). One definition states that social entrepreneurs combine the passion of a social mission with an image of business-like discipline, innovation, and determination commonly associated with, for instance, the high-tech pioneers of Silicon Valley (Dees, 1998). Another states that social entrepreneurs are extraordinary “change-makers” who confront institutional barriers and develop new ways of organizing that both address social market failures and unearth new social value creation opportunities (Nicholls, 2005). Social entrepreneurs are decentralized and emergent forces who work through a process of iterative learning, learning by doing, working with communities to find unique, local solutions to unique, local problems (Bornstein and Davis, 2010). Combining these definitions, we can see social entrepreneurship as a multi-dimensional construct formed at the intersections between the public, private, and civil society sectors (Nicholls, 2005).

Similarly, the roles of social entrepreneurs are not fixed but broad (Dacin, Dacin and Matear, 2010). For example, Dees (1998) states that social entrepreneurs play the role of change agents in the social sector by adopting a mission to create and sustain social value (not just private value), recognizing and relentlessly pursuing new opportunities to serve that mission, engaging in a process of continuous innovation, adaptation, and learning, acting boldly without being limited by resources currently in hand, and exhibiting a heightened sense of accountability to the constituencies served for the outcomes created. With the passion and determination to pursue ideas that lead

to social impact, social entrepreneurs can utilize whatever resources they have, however large or small (Guclu, Dees, and Anderson, 2002; Peredo and McLean, 2006).

By comparing the business and social entrepreneur, the factors that distinguish a social entrepreneur will be apparent (see Table 2-1). The major difference is that while businesses focus on the return on investment and own profitability or return it to stakeholders, social entrepreneurs aim at realizing a common good of the society and expect improving happiness as a return.

	Business Entrepreneur	Social Entrepreneur
Activity	Innovates business model within the existing market and economy	Innovates social business model transcending the existing political, administrative, and market and economy
Opportunity	Finding new positioning or core competence within the existing market and economy	Social value creation which goes dynamically beyond the existing market and economy
Motivation	Realize business mission/vision + cost of innovation → expect money making as a return	Realize social vision + business mission + cost of innovation → expect happiness (QOL) as a return

Table 2-1: Comparison of business entrepreneur and social entrepreneur

Among the factors, the greatest distinction between business entrepreneurs and social entrepreneurs is that social entrepreneurs are not limited by the availability of physical resources; rather, they depend on social capital and start from there (Con, 2008; Dacin, Dacin, and Matear, 2010; Hattori, et al 2010; Saito 2004). All social

entrepreneurs start with an endowment of social capital, as they usually have little else to start with, and use the relationships to create more social capital, by getting more people and organizations involved, building a wider web of trust and cooperation (Leadbeater, 1997). Social capital is a start of a virtuous circle around a social entrepreneur.

As seen in the case of social enterprise, the concept of social entrepreneur is not new (Dees, 1998). But the concept gained attention in the 1990s along with the concept of social enterprise, and since then, many studies were conducted and much literature has been written about activities in various parts of the world (Bornstein, 2004; Nicholls, 2006). To date, much of the research focuses on the personal characteristics, capability and capacity of the social entrepreneurs and attempts to generalize from various cases (Bornstein, 2004; Dees, 1998; Dees & Anderson, 2006; Goldsmith, Georges & Burke, 2010; Guclu, Dees & Anderson, 2002; Kramer, 2005; Leadbeater, 1997; Light, 2009; Mair & Marti, 2006; Martin & Osberg, 2007; Nicholls, 2005; Nicholls, 2008; Short, Moss & Lumpkin, 2009; Thompson, 2002; to name a few).

In sum, the activities of social entrepreneurs aim simultaneously at solving local social issues and developing and operating businesses. They deal with the micro level of economic development, often building and utilizing social capital in trust relationships. However, the research is still at the exploratory phase, and thus only able to offer some insights.,

Limitations of the Two Concepts

From the literature review on social enterprise and social entrepreneurship, despite the fact that the definitions of these concepts are still not fixed yet, it is apparent that these both aim at achieving social objectives, and act to solve social issues and/or create new social values, with a business approach. Thus, the micro level of economic development is one of the objectives of both social enterprise and social entrepreneurship. The research and the literature now try to theorize the phenomena, but still are in the exploratory stage and thus have not reached consensus.

To conclude, in order to identify the key factors for successful collaboration, these concepts may be able to offer the insight that social capital and leadership are the two most important factors in enabling a city to work toward a mutually agreed-upon goal. However, these concepts fail to offer any implications on how and why the social capital and the leadership are formed and nurtured in the city.

2.3. Knowledge-creating theory of firms

Knowledge-creating theory of firms is about creating knowledge in firms for innovation to provide new value for the customers (Nonaka, Toyama & Hirata, 2010). Knowledge-creating theory of firms recognizes that creating knowledge enables a firm to differ from other firms, and explains the process of knowledge-creation, the factors

that enable the process, and the leadership that drives the process (Nonaka, 1991; Nonaka 1994; Nonaka & Takeuchi, 1995; Nonaka, Toyama & Hirata, 2008; Nonaka, Toyama & Hirata, 2010). The theory is rooted in epistemology, ontology, and phenomenology, and is close to communitarianism, which means that the theory holds a philosophical view of the world and human beings (Nonaka & Takeuchi, 1995; Nonaka, Toyama, & Hirata, 2008; Nonaka, Toyama, & Hirata. 2010). This view is different from many of the management theories, which are mostly rooted in economics.

The field of knowledge-creating theory¹⁵ is acknowledged by academics and by practitioners as an established field of research (c.f. Mintzberg, 2005; Serenko & Bontis 2004). However, to date, only a few studies have tried to apply the theory to analyze or describe the knowledge-creating activities in cities and/or the nation (Nonaka, Izumida, & Nagata, 2003; Nonaka & Katsumi, 2010)¹⁶. This is because the knowledge-creating theory has focused mainly on firms as the unit of analysis (Krogh, Ichijo, Nonaka, 2000; Nonaka, 1991; Nonaka 1994; Nonaka & Takeuchi, 1995; Nonaka

¹⁵ Knowledge-creating theory of firms includes similar concepts such as knowledge-based management, knowledge management, business intelligence, etc.

¹⁶ According to Nonaka (2011), social innovation is to realize social vision by relentlessly creating new social values, and by innovating the social business model which transforms existing political, administrative, and economic structures. Unlike Schumpeter's view of innovation, the knowledge-creating theory does not view innovation as solely a product of individual entrepreneurship. It is about distributed innovation which leads to spontaneous knowledge creation and effective use of that knowledge at all levels of the organization and network.

& Toyama, 2002, Nonaka & Toyama, 2005; Nonaka, Toyama & Hirata, 2008; Nonaka, Toyama & Hirata, 2010; Nonaka, Toyama & Konno, 2000).

Knowledge is defined as “a dynamic human process of justifying personal belief towards the truth” (Nonaka & Takeuchi, 1995). This means knowledge is different than information. Knowledge is not a self-contained substance waiting to be discovered and collected, but knowledge is created by people in their interactions with each other and the environment (Nonaka, Toyama, and Hirata, 2008). Knowledge is created by the conversion between the two types of knowledge, tacit and explicit (Nonaka, 1994; Nonaka & Takeuchi, 1995, Nonaka, Toyama & Konno, 2000; Nonaka, Toyama & Hirata, 2008; Nonaka, Toyama & Hirata, 2010). Tacit knowledge is subjective and experiential knowledge that cannot be expressed in words, sentences, numbers, or formulas, and thus is specific to the context. Tacit knowledge is often embedded in physical body actions such as technical skills. Explicit knowledge is objective and rational knowledge that can be expressed in words, sentences, numbers, or formulas, and thus is free from the context. Explicit knowledge is often shared and stored with the ICT tools in the form of databases and manuals. These two types of knowledge are extreme forms, but they reside in a continuum, as in the metaphor of an iceberg (Nonaka & Takeuchi, 1995; Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata, 2010). Explicit knowledge corresponds to the iceberg above the sea surface, and tacit knowledge is what lies underneath the water, hidden but in a large volume.

Knowledge-creating theory explains the organizational knowledge-creating process (SECI model), the factors of a knowledge-creating organization (Dynamic model of knowledge-creating firm), the leadership capabilities that promote the knowledge-creating process, and the business model (Knowledge-based business model) that converts knowledge into a revenue stream (Nonaka, Toyama & Hirata, 2008; Nonaka, Toyama & Hirata, 2010).

SECI model

Knowledge-creating theory describes the process of knowledge-creation as occurring in the interactions between individuals, groups, organizations, and the environment through the conversion of tacit and explicit knowledge (Nonaka, 1994; Nonaka & Takeuchi, 1995, Nonaka, Toyama & Konno, 2000; Nonaka, Toyama & Hirata, 2008; Nonaka, Toyama & Hirata, 2010). The SECI model (see Figure 2-1) illustrates the process of converting tacit knowledge and explicit knowledge to create new knowledge from the continuous interaction among the stakeholders, through validating personal and subjective knowledge socially (Nonaka 1991; Nonaka and Takeuchi 1995; Nonaka and Toyama 2005).

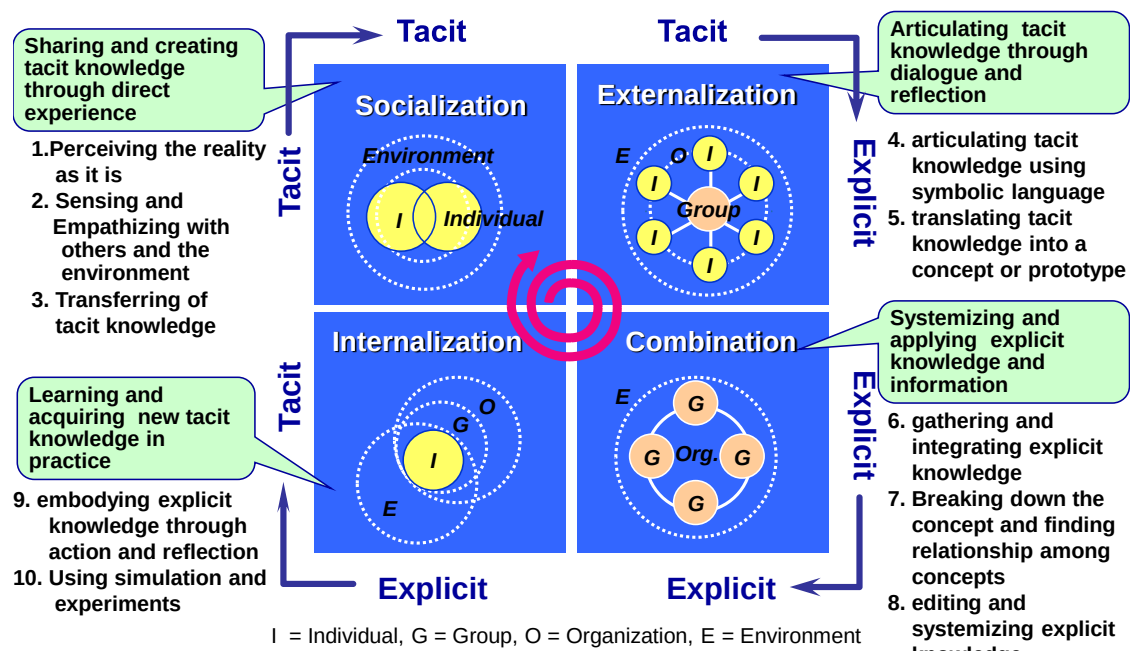


Figure 2-1. SECI Model

Source: Reproduced from Nonaka, Toyama, and Hirata (2008)

Knowledge develops in quantity and quality as it moves up each section in the SECI model: S=Socialization, E=Externalization, C=Combination, I=Internalization. First, tacit knowledge is shared by individuals by empathizing with others (Socialization step), then articulated inside and among the groups using metaphors and concepts (Externalization step), and combined and synthesized in the organizational level (Combination step), and new knowledge is internalized and embodied in the individual tacit knowledge through learning-by-doing processes (Internalization step), and will be shared by the individuals to start another SECI process. This means that the SECI process is a never-ending spiral and not a simple

one-time circle. By continuously spinning the SECI spiral, new knowledge emerges and is shared among the individuals, groups, organizations, and the environment.

Dynamic model of knowledge-creating firm

Several factors accelerate the spiral of the SECI process which is illustrated by the dynamic model of the knowledge-creating firm (see Figure 2-2). The dynamic model consists of seven components which are interrelated: knowledge vision, driving objectives, dialogue, practice, *ba* (shared context), knowledge assets, and the environment (Nonaka, Sasaki and Senoo, 2004; Nonaka and Toyama, 2005; Nonaka, Toyama, and Konno, 2000; Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata, 2010).

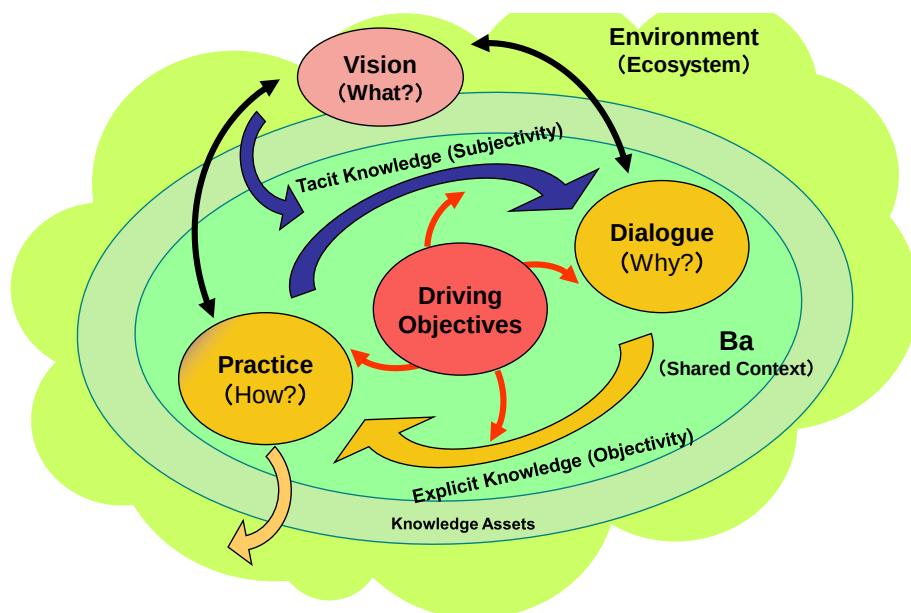


Figure 2-2. Dynamic model of knowledge-creating firm

Source: Reproduced from Nonaka, Toyama, and Hirata (2008)

Knowledge vision defines the future and the ideal mission of the organization, based on the aesthetic values of truth, goodness and beauty. Driving objective is a concrete objective that defines the details of action to be taken to realize the vision. Dialogue and practice represent the SECI process; dialogue is the synthesis of tacit and explicit knowledge in thought while practice is in action. *Ba* is a shared context in motion where dialogue and practice occur and new knowledge is created. *Ba* can be either physical or virtual, but to form a good *ba*, *ba* needs to be self organized by diversified members who can openly participate and can share the objectives, and can create trusting and caring relationships with each other. Knowledge assets are the accumulated knowledge which becomes both the input and output of the SECI process in creating knowledge. Knowledge assets can be categorized into four types which correspond to each of the SECI steps; experiential, conceptual, systemic, and routine. Experiential knowledge asset is tacit knowledge shared through common experiences, such as social capital and emotions. Conceptual knowledge asset is explicit knowledge articulated by the language and/or the images. Systemic knowledge asset is also explicit knowledge but systemized and packaged, for example in a digital database. Routine knowledge asset is tacit knowledge embedded in actions and practices, such as

daily work routines and cultural norms. Lastly, ecosystem is a network or relationship of knowledge-creating entities, consisting of the networks of multi-layers of *ba*.

Leadership that promotes knowledge creation

The dynamic model is driven by leaders, who set the vision, and activate and synthesize the factors of the dynamic model coherently in one direction. However, the leaders in knowledge-creating theory of firms are not hierarchical, command-and-control, or even charismatic, but rather, contextual, flexible, distributed and autonomous (Nonaka, Toyama, & Hirata, 2010). Leaders utilize the power from their position or their responsibility in the organization. However, they also make much use of their human magnetism which is based on their own values, dreams, and commitment. This is because knowledge is created in a constantly changing context, where individuals, groups, organizations, and environment interact dynamically. Thus, the leaders who promote knowledge-creation need to manage such dynamism in each context with judgment based on their own values. They have to be pragmatic and idealistic at the same time (Nonaka, Toyama, & Hirata, 2010).

In the knowledge-creating theory of firms, leadership capabilities which pursue both practice and ideal are represented by a concept called *phronesis* (Nonaka and Konno, 2007; Nonaka and Toyama, 2005; Nonaka and Toyama, 2007; Nonaka and Takeuchi, 2011; Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata,

2010). *Phronesis* is proposed by Aristotle in his book *Nichomachean Ethics* (2002). In this book, Aristotle identified three types of knowledge: *Episteme*, *Techne*, and *Phronesis* (Aristotle, 2002). *Episteme* is scientific knowledge which is universal, context-free and objective, and therefore explicit. *Techne* is skills and crafts knowledge which is practical and context-specific technical know-how, and therefore is a combination of tacit and explicit knowledge. *Phronesis* is practical wisdom which is experiential knowledge used to make context-specific judgments based on one's own values and ethics, therefore high-quality tacit knowledge.

In the knowledge-creating theory of firms, *Phronesis* is defined as a virtuous habit of making decisions and taking actions that serve the common good (Nonaka and Konno, 2007; Nonaka and Toyama, 2005; Nonaka and Toyama, 2007; Nonaka and Takeuchi, 2011; Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata, 2010). In other words, it is the practical wisdom that enables the leader to judge what is good and choose the right course of action in complex situations (Nonaka and Peltokorpi, 2006).

From studies of historical leaders and surveys of management leaders, it was identified that *Phronesis* consists of six abilities (Nonaka and Konno, 2007; Nonaka and Toyama, 2005; Nonaka and Toyama, 2007; Nonaka and Takeuchi, 2011; Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata, 2010). They are: (1) Ability to make a judgment on goodness; (2) Ability to create *ba*; (3) Ability to grasp the essence

of particular situations and/or things; (4) Ability to articulate the essence; (5) Ability to exercise political power; and (6) Ability to foster *phronesis* in others. These abilities are to be integrated in one leader; however, it does not mean that these abilities are equally important. Rather, the coherence and the balance of these abilities are important.

Knowledge-based Business model

The objective of the knowledge-creating theory of firms is to explain how a firm creates value for the customer by creating knowledge, and how a firm can implement and accelerate the process. Therefore, the purpose of creating knowledge ultimately is to turn the knowledge into a revenue stream. This is made possible by developing the knowledge-based business model (Nonaka, Toyama, and Hirata, 2010).

The Business Model is defined as a description of the value an organization offers to one or several segments of customers and of the architecture of the firm and its network of partners for creating, marketing, delivering this value and relationship capital, to generate profitable and sustainable revenue streams (Osterwalder, 2005). Then the fundamental and ultimate goal of a knowledge-creating firm is to create value for the customer which assures economic sustainability of the firm.

Limitations of the the knowledge-creating theory of the firms

The knowledge-creating theory of firms perceives knowledge as the driving force of business development and knowledge-creation as the process of innovation, both of which are aimed at creating customer values to sustain a firm's business. The theory defines the knowledge-creating processes as the conversion of tacit and explicit knowledge in the four phases of the SECI process. The theory also defines the seven elements of a knowledge-creating organization, and the six abilities of leaders who implement and accelerate knowledge-creating processes in the organizations.

Knowledge-creating theory defines knowledge as created from the interactions among the agents and with the structure and the environment, and as a consequence, knowledge-creating theory emphasizes the understanding of human beings and the interactive process between them from which the knowledge emerges. To deepen the understanding of the human beings, knowledge-creating theory is based on philosophical thinking such as epistemology, ontology, and phenomenology which deals with the mind and the emotions. The theory also refers to moral and ethical thinking which relates to value judgments, and to cognitive science, neuroscience, and social intelligence, which captures human beings as a social animal.

In sum, knowledge-creating theory of firms is able to identify the key factors of successful collaboration, and is able to describe how the agents work together in a group, organization, and the environment, and therefore is able to provide insights and implications to the research on cities. However, the knowledge-creating theory of firms

is able to explain only for firms and not for cities, because the theory was derived mostly from research on firms. Because of this difference, the knowledge-creating theory of firms cannot be applied to cities without verifying the different factors of firms and cities, including the structure, power, and motivation. Firms have established structure, and the agents are provided with responsibility and power from the structure. The agents are therefore motivated both extrinsically and intrinsically. On the other hand, cities consist of rather ad hoc connections and relations of various stakeholders, and there are no fixed structures. The stakeholders are motivated by their own interests and their own vision or goals. Therefore, the stakeholders are motivated mostly intrinsically. To conclude, the knowledge-creating theory of firms provides useful insights and implications for the research of the city, however, it is necessary to verify whether the differences in the settings will or will not have any effect.

2.4. Gaps in the existing literatures

I have set the purpose of this dissertation to identify the key factors for successful collaboration in cities, and describe how and why various stakeholders in a city work together for a mutually agreed-upon goal. To derive a hypothesis of the key factors for successful collaboration and the reasons that motivate various stakeholders to collaborate, I conducted a literature review of the management literature: the concept

of clusters, creative class, creative city, knowledge city and living labs, which focus on economic development of cities and regions; and the social innovation which aims at solving social issues by the autonomous and distributed leaders. I also looked at the knowledge-creating theory of firms which explains knowledge-creation as a collaborative process among the agents, the structure, and the environment. Each of the concepts can be positioned in a two by two matrix of place and the level of economic development, as shown by the Figure 2-3.

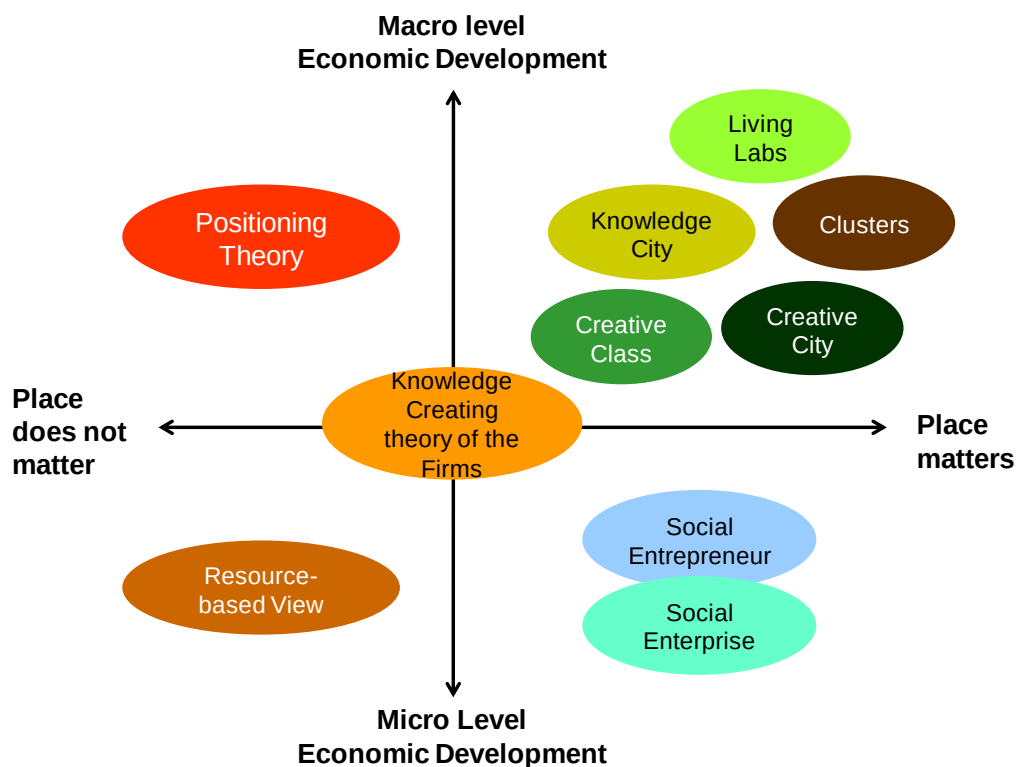


Figure 2-3: Positioning of the theories and the concepts

A more detailed comparison is summarized in Table 2-2. The concepts of cluster, creative class, creative city, knowledge city, and living labs all stand on the macro level and focus on economic development, and seek for winning the competition, while the activities are different. On the other hand, social enterprise and social entrepreneurship stand on the micro level and focus on economic and social values, and seek for improvement of the economies by pursuing both social issues and business results. Knowledge-creating theory of firms is somewhat a mixture of the two; the theory has both the macro and micro view, and focuses on both economic and social values, and seeks for both winning the competition and solving social issues. The activities involve knowledge-creation for innovation, value creation, and sustainability of the firm.

Table 2-2: Summary of findings from the literature review

	Perspectives	Focus	Activities	Goal
Cluster	Macro Level	Economic Development	Use shared information and technologies	Win the competition
Creative Class	Macro Level	Economic Development	Attract creative people	Win the competition
Creative City	Macro Level	Economic Development	Cultivate culture and creativity	Win the competition
Knowledge City	Macro Level	Economic Development	Execute knowledge-based development strategically	Win the competition
Living Labs	Macro Level	Economic Development	Co-develop new technologies, services	Win the competition
Social Enterprise	Micro Level	Economic and Social Value	Solve social issues with business approach	Improve quality of life
Social Entrepreneur	Micro Level	Economic and Social Value	Solve social issues with business approach	Improve quality of life
KC Firms	Macro and Micro Level	Economic and Social Value	Create knowledge for innovation, value creation and sustainability	Win competition and improve quality of life

The findings from the literature review indicate that the knowledge-creating theory of the firms is the most comprehensive among the theories and concepts reviewed and thus it has the highest possibility of answering the research question, i.e. what are the key factors for successful collaboration, and explain why various stakeholders of the city work together for the shared goal. However, as already pointed out, the knowledge-creating theory of firms cannot be applied as it is to cities because of the difference of the unit of analysis and therefore requires further study.

3. Research Questions

The research questions of this dissertation are: “What are the key factors for successful collaboration?”, and “How and why do various stakeholders of the city work together for the shared goal of creating new social values?” In other words, this dissertation seeks to identify the key factors for success in collaboration, and to describe the method and reasons of various stakeholders of the city for pursuing collaboration in order to develop local businesses and to solve local social issues.

Before I present the hypotheses, I will define the key words of this dissertation.

City is a unit of administration with fixed boundaries and a dense population. Usually a city has its own history, an article of incorporation, and is governed by a mayor, is operated by the local government and administration and is legislated by the local assembly¹⁷. Usually a city is larger than a town or a village, and considered as an urban area in contrast to the surrounding countryside. The residents of a city have a less closed and a less tight community compared to the residents of villages in the countryside or in rural areas where the residents form closed and tight communities, often because of their agricultural work (Kadowaki, 2010; Takezawa, 2010). Building on these definitions, in this dissertation, a city represents an area with fixed boundaries (thus includes towns and villages), dense population, unique historical

¹⁷ Definition from Wikipedia. Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/City>

background, independent governance system, and most importantly, urbanized citizens.

Community is defined as a social group of any size whose members reside in a specific locality, and often have a common cultural and historical heritage¹⁸. In Japan, neighborhood associations (町内会) are the basic self-organizing community which voluntarily conducts the various local activities and provides mutual support¹⁹. However, fewer and fewer citizens participate in neighborhood associations in urbanized cities, because the citizens are less associated with the place they live. Often they have moved into cities from their hometown and live in rented condominiums (Cabinet office, 2007).

A citizen is an inhabitant of a city or town, especially one entitled to its privileges or franchises. A resident is a person who resides in a place. In this dissertation, these two terms have different meanings as follows. “Citizen” means a person who lives in a city and has any spontaneous relationships with the city and its stakeholders, and “resident” means a person who merely lives in a city.

Collaboration is defined as a process of people working together to achieve a deep, collective, creative, and shared goal by creating and sharing knowledge and building

¹⁸ Definition from Wikipedia. Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/Community>

¹⁹ Definition from Wikipedia. Retrieved on June 15, 2011, from http://en.wikipedia.org/wiki/Neighborhood_association, and <http://ja.wikipedia.org/wiki/%E7%94%BA%E5%86%85%E4%BC%9A>

consensus. In other words, if we input the knowledge of various stakeholders into the “collaboration” black box, then the output will be new social values (see Figure 3-1).

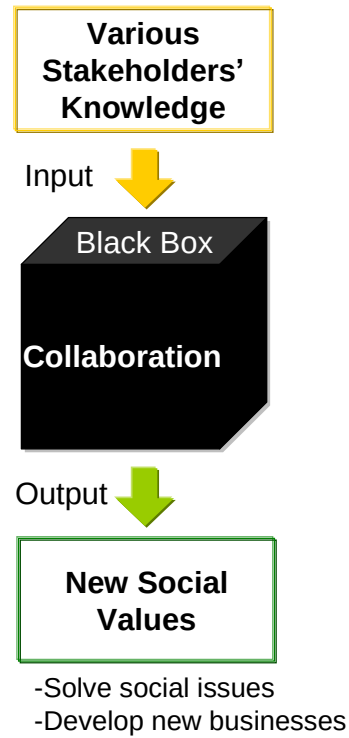


Figure 3-1: The “Collaboration” blackbox

Cooperation is the process of acting together, by both intentional and non-intentional agents²⁰. Participation in social science refers to different mechanisms for the public to express opinions and ideally exert influence in political, economic, management or other social decisions²¹. In this dissertation, I will use the terms

²⁰ Definition from Wikipedia. Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/Cooperation>

²¹ Definition from Wikipedia. Retrieved on June 15, 2011, from http://en.wikipedia.org/wiki/Participation_%28decision_making%29

collaboration and participation, but not cooperation. Collaboration and participation are initiated either from the local government or the citizens; however, collaboration assumes citizens and the local government to be an equal partner in policy-making, planning and executing the plans, while participation assumes citizens to merely participate in these activities. Therefore, a successful collaboration can be measured by the activities of various stakeholders working as equal partners to the local government in the policy-making, planning and executing the plans for creating new social values.

The purpose of this dissertation is to identify the mechanism of the “collaboration” black box; What are the key factors of successful collaboration, and how and why do the stakeholders of a city work together for a mutually agreed goal of creating new social values? According to the results of the literature review, I will derive hypotheses as below.

- Hypothesis 1: Various stakeholders of a city share the foundations of the city; such as the physical place, history, tradition, norm (地域), and the mental emotions and the social capital (地縁)
- Hypothesis 2a: The more the stakeholders participate in knowledge-creating activities, the more they establish a new ecosystem²², that is, an environment

²² An ecosystem is a biological environment consisting of all the organisms living in a

consisting of various stakeholders as well as the physical components of the city with which the stakeholders interact (知域)

- Hypothesis 2b: The more the stakeholders participate in knowledge-creating activities, the more they establish new ties, that is, a social network of various stakeholders (知縁)
- Hypothesis 3: Collaborations are driven by the distributed leaders who share the vision and values, and are intrinsically motivated.
- Hypothesis 4: As a result of the collaboration, traditional wisdom (地恵) and wisdom from the various stakeholders (知恵) is synthesized into new social values and new traditional wisdom

Hypothesis 1 is the hypothesis of the foundations of a successful collaboration; such as physical place, history, traditions and norms, and knowledge and social assets. In cities, the foundations of the city are formed through the historical development and are embedded in the citizens, academics, businesses, and the local government. These various stakeholders share the same physical place, that is, shared moving context in the space and time nexus, defined as “*ba*” in the knowledge-creating theory. By living, working, or participating in particular activities, people may tend to share more of the

particular area, as well as all the nonliving, physical components of the environment with which the organisms interact, such as air, soil, water and sunlight. It is all the organisms in a given area, along with the nonliving (abiotic) factors with which they interact; a biological community and its physical environment (Campbell, Reese, and Taylor, 2009).

time and space of the specific place, which will be the foundation of the knowledge creating process, defined by the process of SECI model.

Hypothesis 2a and 2b are the hypotheses of how various stakeholders of the city work together for the shared goal of creating new social values. Through the SECI process of knowledge-creation, various stakeholders broaden the social ecosystem and increase and strengthen the social ties. Then by the broadened social ecosystem and the increased and strengthened social ties, they work together for creating new social values through the SECI process of knowledge-creation. There is a complementing and amplifying relation between the SECI process and the social ecosystem and social ties. The more the various stakeholders broaden the social ecosystem and increase and strengthen the social ties, the more they work together in the knowledge-creating process to create new social values.

Then hypothesis 3 is the hypothesis of why the various stakeholders of a city work together for a shared goal. Because the various stakeholders can take the role of the leaders, who are distributed, who share the vision and the values, and who are intrinsically motivated, they are able to collaborate for creating new social values.

Hypothesis 4 is the hypothesis of the results of the collaborations. As the results of collaboration, new social values are created to solve the social issues and/or the new businesses are developed, and new traditional wisdom is created which synthesizes the

traditional wisdom embedded in the city (地恵) with the new wisdom from the various stakeholders (知恵). I will verify these hypotheses using the case of Mitaka city.

4. Methodology

4.1. Single case study with embedded units of analysis

The dissertation will be based on a single case, Mitaka City, as a distinctive and unique case of collaboration between the citizens, academies, local businesses, and the local government to develop local businesses and to solve local social issues. An in-depth historical study with multiple sources was conducted utilizing multiple and methodologies such as narrative-based approach (Kujiraoka, 2005; Noguchi, 2009), grounded-theory approach (Glasser and Strauss, 1967; Corbin and Strauss, 1990), and interviews. The research question I have set is better addressed by theory-building rather than theory-testing research, because the literature reviewed does not fully answer the research question, although the research question is crucial to understanding the key factors of successful collaboration and how and why the collaboration occurs (Eisenhardt and Graebner, 2007).

A case study is defined by Yin as “an empirical inquiry that investigates contemporary phenomena within its real life context, especially when the boundaries between phenomenon and context are not clearly evident (1994, p. 13).” According to Yin (1994, p. 9), a case study is useful when “a how or why question is being asked about a contemporary set of events over which the investigator has little or no control.” Similarly, Perry (1998, p. 787) points out that the research problem of a case study

research is “usually a ‘how do?’ problem rather than a ‘how should?’ problem”, and it is “concerned with describing real world phenomena rather than developing normative decision models.” Thus, the case study research is appropriate in answering the “how do” question, which is the case of this dissertation. Therefore, to illustrate how and why various stakeholders of the city work together for the shared goal to develop local businesses and to solve local social issues in a city, the case study method will be most appropriate.

A case study research can be regarded as a realism paradigm; inductive, objective and commensurable (Guba and Lincoln, 1994; Orlikowski and Baroudi, 1991; Perry, 1998; Tsoukas, 1989); a multimethod research that uses an interpretive, naturalistic approach to its subject matter (Denzin & Lincoln, 1994). While induction is most prominent, a case study research includes both induction and deduction (Perry, 1998, p. 788). “It is impossible to go theory-free into any study (Richards, 1993, p. 40)” and thus induction and deduction are often linked and involved simultaneously (Miles and Huberman, 1994). Gephart (2004, p. 455) pointed out that “an important value of qualitative research is description and understanding of the actual human interactions, meanings, and processes that constitute real-life organizational setting.” Even Glasser and Straus, who emphasized generating theory from data alone, admitted that it is difficult to ignore the theory already accrued in one’s mind before commencing the research process (Glasser and Strauss, 1967). Thus, building hypotheses from the

literature review, especially from the knowledge-creating theory of firms, will help to identify the key factors of successful collaboration and describe how and why the various stakeholders work together for a shared goal.

The case of Mitaka city is ensured with reliability and validity by widely accepted reputations as a collaborative city. The central government, municipal governments, academia, and media in Japan acknowledge and refer to Mitaka as a model case and a benchmark. This is even so outside of Japan. In 2005, Mitaka was awarded as “Intelligent Community” by International Community Forum, winning over well-known, world-class intelligent cities including Singapore, Tronto, Canada, and Sunderland, UK.

Reliability and validity in qualitative research are not viewed separately, although these terms are treated separately in quantitative research (Lincoln and Guba, 1985; Golafshani, 2003). These terms are often substituted by other terms, such as trustworthiness which contains credibility, transferability, dependability, and confirmability (Guba and Lincoln, 1981; Guba and Lincoln, 1982; Lincoln and Guba, 1985). To ensure validity and reliability, multiple perceptions about a single reality are needed (Healy and Perry, 2000). That is made possible by involving several data sources and perceptions. Triangulation is regarded as one of the great strengths of case studies compared to other methods because it is able to use evidence from different sources to corroborate the same fact or finding (Rowley, 2002). Based on these

understandings, I will base this case study on multiple data sources which are publicly available: news, literature, books, articles, as well as interviews. However, in qualitative research, “the researcher is the instrument (Patton, 2001: 14)” and “the credibility of a qualitative research depends on the ability and effort of the researcher (Golafshani, 2003, p. 600).” Data collection depends crucially upon the competence of the researcher (Rowley, 2002), so I endeavored to locate necessary information from various sources in a “mutually exclusive and collectively exhaustive” way.

I have chosen the single case of Mitaka city, as a critical case of successful collaboration in Japan. The Mitaka city case is information-rich and a worthy in-depth study (Patton, 1990) for three reasons. First, Mitaka city is already accepted publicly as a successful case of collaboration between citizens, academics, local businesses, and local governments to develop and revive businesses and to solve social issues. Second, because of these acknowledgements, the case has been documented through a variety of sources; media, books and articles by the mayors, citizens, and academics, webpages, etc. In sum, Mitaka city is regarded as a model case and an exemplar or a benchmark for other cities. Therefore Mitaka city case can be considered as a critical case but generalizable (Yin, 2003; Flyvbjerg, 2006). And the third factor is the issue of accessibility; Mitaka city is not far from central Tokyo and I had a few key contacts to begin with, who referred me to the other interviewees.

In a single-case study, presenting rich qualitative data is most challenging, as it requires the author to present a relatively complete rendering of the story which typically consists of narrative that is interspersed with quotations from key informants and other supporting evidence (Eisenhardt and Graebner, 2007). However, because of this challenge, case study methodology enables one to describe the story told by the interviewed citizens of Mitaka city. MacIntyre (1984) defined the human being as a story-telling animal. Narrative is the act of description and explanation in story form, consisting of a beginning, middle and end (Aristotle, 2002; Danto, 1985). Tsoukas and Hatch (2001) pointed out that narrative is an effective approach to understand organizational complexity because it is possible to maintain contextuality, reflexivity, purpose and motives, and temporal sensitivity for grasping and explaining actuality. The case study method will therefore enable comprehending the stories told by the interviewees into one historical flow. The story is then intertwined with the theory to demonstrate the close connection between empirical evidence and emergent theory (Eisenhardt and Graebner, 2007). Field data should be structured on hierarchical categories which will be the basis of building the theory (Corbin & Strauss, 1990).

Eisenhardt and Graebner (2007, p. 30) points out that “somewhat surprisingly, single cases can enable the creation of more complicated theories than multiple cases, because single-case researchers can fit their theory exactly to the many details of a particular case”. I intend this dissertation to follow their findings.

4.2. Research site

The research site, Mitaka City, was selected because Mitaka City has a high reputation with scholars and practitioners for its history and success of the collaboration between citizens, academies, businesses and the local administration (Akimoto, 2003; Intelligent Community Forum, 2005; Kiyohara 2000, Kiyohara & Awaji 2010; Oomoto, 2010).

Although Mitaka city is widely recognized as a successful case of collaboration, the city itself is not far apart from average urbanized cities in Tokyo prefecture, or elsewhere in Japan, in terms of demographics and the city's income per resident. For example, if compared with the three cities that share the border with Mitaka city, namely, Chofu, Fuchu, and Musashino cities, demographics and the cities' incomes per resident are found to be quite similar (see Table 4-1). However, these other three cities are not widely recognized as successful cases of collaboration. We can assume that the difference of recognition must have come from its historical developments as a city.

Table 4-1: Comparison of the city profiles (as of December 2010)

	Mitaka	Chofu	Fuchu	Musashino
Population	176,820	217,081	245,438	135,065
Ages +65	19.04%	18.99%	18.37%	20.06%
Household	84,611	102,006	107,695	69,445
Area	16.5 km ²	21.53 km ²	29.34 km ²	10.73 km ²
City Income	326, 000	364,000	357,000	438,000

per resident				
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4.3. Unit of Analysis

The primary unit of analysis will be Mitaka city as a whole. Then the embedded units of analysis will be the events and/or activities which took place in Mitaka city with regard to city policy-making, administration planning and management (Machizukuri) and city business development and incubation (Machiokoshi). Dependent variables would be the context, purpose, goals, intended outcome, the citizens, the city administration staff, and the mayors involved, and the process of the events.

The unit of analysis is Mitaka city and its stakeholders, and some of the key events as the embedded units of analysis. There were many events which involved participation and collaboration since Mitaka City was established as a city in the mid 1950's. However, the purpose of the dissertation is not to cover every single event but to verify the hypotheses and answer the research question. Thus, I selected the events based on the frequency or the magnitude of references in the literature, as well as the frequency of references by the Mitaka citizens whom I interviewed.

Dependent variables will then be the time, location, people and relationships, purpose, process, and the outcome of each event that created new knowledge in any way and resulted in collaboration. However, I will not divide the events into categorized factors but describe with narrative, so as not to lose the context of the

events; especially the connections, relations and interpenetration of these factors (MacIntyre, 1984). As Flyvbjerg pointed out, “good narrative typically approaches the complexities and contradictions of real life” (Flyvbjerg, 2006, p. 237), and the case story itself is the “virtual reality,” “which provides a useful training ground with insights into real-life practices” (Flyvbjerg, 2006, p. 239). Thus, unlike the traditional scientific and analytical method in management research which divide the events (i.e. what happened) into a collection of “there then” facts and data, I use the narrative method to compile the process of events into a “here now” story and provide readers with a virtual “learning by doing” experience.

4.4. Data Collection techniques

The case will be based on the publicly available literature such as books, articles, journals and documents on the Internet referring to Mitaka city. There are two types of literature on Mitaka City; one that focuses on the historical development of the city, like history books, and one that describes the citizens’ collaboration processes, like the studies on public management. I will refer to both types of literature.

In addition, I conducted interviews with some of the stakeholders of Mitaka city. Interviews are situated and face-to-face interactions in which researchers typically pose questions that the respondents answer (Gephart, 2004). 30 in-depth interviews were conducted with Mitaka citizens and city staff members who were referred by

interviewees by the name-generator method. Each interviewee was asked in a two-hour interview to describe when and how they began to be involved in the citizens' activities and to recount the three most memorable experiences. I have chosen long interviews (McCracken, 1988) which can link analytical categories and literature with respondents' cultural categories and meanings (Gephart, 2004).

In February 2007, I conducted three group interviews (see Appendix 1), each for two hours, on the topic of their involvement with Mitaka city. Each group consisted of three or four interviewees who had worked together in some kind of knowledge-creating activities in the past. Interviewees were identified by referral from one of the interviewees, Kenichi Kawase, using the name generator method (Marsden, 1990; Marsden & Campbell, 1984). At the interview, interviewees were asked to describe their experiences and express their thoughts and emotions freely, in a dialogue with other interviewees.

Another series of interviews were conducted in September to December 2010. In two hours of interview, each interviewee was asked to illustrate their major experiences in Mitaka and express their thoughts and emotions. At the interview, interviewees were asked to identify their basic profiles (name, age, educational and career background, not mandatory if the interviewee was reluctant to disclose) and their relationship with Mitaka city to identify their background. Then they were asked to tell three major events from their own experiences on town planning and

management (Machizukuri), town business development and incubation (Machiokoshi), and/or social business and community business (SB/CB). In addition, they were asked to tell what is special about Mitaka from their point of view. 30 interviews were conducted (see Table 4-2 for the list of the interviewees and see Appendix 1 for their profiles). These 30 interviewees were identified through referrals, starting with one Mitaka citizen (see Figure 4-1 for the referral routes). Each interviewee was asked to recommend a maximum of three follow-up interviewees. This “chain interviewing” method is based on the “survey by recall” and the “name generator” methods (Marsden, 1990; Marsden & Campbell, 1984; Hiramatsu, Ukai, Miyagaki, and Hoshi, 2010). In addition to the interviews, I have attended conferences at Mitaka where some stakeholders and the city mayor made speeches. I will also make a reference to them.

Table 4-2: Summary list of interviewees

Distribution of 30 interviewees:

Male		18		Female		12	
40's	8	50's	9	60's	7	70's	6
University, College		30		Other		0	
Citizen		24		City Staff		6	
Employed		10		Self employed		20	
Machizukuri*	20	Machiokoshi*		9		SB/CB*	8

*Note: people overlapping two areas are counted twice

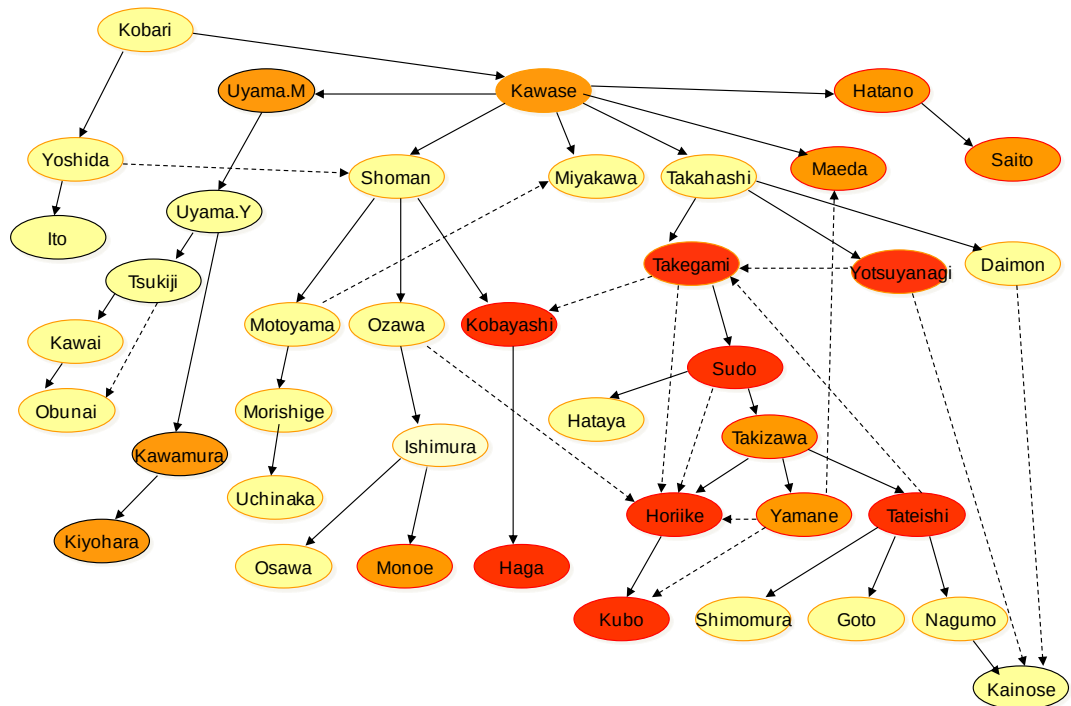


Figure 4-1: Referral Route of 30 Interviewees

NOTE: Dotted arrow means that names were generated only

The colors indicate which of the three categories they belong to (yellow for machizukuri, orange for machiokoshi, and red for SB/CB).

I was trained and certified as a counselor by the Counseling Research Institute of Sophia University, which uses the client-centered counseling approach. I have utilized my knowledge and skills to conduct the interviews, listening attentively with unconditional positive regard (Rogers, 1961). The reason for utilizing the counseling approach was to make interviewees feel secure and safe to open up and tell their personal experiences, thoughts and emotions naturally and spontaneously.

5. Overview of Present Mitaka City and Historical Development

In Chapter 5, I will present the detailed case of Mitaka city. Chapter 5 consists of three sections. Section 1 will be about the town administration planning and management (Machizukuri), section 2 will be about the town business revitalization and incubation (Machiokoshi), and section 3 will be about the rise of Social Business and Community Business. Figure 5-1 shows the timeline and the sections at a glance.

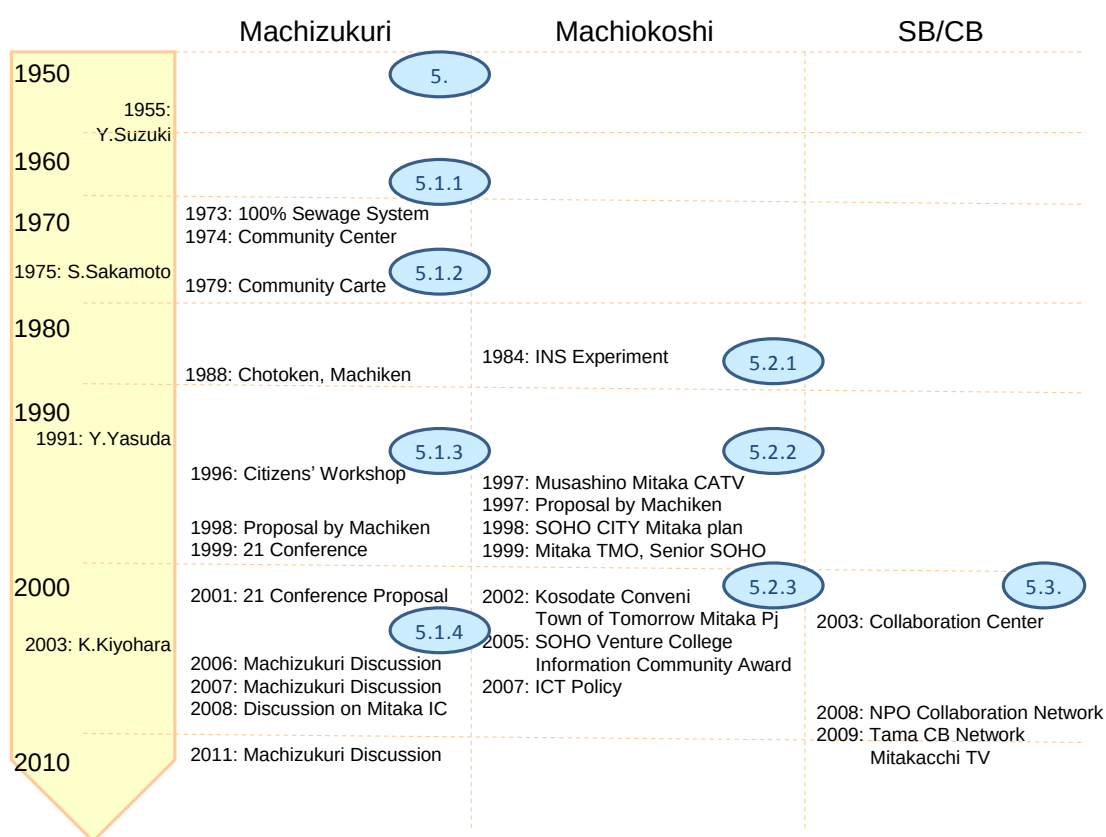


Figure 5-1: Timeline and the sections in chapter 5

Mitaka is a suburban city in Tokyo prefecture, located 18 kilometers from central Tokyo (see Figure 5-2). The city is a “bedroom” town for business persons who work in

central Tokyo. Population is 176,462 people (as of April 1, 2011), of which 86,974 (49.3%) are male and 89,488 (50.7%) are female. People with ages over 65 years old are 33,952 (19.2%), and below 20 years old are 29,068 (16.5%)²³, which are 25.9% and 17.1% respectively in Japan's average (as of March 1, 2011)²⁴. Mitaka is comprised of 87,393 households (as of April 1, 2011), which is approximately 2.02 persons per household.



Figure 5-2: Location of Mitaka City

The size of Mitaka city is 16.5km², 6.35km from east to west and 5.24km from north to south. The shape of the city is like an eagle spreading its wings; this somehow coincides with the name Mitaka which means “three eagles” (see Figure 5-3). 90% of

²³ Mitaka City Website. Retrieved April 4, 2011 from http://www.city.mitaka.tokyo.jp/c_service/002/002992.html

²⁴ Statistic Bureau of Ministry of Internal Affairs and Communication. Retrieved April 4, 2011 from <http://www.stat.go.jp/data/jinsui/new.htm>,

the land is designated as residential area, 5% as commercial and 5% as industrial. In reality, 23.1% of the land is used as forest and grass land and 10.7% is farming land, and 62.3% as residential and roads.



Figure 5-3: Official mark of Mitaka City

Mitaka City hosts three train stations: Mitaka station on the Chuo line, Inokashira Kouen and Mitakadai stations on the Keio Inokashira line (See Figure 5-4). Mitaka station is located about 15 minutes away from Shinjuku station and 30 minutes from Tokyo station on the Chuo Line. Mitaka station supports a total of approximately 18,000 people commuting every day. Inokashira Kouen station supports a total of approximately 7,000 people per day, and Mitakadai station supports a total of approximately 23,000 people per day. All three stations are located at the very edge of the city: Mitaka station on the north end, Mitakadai and Inokashira Koen stations on the northeast end. The citizens use cars, buses and bicycles for their commutes.



Figure 5-4: Locations of the stations in Mitaka city

Mitaka city is well known for its cultural background. There were a few famous novelists who lived in Mitaka: Saneatsu Mushanokoji (1885-1976), Yuzo Yamamoto (1887-1974), and Dazai Osamu (1909-1948), to name a few. The city hosts Ghibli Museum run by Studio Ghibli, a world-famous animation studio directed by Hayao Miyazaki. There are a few private universities/colleges, International Christian University, for example. In addition, the National Astronomical Observatory of Japan is also located in Mitaka.

Factors such as convenience of transportation, as well as the cultural and historical background resulted in differences within Mitaka city. For example, the density of population varies by the neighborhood areas within Mitaka city (see Figure 5-5). The southeastern (Shinkawa Nakahara area, circle on the right) and southwestern (Osawa area, circle on the left) parts of the city are often referred to as

“rural area” because the area historically hosted more elderly, had more farming land, and had relatively inconvenient transportation, compared to the other areas of Mitaka city (see Figure 5-6).

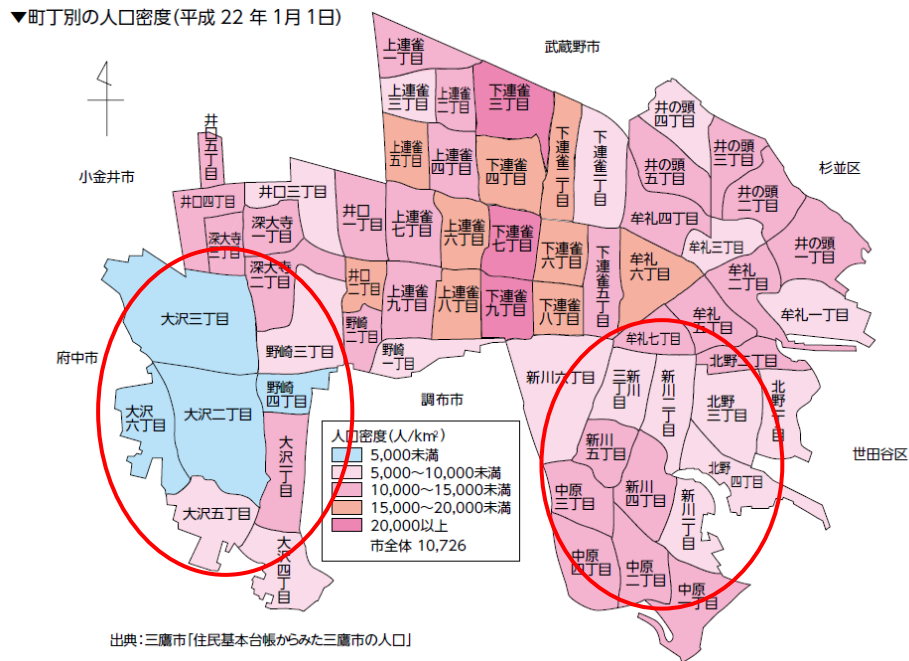


Figure 5-5: Density of population

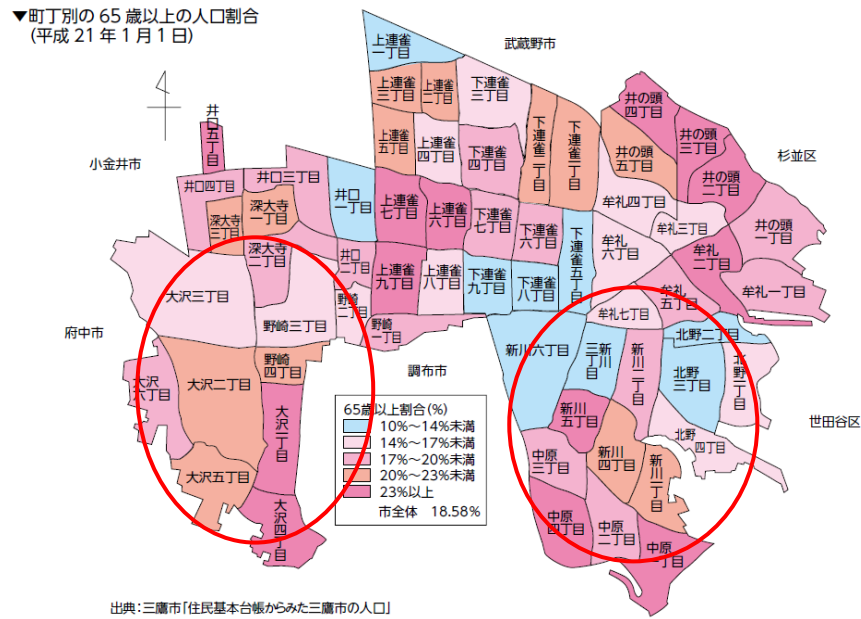


Figure 5-6: Percentage of People above the age of 65

In 1950, Mitaka became an independent city. Since then there were six mayors as in the following list (see Table 5-1). The first mayor Kenzaburo Yoshida was the mayor of Mitaka village who continued the position after Mitaka became a city. The second mayor Mansuke Wakatabe was a landlord and took the position of mayor without election because there was no rival candidate. Watanabe contributed to establishing the basic structure of the city administration, but just before the end of his term, when the plan to merge with Musashino City was turned down in the assembly with much opposition, he took responsibility and resigned.

So, the third mayor, Heizaburo Suzuki, was the first mayor who contributed to modernizing Mitaka City. There were largely two routes of modernization: the town planning and management (*machizukuri*), and the town business development and incubation (*machiokoshi*). The first route, *machizukuri*, went about improving the quality of life of the citizens and solving social issues by making various stakeholders participate and collaborate in the city planning and management. The second route, *machiokoshi*, improves the standard of living of the citizens by developing and incubating businesses. There were several major events in both routes in the eras of each of the mayors, which will be described in the following sections.

Table 5-1: List of Mayors and the major events

Name	Duration (Number of Terms*) *Note: One term is four years.	Major events	
		Town administration planning and management (Machizukuri)	Town business revitalization and incubation (Machiokoshi)
Kenzaburo Yoshida	November, 1950 – April, 1951 (Less than 1)	n/a	
Mansuke Watanabe	April, 1951 – February, 1955 (Less than 1)	Focused on constructing the infrastructures Failed to merge with Musashino city	
Heizaburo Suzuki	April, 1955 – April, 1975 (5)	100% sewage system Community Center	Factories
Sadao Sakamoto	April, 1975 – April, 1991 (4)	“Community Carte”	INS Experiment
Yojiro Yasuda	April, 1991 – April, 2003 (3)	21 Conference	SOHO incubation
Keiko Kiyohara	April, 2003 – Present (3)	Citizens’ Ordinance Citizens’ Discussion	Ubiquitous community, CB/SB

5.1. Town Administration Planning and Management (Machizukuri)

In Japanese cities, the municipal government is run by a representative democracy and the government officials lead the administration. Until recently, this was the most common system and structure in ordinary cities in Japan. However, its weak point has been widely discussed in the field of political science, as the “flaw of representation”. To compensate for the flaw, the citizens and other stakeholders have tried to be involved actively in the city planning and management. However, this active involvement happened only recently and often is superficial.

On the contrary, Mitaka city is recognized as a successful case of participation and collaborarion since its development stage soon after WWII. The third mayor,

Heizaburo Suzuki, advocated the direct involvement of the citizens in city administration, and imported the concepts of “citizenship” and “community” from Germany around the late 1960’s to early 1970’s. Suzuki’s vision has set the direction of Mitaka today.

5.1.1. Starting the citizens’ participation: Heizaburo Suzuki

Heizaburo Suzuki was a doctor of obstetrics and gynecology before WWII. During the war he was dispatched to China as an army surgeon. After WWII, he graduated from a doctoral course conducting research on poverty and public health, and became a member of the assembly of Mitaka village with the Socialist Party. In 1955, he ran in the mayoral election independent from political parties but was supported by the Socialist Party. He won the election against another candidate who was endorsed by the Liberal Democratic Party.

One of Suzuki’s distinguished achievements was the construction in 1973 of a sewage system that covers 100% of all the households in Mitaka city. Mitaka city was the first among all the cities in Japan to achieve 100% coverage²⁵. At his first election, Suzuki promised the construction of a sewage system to improve citizens’ health by

²⁵ Heizaburo Suzuki achieved three “firsts” in Japan, one of which was the 100% sewer system in 1973. Another one was the opening of a nursery for infants from birth on in 1956. He believed that “Infant training determines the whole life” and supported the women with jobs. And the third was the opening of a “Community Center” in 1974. Mitaka City Webpage. Mitaka Honorary citizen of Mitaka. Retrieved march 26, 2007 from <http://www.city.mitaka.tokyo.jp/a014/p003/t00300011.html>

improving the quality of their living environment. He said, “If the city does not have a sewage system, then such a city is a slum regardless of any cultural facilities it owns.” Being a doctor, he knew that a sewage system would prevent infectious diseases and thus contribute to improving the health of the citizens. However, there were a lot of challenges, especially in financing the cost, before he could realize his commitment.

In order to make the sewage system a reality, he had to prepare the funding. He asked Ichiro Kono, the minister of the ministry of construction at the time, for a subsidy. Kono advised Suzuki to first cut the cost of city administration and save money for the construction of a sewer, before asking for the subsidy. Suzuki then decided to focus on efficiency and managed Mitaka city like a private company. For example, he introduced seven measures to cut the cost. (1) utilize only a few A class personnel, (2) empower the frontline, (3) improve service by streamlining the administration and dispatching staff, (4) be cost sensitive, (5) outsource non-core services, (6) improve staff efficiency by time management by prohibiting smoking, turning the lights off during lunch time and prohibiting female staff to serve tea, and (7) minimize administrative expenses by flat organization, separate staff and line, and increase human resource flexibility. All of these measures may seem quite common today, especially in private firms. However, they were very rare and advanced 40 years ago for a municipal government. In addition to cutting the cost of administration, he asked citizens to bear some of the cost, stating that while the administration was

making efforts to save money, citizens should also make efforts by bearing some of the cost. This policy was then turned into a principle of “beneficiaries bear the cost,” and was acknowledged and accepted by the city staff and the citizens. With these measures, Suzuki could save and collect money for the construction of the sewage system, and in 1973 construction was completed

After Suzuki became the mayor in 1955, the population of Mitaka continued to increase rapidly. In 1956, Mure Condominium opened as the second public condominium in Japan, which was built and operated by the National Housing Corporation. Since then, many condominiums opened in the Shinkawa and Mitakadai areas, which expanded the population from 67,308 in 1955 to 124,200 in 1965, almost double in just ten years. To cope with the increasing population, various infrastructures were built at a rapid pace, such as schools, sewers, waste processing plants, roads, social welfare halls and libraries. But due to the rapid population increase, people lost connections and social ties with others, even with their neighbors. So rebuilding community in Mitaka became part of Suzuki’s agenda by the early 1970s.

In 1974, Suzuki opened the “Community Center” in Osawa area, which was again the first in Japan. In fact, he was one of the first mayors in Japan to introduce the concept of “Citizenship” and “Community” to the city administration. “Citizens” are the residents with a will and intention to improve the quality of life of the city, and “Community” is a local organization of the citizens which is run autonomously and

independently with ownership by the citizens. Suzuki was inspired by the idea of a Community Center when he visited Germany in the summer of 1970. He accompanied the youth exchange program between Japan and Germany, and he happened to visit a community center during his one-month stay²⁶. He recalled what it was like²⁷.

In West Germany, the community center was a place for residents to gather, communicate, enjoy and use. I learned it was a base for the residents. I conducted research on community in Germany. And when I came back to Japan, I did a literature search on “community”. Based on the direct experiences and literature research results, I incorporated a plan for a community center in the second midterm financial plan issued in March 1971.

The concepts of “citizenship” and “community” matched Suzuki’s progressive political policy, which included citizens’ autonomy, decentralization, and citizens’ participation. Thus he thought citizens should be assured autonomy and independence, like he witnessed in Germany. And for that, the city administration should provide a physical space as the base of citizens’ activities. Suzuki wanted the community centers to be operated by the citizens and serve the citizens’ needs and wants through the citizens’ own ideas and efforts, while the city provides the necessary budget to operate. With this, in 1972, two years before the opening of Osawa community center in 1974, Suzuki asked the citizens of the area to form a research and study group, and come up

²⁶ Now for Future. Community of Mitaka. Retrieved March 26, 2007 from http://nowforfuture.net/doc_mitaka.html

²⁷ Mitaka City Bulletin (Koho Mitaka) November 3, 1953 issue.

with concrete ideas on the facility, the areas to be covered, and the system for operation.

This research and study group later became the core of the citizens' council in Osawa²⁸.

Suzuki advocated constructing community centers for citizens' autonomous activities, and in response, citizens and city staff members shared Suzuki's vision as a goal. Citizens who were willing to participate in generating ideas for the ideal community center and city staff members who were dispatched from the city office gathered in a study group, to generate ideas for the community center by sharing knowledge among the participants. The research and study group provided an open but secure space for discussion. Citizens represented the neighborhood and community they lived in, and through the research and study activities, citizens reestablished ties beyond the existing neighborhood associations²⁹. As a result, the Community Center became a place to collect the needs and wants of the citizens and to realize them³⁰.

As the cases of the sewage system and the community center indicate, Suzuki held ideal visions of the city, and always took a rational, idealistic and pragmatic approach and measures to realize them. However, because of these characteristics, he sometimes

²⁸ See Oomoto, 2011 for the details on the development of Osawa community center.

²⁹ According to Wikipedia, neighborhood associations were originally structured by the order of central government during WWII as neighborhood support organizations. After WWII, neighborhood associations were disassembled under the order of the GHQ, but in 1952, the order was removed and neighborhood associations were organized as self-organizing associations by the will of the participating citizens (not regulated by any law). Retrieved June 15, 2011, from <http://ja.wikipedia.org/wiki/%E7%94%BA%E5%86%85%E4%BC%9A>

³⁰ For example, the Bon Festival dance is usually coordinated and facilitated by the local community center and run by the citizens' volunteers. This is an occasion to carry on the local tradition, provide recreation to both young and old, and confirm the neighborhood ties. Some of the citizens' needs and wants are reflected and satisfied.

faced conflicts, and was rejected and criticized; but he did not care. Rather than dealing with obstacles and resistances, he paid close attention to the citizens and staff members, and pursued his beliefs with broad vision and strong leadership. Suzuki talked about leadership as follows (Suzuki, 1980, p. 144).

When the mayor pursues the administration, it is necessary to have full control of the operation. (...) Leadership should be in the hands of the leader. But, the leader should not be an autocrat. The leader always needs to self-examine and reflect. To do so, the leader must study hard and should know more about the administration. The leader should listen to subordinates, and should remember that there is a “silent minority” in the citizens. The leader should listen to the voices of the “voiceless” by wandering around the city.

Heizaburo Suzuki continued his position as mayor for 5 terms (20 years) from 1955 to 1975 and contributed to the early stages of development of the city. His expertise was originally public health and thus he focused on realizing a “high quality environment and high quality health” and established basic infrastructures such as the sewage system, parks, and roads. At the same time, he introduced “management” approaches in the city administration and established a lean, efficient and effective administration system and educated staff members to act accordingly. Suzuki recommended that his staff read the books by P.F. Drucker, that he himself was influenced by. Most of all, his contribution was in establishing the basic concepts of “Citizenship” and “Community” and sharing his high regard for them with the citizens and the city staff members, as was demonstrated by the construction of Community

Centers. With his management style and leadership, Suzuki is said to have cultivated and planted the seeds of the citizens' participation (Oomoto, 2009). How to foster its growth was put in the hands of his successors.

5.1.2. Continuing the citizens' participation: Sadao Sakamoto

In 1975, Sadao Sakamoto was elected as mayor to succeed the retired Suzuki. Unlike Suzuki, who was a doctor and visionary and enlightening leader, Sakamoto was a hands-on worker. Before he was elected as a member of the Mitaka City assembly, he represented the Japan prefectural and municipal workers' union.

When Sakamoto took over from Suzuki in 1975, Mitaka was facing financial problems. There were largely two issues; the short term and the long term. The short term issue was the declining tax income due to factories moving out of Mitaka city. Before WWII, Mitaka was a town with munitions factories, especially for fighter airplanes. However, after WWII, as more people moved into Mitaka and became residents, friction increased between the residents and the factory owners because of noise, pollution, and so forth. Factory owners did not like to deal with the trouble, and they started to move out of Mitaka around 1975. As a consequence, the main source of Mitaka's tax income started to shift from businesses to residents.

The long term issue was the declining tax income in the future due to an aging population and decreasing birthrate, a common issue in many cities in Japan. In the

case of Mitaka city, residents who moved to Mitaka after WWII owned their homes. Because of that, it was easy to project that the tax income from the residents in the future would decline with an increase in older residents and fewer children.

For both the short term and long term issues, the underlying problem contributing to declining tax income was limited land space. In Mitaka, 90% of its land was designated as residential area and only 5% each was designated for commercial and manufacturing. Thus, Mitaka could not invite a manufacturing plant or a large corporation, which could be a source of tax income. Accordingly, Mitaka's income had to rely mostly on residential tax. However, this income was projected to either flatten or decrease due to the aging population and lower birthrate. To tackle this issue, Sakamoto decided on two measures. One was to adopt a "city plan" to prioritize the policies and measures to best utilize the limited financial resources, and the other was to consider measures to increase the tax income³¹.

By the late 1970's, the population of Mitaka stabilized at around 160,000 and the lifestyles of the residents changed; the quality of life had improved and people spent more time on leisure and cultural activities. Accordingly, citizens' expectations of the city also changed from a hard to a soft orientation: from constructing infrastructures to conducting activities and receiving services³². To satisfy the expectations of the citizens, Sakamoto acknowledged the dialogue with the citizens as most important in

³¹ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. pp.485-486

³² History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. pp.485-486

prioritizing the policies and measures. Sakamoto believed that direct dialogue would enable him and his staff to learn the most from the citizens' voices and act based on them. Sakamoto said (Sakamoto, 1995, p. 247):

...people expect me to reform the city administration, which is to return the policy making and planning to the hands of citizens. Needless to say, citizens should decide what policy and services they expect from the city, and thus citizens should take part in all the [decision-making] occasions. I want to make Mitaka City a place where citizens create, which means a city planned by the community.

Sakamoto considered Community Centers to play a fundamental role in listening directly to the voices of the citizens for policy making and city planning. He continued the construction of Community Centers planned by the former mayor Suzuki³³. The first Community Center was opened in 1974 in Osawa when Suzuki was still the mayor. The second opened in Mure in 1978, and it took 13 years to open the seventh and the last Community Center in Inokashira in 1987 (see Figure 5-7 for the locations of Community Centers).

Like Suzuki, Sakamoto also held the progressive political policies of citizens' autonomy, decentralization, and citizens' participation. Thus Sakamoto considered community centers to play a fundamental role in citizens' autonomy and participation. He regarded the community centers to be places to listen directly to the voices of the citizens for policy making and city planning. Sakamoto followed the case of Osawa; he

³³ In Mitaka, Community Centers use the English term, usually shortened to "commucen." and not the Japanese "kouminkan".

asked the citizens of the area to form a research and study group, and come up with concrete ideas on the facility, the areas to be covered, and the system to operate. Citizens with commitment and passion gathered, both from the existing neighborhood associations and from the general citizens. However, each research and study group reflected their own context; for example, the ratio of involved neighborhood associations differed³⁴. Then the “Community Carte” was introduced as an activity for city planning; citizens voluntarily participated in the diagnosis of the neighborhood, and proposed their ideas on improvement to Mitaka city.

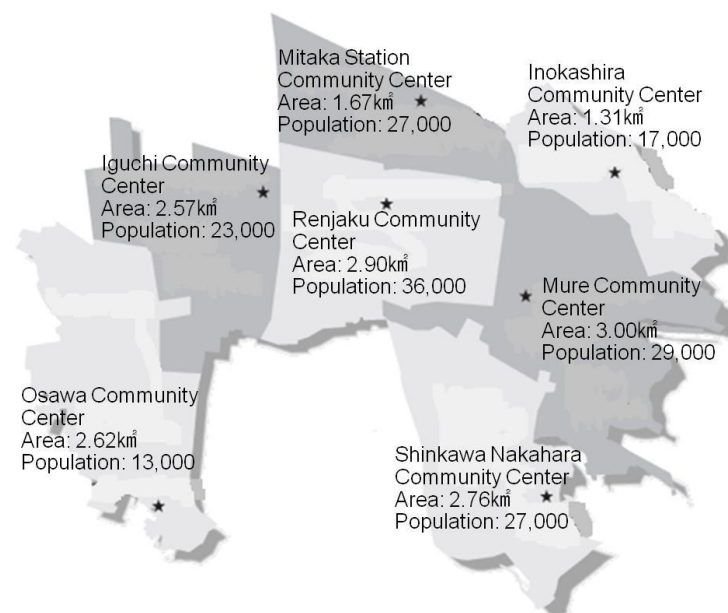


Figure 5-7: Location, area and population of each Community Center

Source: Mitaka City

Community Centers are operated by the citizens with an annual budget of 5 million yen from Mitaka city. The policy set by the Mitaka city administration was,

³⁴ See Ootomo, 2011 for the details of the development of community centers.

“We offer the budget and never intrude.” So the operation and the management of the Community Centers were all up to the citizens. To hire people, to plan the activities and to manage the facility, to name a few, were the responsibility of the citizens who took positions in the management of the Community Centers. Mitaka city only sent one liaison per Community Center as a staff member to assist the operations and management and to maintain a network with the Community Centers. The philosophy behind the autonomy of the Community Centers was that community is for the citizens, and therefore Community Centers should be by the citizens; Community Centers should not become a subcontract or a liaison office of the Mitaka city government (Oomoto, 2010).

“Community Carte” was the first major activity the Community Centers conducted for city planning. Community Centers asked citizens to participate in diagnosing roads, traffic, welfare, culture, and environment and to identify the characteristics of an ideal town to make Mitaka “a place to live for a lifetime.” The first community carte was conducted between 1979 and 1981, the second in 1984, and the third in 1989. The results were proposed to Mitaka city and were adopted in the city’s second ground plan.

Sakamoto continued to promote community centers for citizens’ autonomy and participation and conducted community carte as an actual program to make a plan and proposition to the city. At the Community Carte, citizens from the neighborhood with a

commitment to the activity diagnosed, exchanged ideas and discussed the ideal community and neighborhood. Study groups, Community Centers, and Community Carte promoted open dialogue between the citizens. Citizens represented the neighborhood and community in which they lived, but tried to transcend the existing neighborhood association. As a result, Community Carte led citizens to recognize that they can improve their quality of life by participating, while city staff members were able to recognize that their job is to improve the administrative services “in the shoes of the citizens” (Ootomo, 2011).

Sakamoto held the mayoral position until 1991. In his era, direct dialogue with the citizens and citizens’ participation became the norm of Mitaka city. However, because of that, lots of discussion and coordination was needed before Sakamoto could make any decision³⁵. Gradually, frustrations, anxieties, and the sense of crisis increased, especially among the young and eager staff members, which resulted in grassroots activities by the young city staff members.

In 1988, young and eager Mitaka city staff members gathered and established a self-organized study group called “trans-urbanization research association” (Chotoshika kenkyu kai, or Chotoken in short). In the same year, “Mitaka town management research association” (Mitaka machidukuri kenkyujo, Machiken in short) was formed officially as the collaborative research project of Mitaka city and

³⁵ Oomoto, 2011, p.628

International Christian University (ICU). Active city staff members joined in both associations and took advantage of both the informal and formal settings of the organizations. Yojiro Yasuda, the deputy mayor at the time who later took over from Sakamoto, supported both the official and the unofficial activities.

Chotoken was founded by a few middle managers of the city administration in their late twenties and early thirties, who won an award in an article contest conducted by Asahi Shimbun on town management in 1988. The article, “Laputa: Floating capital city in the sky”³⁶ presented an idea of a capital city in a big floating ship offering legislation and administration by moving around the sky. The city’s representative was Takashi Kawamura, who is now the vice mayor (same as a deputy mayor) of Mitaka city. Kawamura and three co-authors founded Chotoken with the prize money of one million yen. Of 700 staff members in the Mitaka City administration at the time, a maximum of 120 registered to join. In addition, staff from nearby cities, researchers from nearby universities, business people and citizens in Mitaka also joined Chotoken. At the maximum, there were 300 registered members. Chotoken consisted of subcommittees which were organized by the topics of interest, such as manufacturing, agriculture, businesses, etc. In general, a self-organized study group by city staff members is rare. Often pressure would be put upon them and they would become isolated or suspended, or suspected for leaking information.

³⁶ They took the image from an animation movie “Laputa: The Castle in the Sky” by Studio Ghibli in 1986.

However, the deputy mayor Yasuda encouraged and supported the study groups, and officially supported their activities by establishing Machiken³⁷.

The goal of Chotoken was “innovation,” to transform the citizens’ participation. By the early 1980’s, the citizens’ dialogue became a stabilized routine and the citizens who participated in the dialogue were fixed. The policy and plans were prepared by the city administration and citizens were asked to evaluate and express opinions, but the process became superficial. To transform and to innovate the citizens’ participation method, Chotoken invited professors from various universities to learn about regional business development and local government, and to discuss how the local administration and community should be. The first lecturer was Keiko Kiyohara, a novice academic researcher on information technology at the time. She would become the mayor of Mitaka city later in 2003. One of the side products of Chotoken was the “human network” which still exists today. Kawamura said:

It does not matter whether someone is opposing or supporting your opinion. Because many people know each other, even if they are against each other on one issue, they do not exclude the others but say, “Let’s get some drinks and think it over again.” People take time to listen to each other and change together to achieve the same goal. Empathy and trust that lies at the bottom are the key success factors of “collaboration” in Mitaka.³⁸

Unlike Heizaburo Suzuki, who was a visionary paternal leader from a wealthy family in Mitaka, Sakamoto was a hands-on worker from the countryside who went

³⁷ Thus, Chotoken and Machiken are often referred to interchangeably.

³⁸ Group interview with Takashi Kawamura and other city staff on February 6, 2007.

through hardships together with the workers³⁹. Sakamoto emphasized citizens' participation in the city administration through face to face dialogue and communication. Thus it was natural for Sakamoto to follow Suzuki's policy on community which Suzuki introduced in his last term. As a result, the culture and the tradition to participate was established in policy making for the community. However, because Sakamoto was not a decisive leader and emphasized consensus building through dialogue and communication, the speed of decision making slowed down. There were always some conflicts between the progressive party and the conservative party which affected Sakamoto's decision making (Oomoto, 2010). It was up to his successor to balance the speed of decision making and the time spent on communication.

5.1.3. From participation to collaboration: Yojiro Yasuda

In 1991, Yojiro Yasuda was elected mayor and succeeded the retired Sakamoto. Yasuda was a staff member of Mitaka city, and was a vice mayor when he stood for election. He had spent his early career under Suzuki, and was greatly influenced by Suzuki's leadership and learned from his management. Lessons learnt from Suzuki had led Yasuda to support Chotoken activities and to empower the members. When Yasuda became the mayor, he ordered Chotoken members, "If you propose something,

³⁹ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.483

you should do it yourself,” and empowered them to lead their own proposals. Because the members were empowered to do what they proposed, they became highly motivated to work hard and to realize their proposals. Members reflected on what they learned and discussed in study groups. When they faced obstacles or hurdles, they sought solutions with the members of Chotoken. As a result of their hard work, largely two outcomes of Chotoken were realized: one was to promote the citizens’ collaboration in city planning, and the other was to develop and incubate small-office, home-office (SOHO) type of businesses (Chotoshika Mondai Kenkyukai, 1993; Chotoshika Mondai Kenkyukai, 1998)⁴⁰.

As for city planning, Mitaka city and the two mayors, Suzuki and Sakamoto, conducted public hearings and direct communication with the citizens to involve citizens as much as they could. However, citizens could only make minor contributions, as the citizens’ city plan itself was prepared by the city staff members and there was no guarantee that opinions from the citizens would be reflected in the plans. Yasuda and the Chotoken members were aware of these limitations, and sought for ways to increase the involvement of the citizens. Yasuda said, “Citizens know better than us. We need to go to the citizens and ask for their knowledge and participation. We, the city administration, should help citizens’ activities.” His policy was to go one step further from “citizens participating in the city planning” to “citizens and city

⁴⁰ The activities of Chotoken stopped around 1998, because the members from city administration became busy with their jobs to realize proposals.

administration collaborating in the city planning.” With this direction, in 1992, a second ground plan was established, and revisions were made in 1994 and 1996. The city administration prepared these plans, but tried as much as possible to reflect the opinions and requests from the citizens by holding open hearings.

In 1996, Yasuda and the staff members introduced a new way of collaborating with the citizens, that is, through workshops⁴¹. A workshop is a problem solving discussion group consisting of citizens who responded to the public invitation by Mitaka city. First, Mitaka city presented some issues on town management and publicly asked citizens to participate in solving the issues. Then, the citizens who were interested in solving the issues applied to participate. Then Mitaka city selected citizens if their application met the criteria, and invited them to form a group. Citizens held meetings several times and discussed with each other to solve the problem.

The issue of the first workshop was on reviving a small park called Tenohira kouen (meaning a palm-size park in Japanese), which started in 1996. 25 citizens were selected and held five meetings to discuss and generate ideas on how to revive the park. Participating citizens conducted brainstorming on an ideal park, discussed and designed the park, even created a mock up, and then discussed further. Then the final proposal was put together by the participants, and presented to Mitaka city. Mitaka city then considered the plan, approved it, and executed it. At the time of

⁴¹ Mitaka city website, retrieved June 15, 2011, from <http://www.mitaka.ne.jp/ws/index.html>

reconstructing the park, participants of the workshop also joined and planted the flowers and the trees.

Through such workshops, involved citizens learned how to participate proactively and constructively. The participating citizens felt much more satisfied than those citizens who participated only in public hearings. In a public hearing, the citizens were simply asked to give opinions on the plans prepared by the city. On the contrary, at the workshops, the citizens could propose their ideas and actually see their idea actualized. The sense of ownership and commitment emerged and resulted in the sense of achievement and contribution. For many of the participants, the workshop was an eye-opening experience⁴².

Based on the outcomes of the workshops, in 1998, Machiken came up with a new method of citizens' participation for planning the city's third ground plan. On December 25, 1998, members of the Machiken made a proposal to the city mayor Yasuda. The proposal was to invite citizens to prepare the draft of the third ground plan from scratch. Yasuda gratefully accepted the proposal⁴³, and ordered his staff members to put the proposal into action. The project was named the "Mitaka Citizens Plan 21 Conference (in short, 21 Conference)."

There were two phases of 21 Conference: (1) preparation of the conference by the

⁴² Interview with Kenichi Kawase, September 9, 2010.

⁴³ Because the proposal was made on December 25, some call the proposal "a Christmas present," according to the Mitaka City history.

preparation committee, and (2) the actual 21 Conference run by the operation committee. The first phase was to determine the setup of the actual conference. Because the objective was to involve citizens “from scratch,” city staff members did not prepare anything, even on how the conference should be formed and operated. This meant that it was all up to the citizens to decide how to prepare and operate the conference. To prepare the conference, a preparation committee was formed by the citizens who had past experiences in working together with the city administration and in participating in the workshops. 58 citizens gathered for a six-month period, trained themselves to become the “citizen coordinators” and discussed what the operation and the contents of the 21 Conference should be. Tatsuuruko Shoman, a citizen coordinator and a secretary general of the operation committee of the 21 Conference, recalled⁴⁴:

At the very first preparation committee, I was surprised to find that the city administration literally did not prepare anything. So, we had to discuss what we should do and who should do what. As we discussed for about an hour, we gradually shared a sense of who seemed to be good at what. So we made a to-do list and formed groups and assigned each group and each member the tasks. I became the leader to form the rules. We literally had nothing to start with, and moreover, people of Mitaka like to be first and never the follower. So, we had to search in our own material and in our human networks for what seemed useful, and created the model by ourselves from scratch. For example, we decided to invite not only the residents but people who work and who act here in Mitaka, and as a result, various people attended the 21 Conference.

⁴⁴ Interview with Tatsuuruko Shoman, December 7, 2010

The second phase was the 21 Conference itself. The 21 Conference officially kicked off on October 1999 for a period of 2 years. A total of 375 people attended in a total of 10 subcommittees; 5 subcommittees on different themes such as citizens' participation, environment and welfare, and 5 subcommittees on common themes such as human rights and local government operation⁴⁵. There were three joint representatives including Keiko Kiyohara and Hitoshi Miyakawa⁴⁶ and they organized the committees in a flat network. Kiyohara illustrated the organization of the 21 Conference as in Figure 5-8. The illustration shows many interactions which are represented by the arrows; which illustrates that all the subcommittees not only focused on their themes, but also related with each other and contributed to the whole plan.

⁴⁵ Mitaka Citizens Plan 21 Conference Website. Retrieved June 15, 2011, from <http://www.city.mitaka.tokyo.jp/a014/p001/d00100009104.html>, retrieved March 26, 2007

⁴⁶ One other representative passed away (Kiyohara, 2001: 25)

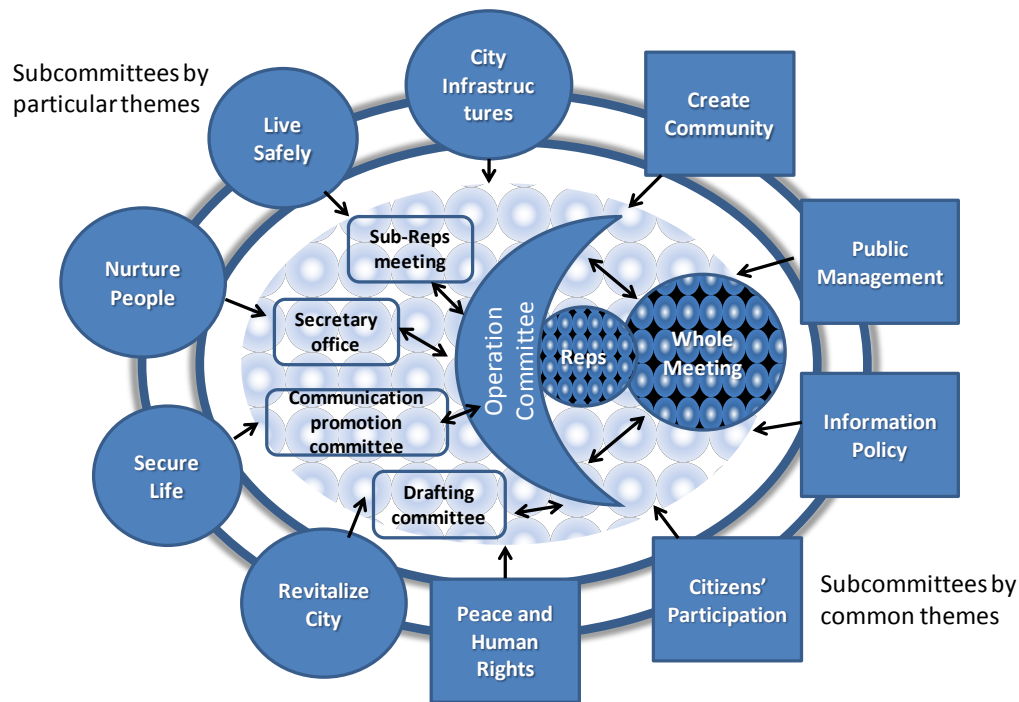


Figure 5-8: Organization of Mitaka Citizens' Plan 21 Conference

Translated from Kiyohara, 2001, P.25

The operation committee managed the operation of the 21 Conference as a whole; subcommittees, the steering committee, the whole meeting, and the drafting committee shared the workload. When Tatsuruko Shoman led the operation committee as the secretary general, she was surprised how the city administration trusted one mere citizen⁴⁷. One day, she was given 800,000 yen from the city administration to cover the cost of operations. Their attitude was, “We offer the budget and never intrude” and it was up to Shoman and her staff to manage the money. To meet the expectation and trust of the city staff members, she put great attention into managing and controlling the expenditures.

⁴⁷ Group interview on February 15, 2007.

It was this kind of trust and freedom that the city administration had given to the participants. However, this did not mean that the city administration did nothing. To assist the participants who knew little about the administration of the city, city staff members prepared a glossary and basic data books that explained the structure, function, and system of the city administration with the quantitative data. Participants found the books useful as they helped identify the issues faced by the city.

One of the other actions which the city staff members took was to set the due date. However, the city staff members did not manage the progress; it was up to the citizens to manage themselves. Because of that, when the deadline was approaching, participants felt that they must do their best to conclude and finish the discussion. Participants got together at the city hall after work around 7:00pm and discussed until midnight, and continued their discussion over drinks.

As a result of the commitment and the hard work of the participants, on October 28, 2000, almost one year after it had started, the 21 Conference presented a proposal called “Mitaka Citizens’ Plan 21” to the mayor, Yasuda. To respond to this proposal, the Mitaka city administration presented the “first draft (new ground plan)” and “second draft (draft of the third ground plan)” to the citizens. The 21 Conference then conducted further discussions and presented their opinion on the drafts to the city four times. As a result, the draft plan was finalized at the end of May 2001, and presented to the assembly in June. A special committee of the assembly evaluated the plan and

14 points were corrected. And finally, the plan was approved by the assembly on September 28, 2001. The third ground plan was settled on November 28, 2001 with a few final adjustments by the city administration. According to the terms stated in the partnership agreement, the 21 Conference terminated on November 30, 2001, with the 20th and final entire committee⁴⁸. During the two years of operation, 375 citizens participated, and they held committee meetings 775 times in 784 days.

It was not an easy task to coordinate 375 people with different backgrounds, different interests, different values, and different agenda. Operating the 21 Conference was a very tough job; it involved coordinating the participants in the same direction, having them follow the rules, and finally consolidating the various ideas and opinions into one proposal. It was the citizens' coordinators who facilitated this operation. At the preparation phase, the preparation committee took time and effort to train the citizens' coordinator and to simulate the actual operation. Hitoshi Miyakawa, one of the members of the preparation committee who later became one of the representatives of the 21 Conference, said that the 21 Conference was possible because the preparation was quite detailed and well thought out. Miyakawa said⁴⁹:

It was not just about creating content. Everyone thought hard about "What is the meaning of creating plans by citizens' participation?" If opinions come from citizens individually, they are useless. We need to organize to make them useful. So we discussed the rules, procedures, and all other issues, among 58 people who

⁴⁸ Mitaka Citizens Plan 21 Conference Website. Retrieved June 15, 2011, from <http://www.city.mitaka.tokyo.jp/a014/p001/t00100009.html>, retrieved March 26, 2007

⁴⁹ Group interview on February 15, 2007.

participated in the preparation committee. In addition, we offered training to 58 people to become the citizens' coordinators. We planned and did it by ourselves. We also conducted panel discussions with the people who were experienced in the citizens' activities or knowledgeable in academic fields. We also did some workshops and studied card-making methods⁵⁰ and simulated the actual operation. Partnership agreement came out of such studies and discussions, and we considered over and over again the contents of the agreement.

In addition to the facilitation by the citizens' coordinators, participants themselves were capable of managing themselves. Yoshiyuki Morishige was a business person in charge of marketing in a global company, who participated in the 21 Conference thinking that his experience would be beneficial. He led a group of 20 members in a subcommittee on a citizens' autonomy ordinance. The subcommittee decided on local rules, and utilized a mailing list for exchanging information and ideas (which was still a rare case in 1999). Morishige recalled⁵¹:

Participants in the subcommittee included not only business people like me, but university professors, and much resembled a top management meeting. We made a rule to discuss and decide at the meeting and take action quickly. We took part in the discussion free from our daily work and responsibilities, focusing only on the common good of Mitaka city. As a result, we could come up with a draft of a municipal ordinance to promote citizens' autonomy,, which was the first of its kind in Japan.

On top of the self-facilitation and self-management, Kenichi Kawase, a citizens' coordinator and a participant of the 21 Conference, pointed out that there was a kind

⁵⁰ The card-making method is a method to brainstorm and create concepts, similar to the grounded theory or the KJ method established by Jiro Kawakita, professor emeritus of Tokyo University, whose major is in cultural anthropology. He has been promoting democracy, and believes the KJ method is one way to create new knowledge.

⁵¹ Interview with Yoshiyuki Morishige, November 12, 2010

of shared feeling and emotion that connected and tied the participants⁵²:

There is something about citizens' participation. This "something" fuels up the activities. It is like some kind of hormone. We Japanese basically live by "we". Once we mix this "we" and the hormone with drinks and sweat and tears, then we get the feeling of fun and coziness.

Keiko Kiyohara, one of the representatives of the 21 Conference, summarized the the characteristics of 21 Conference in one of her articles. She said that there were three characteristics (Kiyohara, 2001); "to operate a flat organization," "coordinate citizens by the citizens," and "partner with the administration":

To operate a flat organization, a leader should not be at the top of the pyramid leading by the power of information, but should inspire the front line citizens with a lot of information and solicit their opinions freely and actively; utilizing everyone's unique and maybe hidden capability was meaningful.... To coordinate citizens by the citizens, we needed to understand the importance of transcending our own standpoint to understand the difference between us for understanding each other.... And, to partner with the administration, we needed to respect the knowledge and capabilities of the staff members and not disturb their daily work too much.... During the process of the 21 Conference, I recognized that for citizens to participate and collaborate, we needed to have the understanding from the family members and the workplace, respect for each other, and to accept our differences in order to understand each other.

The mayor Yasuda commented on his ideal of citizens' participation and the role of city administration in an interview for the "Mitaka Citizens Plan 21 Conference Activity Results" which was issued in November 11 2001⁵³:

⁵² Group interview on February 15, 2007.

⁵³ Activity results of Mitaka Citizens Plan 21 Conference (Shimin Plan 21 Kaigi Katsudou Houkokusho). November 30, 2001., Mitaka Shimin Plan 21 Kaigi

My ideal town management was in Westminster. There, the town management starts from several citizens who present the necessity of town management to other residents. Then the citizens who agree with the idea gather to consider the plan, and through discussions and agreements between the various viewpoints, the plan will become more concrete. Then the citizens propose the plan to the administration, and actively advocate it. Then the administration takes part in the planning of town management from the administrative viewpoint. There, town management is led by the initiatives of the citizens. To improve the quality of citizens' participation, the city administration should not move until citizens propose..., it may be that much patience and readiness is required on the administration's side.

When Yasuda decided to implement the proposal to involve citizens in city planning from scratch, he had one issue that he wished to solve. Yasuda wished to transcend the conflict between progressive and conservative parties, which was an obstacle for Sakamoto. Because of that, Yasuda always focused on the individual citizens, who were free of local relations or blood relations, and had their own thoughts and desires about the community or the city (Oomoto, 2010). Yasuda listened to the voices of the citizens as much as possible. However, once he made a decision, he would not change his mind⁵⁴. He empowered young staff in their 30's and 40's and utilized their capabilities, overriding the seniority system. Yasuda said that the role of the municipal government and administration is to balance the everyday work at the frontline with the vision, the reality and the dream of the city; the general and the particular must be integrated under a philosophy of how a city should be (Oomoto,

Jimukyoku

⁵⁴ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.283.

2009; Oomoto, 2010). Without a philosophy, there is no administration, just a day-to-day patchwork (Oomoto, 2009; Oomoto 2010).

To summarize, Yasuda involved citizens in city planning to improve the citizens' quality of life, and citizens discussed and came up with the best ideas for the third city plan. Workshops and the 21 Conference were run by the citizens' good common sense and autonomy and the city "offered the budget but never intruded." Citizens and other stakeholders represented Mitaka as a whole and not their own agenda. With all the sweat and tears, citizens and other stakeholders are tied together through the study groups, workshops, and the 21 Conferences. With passion, commitment, and mutual trust and respect, workshops and the 21 conference enabled citizens to overcome personal interests and collaborate for the benefit of Mitaka. Although many citizens and other stakeholders of the city requested Yasuda to continue for the fourth term, Yasuda retired to make a room for the young and eager to become the next generation's leaders. It was up to his successor to realize the proposals made by the 21 Conference.

5.1.4. Enhancing the collaboration: Keiko Kiyohara

In 2003, Keiko Kiyohara, one of the joint representatives of the 21 Conference, was elected mayor to succeed the retired Yasuda. Because she was the representative of the 21 Conference, she was the one who handed the final proposal from the 21 Conference to Yasuda, but she herself became the one to realize the third ground plan.

When Yasuda retired, he announced that Kiyohara would continue his policy. However, this was a surprise to many, including Kiyohara herself, because she was an academic. Kiyohara was a Mitaka citizen since childhood and later became a scholar in information policy. Because of her expertise and her experience, she was invited to Chotoken and Machiken and participated in the 21 Conference and voted as a representative. When she participated in the 21 Conference, she was the Dean of School of Media Science at Tokyo University of Technology, and had been focusing on the impact of IT and multimedia on the daily lives of the citizens. She resigned the position and stood for the election to realize the proposal presented by the 21 Conference⁵⁵.

At the time of her election campaign, Kiyohara presented a manifesto⁵⁶ and clearly declared that her main focus was to realize the third ground plan. However, she also stressed that she would focus on the areas which the former mayors emphasized: improving healthcare and environment, developing human resources, nurturing community and collaboration, and improving the quality of life. As a consequence, she was able to gather support from a wide range of citizens.

Her policies consisted of six main topics. There were largely four topics from the third ground plan: universal design, child care and nursing, collaboration with citizens,

⁵⁵ It is quite a rare case for a scholar to become a city mayor in Japan.

⁵⁶ A manifesto is an election platform (party platform) that lists the actions which the politician presents to the voters at the time of election. A manifesto is regarded to be idealistic and general compared to the election promises.

and the use of IT. Kiyohara added two more: security and safety, and caring for the elderly (Kiyohara, 2007). She rearranged the contents and the order to match her political agenda⁵⁷. In addition, because her expertise was in ICT (Information and Communication Technology), she utilized ICT as a tool as much as possible and aimed at turning Mitaka into a “ubiquitous community.”

In the area of collaboration with citizens, she pursued the enacting of the Basic Ordinance for Autonomy of Mitaka City in 2006, which was included in the 21 Conference proposal and was reflected in the third grand plan. However, it took almost five years to enact after the proposal made by the 21 Conference. In 2002, a second subcommittee was founded under Machiken and drafted the texts of the ordinance. Members of the second subcommittee consisted of academic, city staff members, the citizens who participated in the 21 Conference, as well as those who newly joined through public advertisement from Mitaka city. In a total of six years, it took about two years to draft the text, one year to finalize the text, and almost two years for approval by the citizens and the assembly. The ordinance was finally completed and came to be effective in April 2006. This ordinance was aimed to provide Mitaka citizens the foundation for collaboration; it stated that any mayor must collaborate with the citizens under this ordinance, regardless of the ideologies, policies or the principles.

⁵⁷ Keiko Kiyohara Web page. Retrieved on June 15, 2011, from <http://www.kiyohara-keiko.org/index0.html>

Eisuke Uchinaka, who was a journalist and participated in the 21 Conference on the subcommittee on the citizens' autonomy ordinance, recalled⁵⁸:

The issue of citizens' autonomy and ordinance was that it was difficult to understand for some people. Because of that, it was about to be deleted from the proposal of the 21 Conference. But we insisted that this was important to sustain the tradition of citizens' collaboration. With the ordinance, citizens will be guaranteed autonomy regardless of the policy of the mayor or the assembly. We are glad that the ordinance is effective now, but we think it needs to be improved. We are continuing our study for a new proposal.

Kiyohara introduced a management approach to Mitaka city similar to Suzuki's, almost a half century ago. She cut the cost of administration by focusing on efficiency, and focused on the quality of services to increase the citizens' satisfaction. One example was that she introduced the method of management by objectives to the city administration. She asked the divisional managers to set annual objectives and to present the activity plans to Kiyohara, and Kiyohara evaluated them by the percentage of achievement. She evaluated herself in a similar way; she presented her action plans and evaluated her achievements at the end of her terms⁵⁹. She also took evaluation from outside seriously, such as from the media and research institutes. For example, Mitaka has ranked at the top by the by-annual administrative innovation

⁵⁸ Interview with Eisuke Uchinaka, December 6, 2010.

⁵⁹ Keiko Kiyohara webpage. Retrieved on June 15, 2011, from <http://www.kiyohara-keiko.org/index0.html>

and services survey conducted by Nikkei Inc. for three consecutive terms in years 2004, 2006 and 2008⁶⁰.

She continued to seek to improve the method of citizens' participation and collaboration after the 21 Conference. This was because the method was too much of a burden to both the city administration and the citizens in terms of time and effort, even though the method and the outcomes of the 21 Conference were highly evaluated by the Mitaka citizens and other municipalities. Moreover, the method was not easy for other cities to imitate and bring to a successful result⁶¹. Even those who participated in the 21 Conference pointed out that "it can never happen again⁶²."

In addition to the issue of replication, another issue pointed to by the 21 Conference was the issue of the silent majority- how to collect the opinions of those citizens who never participated in city planning before. The committee members, including Kiyohara, realized there was a need to involve more citizens⁶³. It was assumed that many of the citizens did not participate or collaborate because they did not have an opportunity, or did not know about the opportunity. So Kiyohara and her

⁶⁰ Survey conducted in 783 cities and 23 wards in Tokyo. Survey asks about the degree of innovation and services in terms of transparency, efficiency, activeness, participation and convenience. Nikkei Global web page. Retrieved on June 15, 2011, from <http://www.nikkei.co.jp/rim/glweb/backno/no113.htm>

⁶¹ Interview with Toshio Tsuji of NPO Machi-Pot, on December XX, 2010

⁶² Interviews conducted during October to December, 2010.

⁶³ Keizai Doyukai. (2007). Kiso Jichitai no Keiei Kaikaku [The revolution of management in the basic municipalities]. P.51.

staff members sought for new ways of citizens' collaboration, and one possibility was identified; it was a deliberative method called *Planungszelle*.

Planungszelle, or planning cells in English, is one of the deliberative methods of citizens' participation (Dienel, 1989; Dienel, 1999; Shinoto, 2006; Shinoto, Yoshida, Kobari, 2009). Since the 1990s, local governments in democratic countries gained attention in using the deliberative method of citizens' participation with public management (Crosby, 1986; Brown, 2006)⁶⁴. There were two major reasons; people became increasingly aware of the limitations of the existing representative system and gained distrust of the rational and scientific approaches; and local governments came to understand the importance of consensus making and mutual understanding with the residents to pursue their administrative measures. The situation was no different in Mitaka.

The *Planungszelle* method was developed by the late Professor Peter C. Dienel of Wuppertal University in Germany in the 1970's, in order to reflect the voices of citizens as much and as directly as possible to city planning (Dienel, 1989, Dienel, 1999; Dienel & Renn, 1995; Flynn, 2009; Garbe, 1986, Renn, 1999). Since 1970s, *Planungszelle* has been conducted more than 150 times in more than 40 locations throughout Germany⁶⁵.

The issues discussed have varied from city planning, traffic and energy, environment,

⁶⁴ The deliberative method of citizens' participation is a subject of discussion at the New Public Commons initiative by the Hatoyama and Kan cabinets (Cabinet Office, Government of Japan webpage. Retrieved on June 15, 2011, from <http://www5.cao.go.jp/npc/index-e/index-e.html>).

⁶⁵ According to NPO Citizens' Discussion Promotion Network, April 2011

labor and leisure, and immigration, which involve various organizations of the local governments (Flynn, 2009; Shinoto, 2006). The method had proved its effectiveness empirically by the fact that both the municipal governments and the citizens were satisfied with the outcome of discussions and how it was reflected in the actual administration (Dienel, 1999).

The Planungszone method was first introduced to Japan by Tokyo University Professor Hajime Shinohara in his book “Citizens Participation” (1977) and later in “Politics of the citizens: What is deliberative democracy (2004).” In these books Shinohara expressed the importance of citizens’ participation and introduced several methods of deliberative democracy, and the Planungszone was one of them (Shinohara, 2004). Shinohara said:

In the long-run, Planungszone has a side effect of establishing a sense of trust and social capital among the citizens. It is truly a different method of pursuing democracy by participation. What is good about Planungszone is it is conducted in the local community, and can give meaning to the citizens who also belong to the larger society (Shinohara, 2004, p. 176).

Then the method was put into practice by the Tokyo JC (Junior Chamber) in the mid-2000s. Two members of the Tokyo JC, Yoichi Asanuma and Kenichi Kobari, happened to read Shinohara’s book and were impressed with the quoted comments. They decided that they would introduce this method in Japan as part of their town management projects. However, they did not know the detailed procedures. So the

members went to Professor Akinori Shinoto of Beppu University who learned the method from Dienal and had experienced the actual Plannungszelle in Germany. By learning from Shinoto, the Tokyo JC experimented with a trial of Plannungszelle in 2004 in the Chiyoda ward.

At the trial, some members of the Mitaka committee of Tokyo JC (Mitaka JC)⁶⁶ attended and observed. They recognized that Plannungszelle could be an alternative to the citizens' participation method in Mitaka. They met with Kiyohara in 2004 and proposed that Plannungszelle may be a new method of citizens' participation. After listening to their proposals, in 2005, Kiyohara decided that she would also experiment with the method in Mitaka in 2006.

The project was named "Mitaka Machizukuri Discussion" (machidis in short) and the method was generally called "citizens' discussion." An operation committee was formed to plan and prepare for machidis. To form the operation committee, Mitaka city and Mitaka JC signed a partnership agreement. The operation committee consisted of a total of 22 members: 12 members from Tokyo JC and Mitaka JC, 6 members from citizen activists, and 4 members from Mitaka city. Sumio Yoshida, the chair of Mitaka JC at the time, was elected as the representative of the operation committee.

The main task of the operation committee was to modify the original Plannungszelle structure and process to fit to the Mitaka city context (refer to Appendix

⁶⁶ Mitaka JC had been closely involved in Chotoken and some members participated in the 21 Conference.

2 for the details of the method). The issue was to identify and to agree on which characteristics to keep and which to change. After heated discussions among the committee members and a series of simulations, the committee decided on new characteristics, which they called the “Mitaka Method.” The characteristics of the Mitaka Method consist of both similar and different points from the original Planungszelle in Germany. Similarities are five points; 1) randomly selected citizens participate in the discussion; 2) information will be provided by experts and concerned organizations; 3) five-person groups are formed and members rotate every session; 4) two moderators facilitate the program; 5) proposals and ideas will be summarized in a report and will be presented to the issue owner. The differences are four points; 1) program will be planned and operated by the operation committee which is endorsed by the local government and the citizens; 2) duration is two days; 3) total number of participants is determined case by case; 4) Card making method will be utilized at the session. The Mitaka Method is still not yet fixed and under trial and error, but became an exemplar for citizens’ discussions held in other cities in Japan.

In addition to these characteristics, there were multiple operational issues; for example, what theme and topic to be discussed; how to inform the citizens about machidis; how many invitations should be sent and how; how many citizens should be accepted to participate; how to moderate the discussions; and how to make participants follow the rules of discussion. Some of these issues were merely operational and thus

could be resolved easily. However, some involved cultural issues, such as the difference between how Germans and Japanese perceive “discussion.” According to Shinoto (2006), the words “deliberative” or “discussion” may sound logical and rational for Japanese; however, what is actually happening in small group discussions is very much casual talk and chat based on the individuals’ experiences, just as in a daily conversation, sometimes resembling gossip. Through such casual and intimate communication, participants are asked to summarize and present their “public opinions” which may be called “living knowledge.” In any case, every opinion is precious and should be paid high respect (Shinoto, 2006).

The theme of Machidis 2006 was determined to be security and safety, which was one of Kiyohara’s focuses. The operation committee invited 1000 randomly selected citizens, of which around 60 people participated the discussion. According to the survey after Machidis 2006, 41 participants out of 51 answered that they wished to participate in the citizens’ discussions again; 50 answered that the citizens’ discussions should continue; 31 answered that they could get acquainted with people who they did not know before. Some said they were worried at first about participating, but they were able to enjoy the process and felt happy to be able to contribute. Each participant was paid 6,000 yen, but some expressed they would be willing to participate even without pay.

One operation committee member who had observed the two days of sessions

commented as follows⁶⁷:

I was deeply impressed yesterday, but I was more deeply moved today. ...In each four sessions, the group members met for the first time. But members pursued their task smoothly and comfortably, sometimes laughing, cheering and clapping hands; we were surprised, impressed and moved. I did not expect participants to discuss so splendidly. They were 52 randomly selected citizens out of 175,000 Mitaka citizens. ... They attended the discussion for the first time, met just today, but they expressed their opinions, and listened to others' opinions. Then they reflected back on their own opinions, got stimulated, became aware of hidden or unconscious thoughts and some seemed to have found a new self. They all shared the joy and satisfaction of finding and creating something new, through working together. I shared the same feeling; I myself have been enjoying finding and creating new things through citizens' collaboration activities. This applies not only to me but to everyone. If one is given a chance, anyone can enjoy.

Keiko Kiyohara, the mayor of Mitaka City, observed the two days of discussion, and in her closing speech, she expressed her evaluation of the discussion in three points: the operation committee was the key factor for the success of the two days of discussion; participants observed the rules and conducted their tasks and came up with mutual consensus; proposed ideas were based on various perspectives considering roles and responsibilities of concerned organizations. Kiyohara, who herself was a citizens' activist, concluded that she was once again impressed by the power of discussion as the basis of democracy, and promised that she will reflect the proposed ideas in the city's measure.

In addition, Kiyohara made the following comments when the operation committee

⁶⁷ Personal Blog. (n/a). Musashino kodomo gekijo [Musashino children's theater]. Retrieved on June 15, 2011, from <http://blog.livedoor.jp/cs4050marm/archives/50489666.html>

submitted a 150-page report to Mitaka city on December 14, 2006⁶⁸:

As we have agreed in the partnership agreement, Mitaka city will do our best to reflect the discussion results in our administration measures. I have verified and concluded that the Machizukuri discussion method is effective, and we would like to conduct discussions with other themes, such as when we plan for the revision of the city's basic plans. It was unprecedented that the operation committee was formed with the joint effort of Mitaka JC, and citizens and staff of Mitaka city. I find great meaning here because it was the collaboration between the citizens' power and administrations' power. I believe that local communities should be a place for democracy. City assembly is important, however, it is also important to listen directly to the voices of the citizens.

With the success of the experiment, in 2007, another citizens' discussion was conducted on the theme of creating an attractive city, which was the foundational discussion for the third ground plan, again inviting 1000 randomly selected citizens and around 50 participated in the discussion. In addition, in 2008, a discussion on the issue of constructing a new highway junction was conducted by combining 90 randomly selected citizens and 20 representatives of the interest groups. With these successes, Kiyohara regarded the citizens' discussions by randomly selected citizens to be the alternative of the 21 Conference. As a consequence, in 2011, Mitaka city is planning to conduct a citizens' discussion to discuss some of the points of the fourth ground plan⁶⁹.

With the success of Machidis in Mitaka, Shinoto now admits that Citizens' Discussion is becoming an established method of deliberative method of citizens'

⁶⁸ Machizukuri Discussion operation committee blog. Retrieved on June 15, 2011, from <http://181.blog37.fc2.com/blog-entry-41.html>

⁶⁹ See Chapter 5.1.5 for the details

participation in Japan (Shinoto, Yoshida, and Kobari, 2009), and no longer an imitation or derivation; “Citizens’ Discussion has become a Japanese-original deliberative method” (Shinoto, 2011). Kenichi Kobari, the secretary general of NPO Citizens’ Discussion Promotion Network commented⁷⁰:

Citizens’ Discussion is accepted and spreading more rapidly than we had anticipated. The main reason, I assume, is that once anyone experiences it, they understand the effectiveness and become an enthusiastic promoter. There must be some kind of psychological element; people really get into it. The more they experience, the more they accumulate the know-how, and the program will be enriched more. Seeing a successful case in one local government, other local governments get stimulated and wish to try. I think such a spiral is the reason of rapid acceptance and expansion of the method.

In April 2011, Kiyohara stood up for her third election and won with a big lead. In her election manifesto, she summarized her plan for the next four years with four pillars⁷¹. These were; 1) revitalize the city to secure lives and living, 2) renovate the community with human ties, 3) promote citizens’ participation and collaboration for lively town management, and 4) improve administrative management for better services to the citizens. The new manifesto reflected the 3.11 East Japan Great Earthquake, in that citizens were more concerned about the safety and security of daily life and were recognizing the importance of community at the time of disaster.

⁷⁰ Interview with Kenichi Kobari, the secretary general of NPO Citizens’ Discussion Promotion Network

⁷¹ Keiko Kiyohara web page. Retrieved on June 15, 2011, from <http://www.kiyohara-keiko.org/index0.html>

Her mission was to strengthen the peer support and community support by renovation of the community.

Vice mayor Takashi Kawamura admitted that Kiyohara is a diligent and hard working mayor, that she listens to the opinions of others well and links them to her policies and action plans. Kawamura commented⁷²:

The mayor Kiyohara is serious and earnest; we can count on her policies and action plans. As a vice mayor, I am empowered to act autonomously, rather freely. I think we are a good combination, that she is more philosophical and idealistic while I am more practical and hands-on. We've known each other since Chotoken and Machiken in the late 1980s, and we have been sharing the vision of Mitaka city. We have been working to establish a collaborative community, between citizens, academy, businesses and municipalities, and so far have been successful. However, we must keep on promoting; keep on creating and expanding the network inside and outside of Mitaka.

To summarize, Kiyohara enhanced the collaboration by utilizing ICT tools, introducing management approaches, realizing the Basic Ordinance for Autonomy of Mitaka City, and trying to involve the voices of the silent majority by random sampling. These last two points are especially important for the citizens' collaboration. With the Basic Ordinance for Autonomy, citizens can now enter a partnership agreement with the city, legally making citizens an equal partner of the city. With the introduction of citizens' discussions which use the random sampling method, Kiyohara is now able to involve all the citizens of Mitaka in collaboration.

⁷² Interview with Takashi Kawamura, December 7, 2010.

In these contexts, Kiyohara defined clearly the role, rule, and tool (Kaneko, Matsuoka, & Shimokobe, 1998). Kiyohara invited the silent majority in city planning, listening to the voices of the voiceless, and randomly selected citizens are invited to participate in generating ideas for the city planning. Citizens' Discussions are run with common sense and the autonomy of the citizen coordinators and citizens. Because Kiyohara inherited the traditions and assets that were built by the former mayors, the citizens and other stakeholders already represented Mitaka as a whole, not only their own agendas. With all the sweat and tears, citizens and other stakeholders are tied together through the citizens' discussions. In fact, she herself is one of the academics and part of the knowledge ecosystem and knowledge ties. Consequently, by involving the silent majority, more citizens were stimulated to commit to collaboration.

5.1.5. Summary of Machizukuri at Mitaka

The history of town administration planning and management in Mitaka can be summarized in four stages by the terms of the mayors; development by the visionary innovator (Suzuki) in the 1950s to 1970s, diffusion by the expander (Sakamoto) in the 1970s to 1990s, execution by the refiner (Yasuda) in the 1990s to 2000s, and enhancement by the stabilizer (Kiyohara) in the 2000s (Barnam & Kerfoot, 1995). Each stage reflected the leadership style of each mayor, and the environment and the situations of each stage. The leadership style and the environment and the situation

affected the direction of the city administration and the relationship between the city staff members, the citizens, and other stakeholders. Suzuki was a paternal and enlightening leader; matched to the early development stage of the city. Suzuki was the one who introduced and penetrated the concepts of citizenship and community to Mitaka. Sakamoto was a hands-on and careful leader who concentrated on communication and consensus between the interest groups and conflicting parties. Yasuda learned from Suzuki and inherited his vision and management styles, and realized Suzuki's vision (Oomoto, 2009). Yasuda was an empowering leader, who allowed staff members as well as the citizens to learn and act autonomously with trust and respect for each other. Kiyohara is an idealistic and pragmatic leader who continued to improve the management of the city administration by utilizing the knowledge and the power of the citizens in various collaborative activities.

In contrast to these differences, there were largely three approaches in common. First, all the mayors envisioned establishing a high-quality living environment in Mitaka city and assuring high quality welfare to the Mitaka citizens. Suzuki was the first to set the principle that a good environment and good welfare were the foundations of the well-being of the citizens and the city. With this principle, Suzuki constructed the sewage system and became the first city in Japan to achieve 100% coverage. Then the ensuing mayors focussed on issues such as security, safety, ecology, environment, education, and caring for the elderly and the disabled. The second

approach in common is that all the mayors acknowledged the importance of utilizing the knowledge of the citizens and other stakeholders, and emphasized communicating and working together with the citizens. All the mayors sought for occasions to communicate and work together to incorporate both existing and new knowledge of the citizens. And above all, the third shared value is that all the mayors recognized the importance of citizenship and the community, and therefore they assured the autonomy of the citizens at the same time they nurtured the connections and ties between the citizens and other stakeholders, through participation and collaboration activities. As a consequence, Mitaka citizens now regard good environment, good welfare, and participation and collaboration in the community as a tradition of Mitaka City's administration⁷³.

However, some citizens and some members of the assembly criticize the participation and collaboration with citizens, saying that it conflicts with the representative democracy, despite positive feedback from the citizens and the media. To respond to such criticisms, Kawamura emphasized that democracy is essentially by the citizens for the citizens, and therefore citizens should be responsible for the planning and management of the city⁷⁴. Citizens' Discussion, therefore, is a method to support and assist the assembly by providing alternative ideas and proposals, and

⁷³ Interview with Mitaka citizens, November to December 2010

⁷⁴ Interview with Takashi Kawamura, December 7, 2010

therefore does not conflict but complements⁷⁵. Furthermore, some criticize that citizens' collaboration is a kind of outsourcing, making citizens do the work which the administrations should do. However, Kiyohara has been insisting that citizens and the administration should be equal partners, and that the citizens and the citizens should also be equal partners (Kiyohara, 2001).

Some also criticize that such collaboration was possible because Mitaka citizens were rather sophisticated and homogenized in terms of educational level and cultural background, and therefore other cities cannot expect the same results. In fact, more than 80% of the taxpayers were business people, many of whom could afford a house or a condominium in Mitaka, and there were housewives who took care of their houses and families. This means Mitaka citizens received a rather high salary, possibly from large corporations and consequently were well educated⁷⁶. However, diversity was apparent; there were long-time citizens who owned the land and new citizens who lived in rented condominiums. There were still citizens who did farming on the side⁷⁷. There were still some factories and some business offices that inherited the tradition of high-technology orientation before and after WWII⁷⁸. There were small and medium

⁷⁵ Interview with Kenichi Kobari,

⁷⁶ Interview with Mitaka citizens, November to December 2010

⁷⁷ Kiwi fruit are one of the specialties of Mitaka

⁷⁸ For example, Mitaka Kohki, Co. Ltd, founded in 1966, is famous for astronomical telescopes and space observation devices. One of its products was embedded in the Space Shuttle in 1988.

enterprises and commercial facilities⁷⁹. Such diversity of perspective stimulates the emergence of new ideas (Kiyohara, 2001).

Despite such criticisms, Mitaka city has gained attention from other municipalities and the central government (c.f. Akimoto 2003, Kiyohara, 2001) as an exemplar of citizens' collaboration. At the 60th anniversary of Mitaka City, Kiyohara envisioned the direction of the Mitaka city as "reforming the city and creating community for toward a sustainable, high quality environment, and as a high quality welfare town" (Kiyohara & Awaji, 2010, p. 235). As for the reform of the city, Mitaka city needs to renovate old facilities and manage them more effectively and efficiently after the 60 years of its history. At the same time, it was a critical time to reinforce the community and create new traditions. The number of retirees was expected to approach the peak in 2007, while the younger generation continues to move into Mitaka. Always aiming to be number one, Kiyohara hoped that the case of Mitaka will be a resource for other municipalities in Japan (Kiyohara & Awaji, 2010).

5.2. Town business development and incubation (Machiokoshi)

Before WWII, Mitaka was a town with munitions factories, especially for fighter airplanes. In a sense, Mitaka was historically a high-tech town. However, after WWII, as the population increased, troubles also increased between the citizens and the

⁷⁹ Society of Commerce and Industry of Mitaka was established in 1960; the first regional society of commerce and industry in Tokyo and the second in Japan.

factory owners because of noise, pollution, and so forth. In early 1970, photochemical smog was observed for the first time in Tokyo, and Mitaka citizens were no exception in worrying about the pollution from the factories nearby. Factory owners did not like to deal with troubles with the citizens, and they started to move out from Mitaka around 1975. Accordingly, the tax income from businesses reduced. But at the same time, the tax income from citizens increased due to the increasing population.

By the early 1980s, the term “high-level information society” became a catchy phrase of the time, although many did not fully understand what it was really about. People understood it as a trend that heavy industry would be taken over by the information industry⁸⁰. In Mitaka city’s ground plan issued on 1983, “information system” was briefly mentioned with relation to the telecommunication and postal services, but that was about all, until Nippon Telegraph and Telephone Public Corporation⁸¹ proposed Mitaka city to participate in the INS Experiment in 1984. This was the first step for Mitaka to acknowledge that IT would be a strong tool for promoting businesses in Mitaka city.

5.2.1. Testing ground for IT to the home: Sadao Sakamoto

Alongside the citizens’ participation activities such as Community Carte, Mitaka

⁸⁰ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.615.

⁸¹ Nippon Telegraph and Telecommunication Public Company was privatized in 1985 and it is now Nippon Telegraph and Telephone Corporation (NTT).

city started to participate in the INS experiment in 1984. The INS experiment was an empirical experiment to “promote information technology in the region by utilizing the digital communication networks and new media in the city administration services”⁸². The experiment equipped the city with an optical fiber network and utilized it for TV and high-speed facsimile, and digitalized the telephone lines. Nippon Telegraph and Telecommunication Public Company (NTTP) had been experimenting with the INS model system since 1980 to prepare for the information society in the 21st century; and in 1982, the president of NTTP proposed to Sakamoto that Mitaka city take part in the experiment among other cities in Japan⁸³. Some of the services provided were e-government services that provided necessary information and public documents online, vacancy information on resort houses and hospitals and real -time broadcast of the city assembly.

The INS experiment was originally initiated by NTTP and Mitaka city; however, it was the citizens who actually experimented. Thus, the INS experiment was regarded as one of the citizens’ participation events⁸⁴. The experiment gathered so much attention that 2568 citizens applied for the 300 positions as monitors which NTTP asked for. To respond to the high interest from the citizens, NTTP had to increase the

⁸² Hitachi Website Cyber Government Online Pick Up Local Administration No. 10. (Denshi Seifu Denshi Jichitai Jyohou Channel, Pick Up Jichitai Dai 10 kai). Retrieved on June 15, 2011, from <http://www.hitachi.co.jp/Div/jkk/jichitai/interview/staff/staff010/001.html>

⁸³ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.615.

⁸⁴ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.619.

number of monitors to 1990 citizens.

Each citizen experimented for six months, taking turns, with 300-500 citizens experimenting at the same time. Participating citizens formed a self-organized group “INS Citizens Group” and issued 30 newsletters from October 1984 to April 1987 to share learning, and evaluate from the perspectives of the citizens. The evaluations made by the citizens at the time were quite negative and severe; the system was not easy to use; information was not interesting, and not necessary for daily lives. However, one of the members of the INS Citizens Group pointed out that the experiment offered citizens a chance to experiment with leading-edge technology, and “therefore the participating citizens could get some wisdom about making choices and adjusting to the changing environment”⁸⁵.

Despite the negative comments from the citizens, the INS experiment left some benefits for the city administration. Through the trial-and-error experiences, staff members could gain some sense of the so-called “new-media”; by forming project teams on the INS experiment, capacity and skills were developed especially among the young staff members, and the optical fiber network was installed as a new infrastructure. Most importantly, the INS experiment triggered citizens and city staff members to recall the pioneer spirit⁸⁶; which was the spirit of Suzuki, to be the first in Japan.

⁸⁵ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.619.

⁸⁶ History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.619.

Masayuki Uyama⁸⁷ who led and managed the SOHO project, later recalled the effect of this experiment⁸⁸:

The biggest effect of this experiment was that citizens and city staff members who participated in this experiment could actually feel and touch the “information society”, and could have a glimpse of how the society will evolve in the future. In addition, the human network is a big outcome. “INS citizens group” is still active, continuing to provide *ba* for citizens and city staff members to interact. At the same time, after the experiment, we no longer have the resistance to challenging new experiments. Not only the city staff members but citizens enjoy challenging experiments. Now, Mitaka is reputed as a place to do experiments by people outside of the city.

The INS experiment was an eye-opener for almost all the citizens, an opportunity to feel the future of life with high-tech ICT tools, that is, the “information society.” Despite the fact that the technologies were not highly evaluated, the experiment itself was appreciated by the citizens as well as the city staff members, academics, and the business people, in that they could broaden the human network, and recall the frontier spirit “to be the first in Japan.” In this context, Sakamoto and the city staff led the INS Experiment to experience the future information society. Citizens and other stakeholders engaged in trial and error experiments of cutting-edge technologies. Self-organized study groups promoted the sharing of individual and collective knowledge. Because the experiment was closed to the Mitaka city area, citizens and

⁸⁷ Uyama was the director of Information Promotion Department of Mitaka city administration at the time of the interview.

⁸⁸ Hitachi Website Cyber Government Online Pick Up Local Administration No. 10. (Denshi Seifu Denshi Jichitai Jyohou Channel, Pick Up Jichitai Dai 10 kai). Retrieved on June 15, 2011, from <http://www.hitachi.co.jp/Div/jkk/jichitai/interview/staff/staff010/001.html>

other stakeholders conducted experiments for Mitaka's sake. Citizens and stakeholders were tied to each other by the experiment. As a result, high-tech experiment stimulated citizens and city staff members to experience the future of the information society, and in return, reminded them of the frontier spirits of Mitaka, to be the first among Japan.

5.2.2. Promoting SOHO development: Yojiro Yasuda

After the experiment, Mitaka city continued to invest in preparing digital communication infrastructure for e-government services. In the second grand plan, Mayor Yasuda prioritized the development of the information technology to succeed the INS experiment started in 1985. In 1996, a cable TV company, Musashino Mitaka Cable TV, Co. Ltd. (Musashino Mitaka CATV) was established by the fund from Mitaka city, and equipped the city with optical fiber cable network. Musashino Mitaka CATV started cable TV programs and Internet services, making the company among the first cable TV services and Internet service providers⁸⁹. In addition, several companies moved into Mitaka and constructed computer data centers: IBM, JCB, NTT and SECOM.

To take advantage of the infrastructure and the environment, Mitaka Town

⁸⁹ The Internet was just about to take off at this time. In 1994, Netscape Communications was founded. In 1995, Windows 95 was released with the first Internet Explorer. But for access, dialup was still in the majority. Mitaka city opened its webpage in May 1997.

Management Research Association (Mitaka Machidukuri Kenkyujo, or Machiken in short)” formed a third subcommittee to discuss the future of Mitaka City as an information city. The committee consisted of 18 members: city staff members, Musashino Mitaka CATV members, Mitaka Commerce and Industry Association members, etc, and one secretariat, Masayuki Uyama from Mitaka City Town Management Organization. The subcommittee was chaired by Keiko Kiyohara, still a professor at the time, and included in the members was Takashi Kawamura, a manager of the planning and coordination division at the time. The third subcommittee presented a proposal, “Towards Mitaka as Information City,” in February 20, 1997, stating that Mitaka city should prepare IT infrastructure as a tool to accelerate better services, better environment, education, health and welfare, community creation, and business revitalization and incubation.

One of the concrete ideas for business revitalization and incubation was the development of the SOHO⁹⁰. The committee projected that from the late 1990s many citizens would continue to retire every year, either early or at the retirement age, and they would form a big pool of would-be entrepreneurs and SOHOs. To utilize their

⁹⁰ SOHO is an abbreviation for “small office/home office,” which means a small size business with 1 to 10 workers. In Japan, SOHO often means a small business working in a small office or home office and making use of ICT tools. Unlike the ventures who seek to expand the business size and maximize the return on invested capital, SOHO workers are rather conservative and steady, and focus on continuity rather than expansion. From Wikipedia. Retrieved on June 15, 2011, from http://en.wikipedia.org/wiki/Small_office/home_office and http://ja.wikipedia.org/wiki/Small_Office/Home_Office

expertise and knowledge, and at the same time, gain income from the business segment, SOHO was projected to be a promising area. Based on this projection, the subcommittee started research on SOHO in places such as Silicon Valley, and studied the feasibility of promoting SOHO development in Mitaka.

In 1998, based on the proposal from the third subcommittee of Machiken, Mitaka city announced the Information and Technology Plan⁹¹ which proposed to revitalize the city by utilizing IT. This plan initiated the “SOHO CITY Mitaka Plan”; to incubate new businesses and to revitalize the town of Mitaka.

To create the concept of the SOHO CITY Mitaka, Uyama conducted a face-to-face survey of 200 SOHO type workers⁹². The idea that arose was that “SOHO cannot grow by themselves.” So Mitaka city decided to place the human network at the center and form a council to support SOHOs. Another idea was that SOHOs would ask for soft support specific to SOHOs such as “support entrepreneurs”, “introductory jobs”, “support financially”; but at the same time, SOHOs needed support to compensate for their “lack of sales force”, “lack of development”, and “issues in cash flow management.” So Mitaka city decided to assist in creating business opportunities, and support incumbent SOHOs with office spaces at the time of starting up the business.

⁹¹ There were six objectives of the plan: (1) Be an information community open to the world; (2) Be a SOHO CITY to revitalize the businesses; (3) Utilize IT for safety; (4) Utilize IT for healthcare and welfare; (5) Utilize IT for education; (6) Utilize IT for community, participation and collaboration. History of Mitaka (Mitaka-Shi shi). 2001. Mitaka City. p.653.

⁹² Uyama used up two pair of shoes due to walking around the SOHOs.

In addition, to support the daily activities of the SOHOs, the council prepared SOHO coordinators who would support the SOHOs according to their needs. SOHO CITY Mitaka Council was established in 1998, and in the same year, SOHO Pilot Office was opened⁹³ near the Mitaka station.

Tsugitoshi Hatano, who was a SOHO⁹⁴ involved in planning SOHO CITY Mitaka plans, recalled his first encounter with Uyama⁹⁵:

When I first met Uyama, he was wandering around Japan to meet people and hear about SOHO. I was surprised that city staff were allowed to visit people “over the counter.” Uyama said to me, “If I am inside the counter, people who I wish to meet do not come. That is why I cross the counter to see people.” I was once again surprised by his comment. Because of Uyama I decided to join his study group on SOHO. Usually, once we met, we discussed the whole day, with no pay. But I enjoyed it. We told Uyama everything we wanted in a SOHO office, and Uyama said he would make it happen. And he did make most of it happen, although sometimes slowly. But we felt the good faith of Uyama. I was surprised that such an attitude was common among other city staff members. They were very much human, not machine-like bureaucrats as we often imagined.

In 1999, Mitaka Town Management Organization Co., Ltd. (Mitaka TMO) was established to incubate and nurture SOHOs (see Figure 5-9 for the image of the business fields). As illustrated, Mitaka TMO aimed at bringing in and connecting various stakeholders to the facilities the company prepared, and the company provided various services to develop and incubate new businesses.

⁹³ SOHO CITY Mitaka Webpage. SOHO CITY Mitaka Plan “Overview of the Plan”. Retrieved on March 26, 2007, from <http://www.sohocity.jp/sisaku.html>

⁹⁴ Tsugitoshi Hatano was a SOHO in Tama at the time, but a few years later he moved his office to Mitaka Sangyo Plaza, and a few more years later he moved his home from Tama to Mitaka.

⁹⁵ Interviews with Tsugitoshi Hatano, February, 2007.

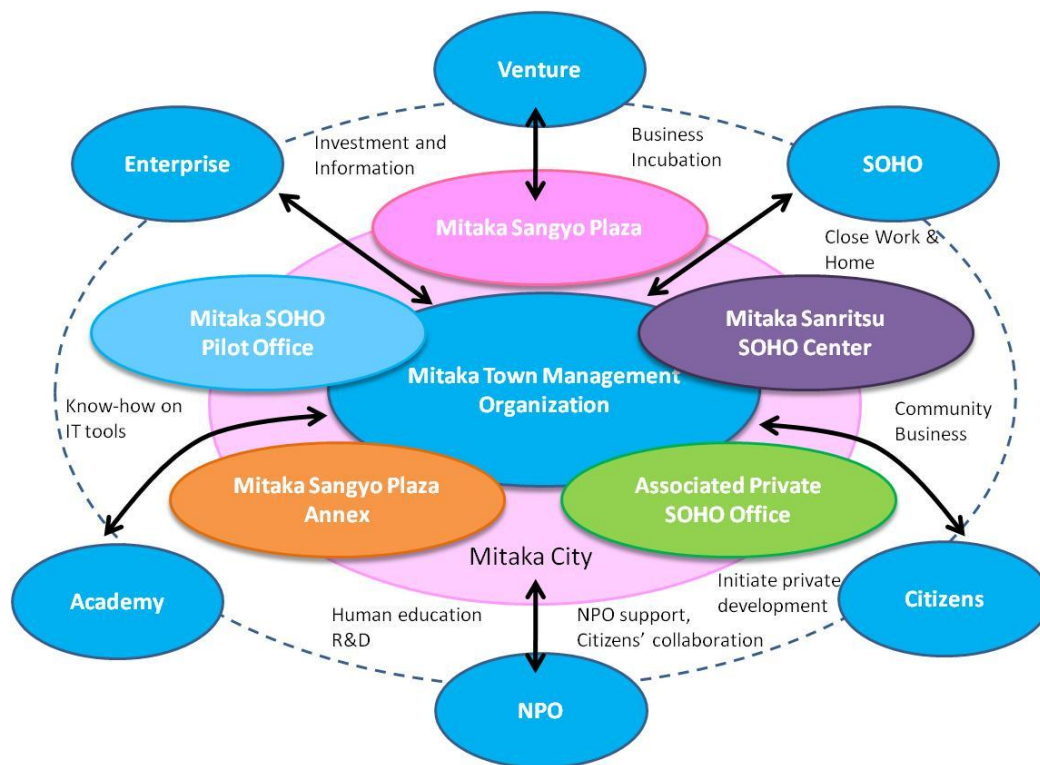


Figure 5-9: Image of the businesses and the stakeholders of the Mitaka Town Management Organization

Source: Translated from Mitaka TMO web page, <http://www.sohocity.jp/sisaku.html>

Mitaka TMO provided business-matching programs and venture investment, as well as other financial services, to encourage new businesses to startup and grow. Mitaka TMO hosted annual SOHO festivals where SOHOs from various parts of Japan gather and present their businesses in search of business partners and new business opportunities. Mitaka TMO prepared more than 100 SOHO offices in eight facilities around Mitaka station. All were equipped with high-speed optical fiber network. SOHO coordinators were available for consultation; SOHOs could ask for advice as well as referrals and seek for new opportunities inside and outside of Mitaka city.

Keiko Kiyohara continued the policy of SOHO development, as she was the chair of the subcommittee that proposed this policy.

One of the first SOHOs incubated was the NPO Senior SOHO Salon Mitaka (Senior SOHO)⁹⁶ established in 1999. Senior SOHO provided opportunities for senior people in Mitaka to get training on IT, and to participate in various activities in the region, and to offer services to other citizens. Services that Senior SOHO offers include: safety watch of the elementary school students, support to the elementary school classes, web page creation and maintenance, and support to the elderly and disabled. Basically, the NPO operated on an annual membership fee, payment from the classes and businesses, and donations from the supporting organizations and subsidies from Mitaka city⁹⁷.

For example, Doctor Yuzuru Ishimura joined Senior SOHO soon after he retired from a university hospital. After he retired he began spending most of his time in Mitaka, and he realized that Mitaka citizens were not well-informed about dementia⁹⁸. He was so concerned that he decided to start a working group to educate about dementia. Ishimura coordinated Mitaka city and a pharmaceutical company Eisai Corporation⁹⁹ and held open forums to provide necessary and appropriate information

⁹⁶ In 1999, Senior SOHO was entrusted by the Ministry of Economy, Trade and Industry “Senior Venture Support Business”, and in 2003, was awarded the Nikkei Shimbun Nikkei Regional Information Award. NPO Senior SOHO Salon Mitaka Website. Retrieved on June 15, 2011, from <http://www.svsoho.gr.jp/>

⁹⁷ According to Ritsuko Kubo, the chairman of Senior SOHO, business is breakeven.

⁹⁸ Interview with Yuzuru Ishimura, November 25, 2010.

⁹⁹ Eisai Corporation offers a drug for dementia called Aricept. See Nonaka, Toyama, &

on dementia. Although this was his first activity after Ishimura retired, and therefore he did not have much of a human network yet, to his surprise, he could obtain cooperation and support from various people, often through the referrals of the referrals. He commented that there was a culture and tradition that supported challenges in Mitaka. In this regard, Ritsuko Kubo, the chairman of the Senior SOHO commented¹⁰⁰:

There still are various issues in the community; childcare, elderly care, healthcare and ecology. ...We always challenge ourselves to be the first senior runner. To challenge, we may need to break down the existing system. However, the role of Senior SOHO is to be the pioneer of all the NPOs in Japan.

Baby boomers are now retiring and coming back to the community. We will invite them to our activities, so that young and old seniors will all become “active seniors” who can enjoy meaningful lives.

Another example is NPO Kosodate Conveni (which means convenience store for mothers raising children) that supports mothers who are raising children¹⁰¹ founded in 2002. Because young couples in Mitaka city often moved to condominiums, there were few chances to get acquainted with neighbors. So when the couples had a child, they had few opportunities to get acquainted with other couples with similar-aged children. And therefore the mothers did not know each other, and sometimes were left isolated without anyone to consult with. Kosodate Conveni was established with an

Hirata, 2008 and Nonaka, Toyama, & Hirata, 2010 for the development story of Aricept.

¹⁰⁰ Retrieved on June 15, 2011, from <http://www.svsoho.gr.jp/event/aisatsu2011.html>

¹⁰¹ NPO “Convini for Raising Kids” Webpage. Retrieved on Marh 26, 2007, from <http://www.kosodate.or.jp/>, retrieved March 26, 2007.

aim to support these isolated mothers so that they can enjoy raising their children without being isolated. It hosts activities such as mothers' get-togethers, sharing information about raising children, supporting mothers to get back to work as a means for self-actualization, etc. It is operated through a membership fee, income from the events, donations from the supporting organizations, and subsidies from Mitaka city¹⁰².

Nanako Kobayashi, the co-chair of the Kosodate Conveni said¹⁰³:

We were able to establish a good flow of people; there are always new mothers who wish to join us for support and to find a group. For a few years, the mothers will stay with us while they raise their children. As the children grow older, mothers will have more time for themselves, and some wish to support new mothers. What motivates us the most is the smile from the mothers; if the mothers are enjoying their lives, we feel we are paid off. However, there is a mix of voluntary spirit and business mind. We all share the same understanding that mothers do need support, and at the same time they cannot afford to pay much, and we need money for our activities. So, we are careful about the cost and the fee. This is why we are NPO, and not just a voluntary organization.

Another example is SOHO Venture College and Minotake Kigyo Juku (which means a seminar to start up business of your own size)¹⁰⁴ founded through collaboration of Mitaka TMO and Mitaka Network University¹⁰⁵ in 2005, in an aim to

¹⁰² According to Nanako Kobayashi, the chairman of Senior SOHO, business is breakeven.

¹⁰³ Interview with Nanako Kobayashi on November 9, 2010.

¹⁰⁴ SOHO venture college stopped operation in 2007 and was replaced by Minotake Kigyo Juku. The name Minotake Kigyo is from the book by Takamasa Maeda (2006). Retrieved on June 15, 2011 from <http://www.mitaka.ne.jp/minotake/index.html>

¹⁰⁵ Mitaka Network University is a business aimed to utilize the knowledge assets in private, academic, industrial and public sectors to revitalize the town and create new business opportunities. By utilizing the knowledge assets and latest information and technology owned by the academy, it provides a *ba* and occasion where citizens meet

support entrepreneurs who plan to start up business in Mitaka. Minotake Kigyo Juku provided seminars on basic knowledge of business practices, mentoring to entrepreneurs, and business contests to evaluate and award business plans. Lecturers were experienced business persons who themselves are SOHOs. Takamasa Maeda¹⁰⁶, the chairman of the College and the Minotake Kigyo Juku¹⁰⁷, had taught nearly 300 entrepreneurs and evaluated all the proposed business plans. Maeda was a curious, open-minded and obliging person with business discipline, and maintained a broad human network, and without his character and capabilities, the seminar could not have operated. Minotake Kigyo Juku operated through the seminar membership fee and subsidies from Mitaka City. Maeda said (Maeda, 2006: 24, 204-205):

If you are at retirement age, you have been a worker for nearly 40 years by now. You can revive as a CEO by starting up a SOHO. You will be able to live your own life full of new purpose, interest and joy. Use your experience to plan your business. Do not be satisfied by only obtaining technique or knowledge; you need to send out what you obtained. Once you start to send out, you will continue to improve...If you are no longer interested in things you started after you retired, it is because you are not sending the obtained skills or know-how out from yourself, in other words, you are not communicating or interacting with others. To live your second stage of your life happily, it is important to have the mindset, "for the people and for the society."

and collaborate with people from academies, corporations, city administrations and so on. It aims to be a new type of university where needs and wants of educational opportunities are matched in the regions

¹⁰⁶ Takamasa Maeda has been the chairman of SOHO CITY Mitaka Promotion Association since its foundation in 1998. He was also a CIO of Mitaka city from 2001 to 2006, and was a chairman of Mitaka MTO and a member of the board of Mitaka Network College. He had worked in NTT, JRC Nihon Musen, and was the CEO of Japan Systems from 1993 to 2001.

¹⁰⁷ Thus, the Venture College and Minotake Kigyo Juku were sometimes called Maeda Juku.

As a consequence of the hard work of various stakeholders to incubate and develop SOHOs in Mitaka, Mitaka is now regarded as one of the leading SOHO cities in Japan. Since 1998, every year SOHOs in Mitaka hold an exhibition “SOHO Festa” sponsored by Mitaka TMO, Mitaka City and Mitaka Industry and Commerce Association, and co-sponsored by SOHOCITY Mitaka and Mitaka SOHO Club. Kenichi Kawase¹⁰⁸, the citizens’ coordinator in the 21 Conference and Citizens’ Discussion, at the same time the SOHO coordinator, chair of Mitaka SOHO Club, and chair of the SOHO festa operation committee said¹⁰⁹:

Year after year, we have more SOHOs and more visitors. The more we mingle, the more knowledge and wisdom we will get. SOHO Festa is a good opportunity for SOHOs and citizens to get to know each other, connect, and collaborate. This year, we had many more visitors than we expected, and I felt that SOHO and social/community businesses are becoming a big trend.

SOHO was developed from the base of the INS experiment, with the need to incubate new business to gain tax income and to provide work opportunity. To be the first in Japan on SOHO development, city staff members searched SOHOs and listened to their ideas and advice. In this context, Yasuda promoted SOHO development to increase tax income and incubate new business opportunities, and citizens, city staff members and SOHOs with interest and commitment to SOHO development discussed

¹⁰⁸ Kenichi Kawase is also a representative of Mitaka SOHO Club, and a SOHO coordinator at Mitaka TMO. It is quite common for active citizens to have multiple positions in Mitaka, according to the role, context and relationship.

¹⁰⁹ Interview with Kenichi Kawase, November 19, 2010.

and worked together to incubate and establish SOHOs. As in the cases of Machizukuri, study groups promoted the generation of new ideas and new practices through trust and respect to others. Citizens and other stakeholders inherited and built on the experiences from the INS experiment, and citizens and other stakeholders added on the existing human network with the network of SOHOs. In sum, SOHO development made Mitaka city famous, and created new work opportunities for the elderly and housewives.

5.2.3. Town of Tomorrow Mitaka Project: Keiko Kiyohara

In 2002, following the e-Japan initiatives of the Japanese government, Yojiro Yasuda announced “Town of Tomorrow Mitaka Project” which Keiko Kiyohara inherited from Yasuda as mayor in 2003. The project was aimed to make Mitaka a model of an intelligent city. Under the project, various experiments utilizing ICT technologies were planned, such as connecting home and school with broadband, networking school classes with wireless and IPv6 networks, and on-line tax petition and payments. In addition, experiments included battery-powered community transportation, kitchen garbage recycling, ICT devices and a system to support the elderly and children. All of the experiments of the project were closely related to the quality of everyday lives of the citizens. Moreover, the project followed the proposal made by the 21 Conference, to utilize information technology in town management for

high quality environment and high quality welfare.

The project had set a promotion committee chaired by Takamasa Maeda with 31 business leaders including IBM, NTT and SECOM, 12 academics from 8 universities, and representatives from NPOs and other organizations in Mitaka city. The project members formed sub-committees on various topics to investigate and execute individual projects. To ensure fairness and feasibility, projects were screened by the evaluation and judgment committee which was led by Keiko Kiyohara. The project was came to fruition in March 2006 with the result of more than 10 experiments in schools, the city administration, hospitals and home care-giving. Citizens, academies, businesses, and city government gained confidence that ICT would be a tool to improve the quality of the life of the citizens. Kiyohara set the policy to promote the collaboration of citizens, academy, businesses and city government utilizing ICT. She explained her intentions as follows (Iseki & Fujie, 2005: pp. 211-212):

I want Mitaka to work as a “magnet” of encounter. I would like to have people encounter [new technology] at Mitaka. What we can prepare is the first occasion. Then people can come and encounter again and again. It could be one on one, but if one can meet a number of people then there will be linkage. I think the linkage is what is important... I think it is important for Mitaka to send out messages. In that sense, Mitaka’s goal is to be a “Context City”.

“Town of Tomorrow Mitaka Project” was originally technology-driven, but as in the case of the INS experiment, citizens and other stakeholders understood well that ICT is only a tool and not the objective; the objective was to improve the quality of life of the

citizens. In this context, Kiyohara initiated “Town of Tomorrow Mitaka Project” to improve the quality of life by utilizing ICT. In the project, Citizens and city staff members discussed and worked together to realize the Intelligent City. Citizens and other stakeholders with interest and commitment formed committees to generate new ideas through trust and respect. Citizens and other stakeholders built on the INS experiment and SOHO development, and citizens and other stakeholders added on the existing human network with the network of SOHOs. With the learning and knowledge from the experience of the INS experiment and SOHO development, Mitaka city could promote itself to be an Intelligent City; in fact, Mitaka city was awarded the Intelligent City Award in 2005.

On June 14, 2005, the Intelligent Community Forum (ICF) announced the recipients of the 2005 awards and named Mitaka as the Intelligent Community of the Year 2005. ICF had noted several reasons for the award. ICF noted that Mitaka has always been a forward-looking community and has developed a social and political culture that prizes technology and considers R&D of high importance. ICF also noted that Mitaka showed an exemplary characteristic in citizens’ collaboration which is critical for intelligent community development. Mitaka has been a hometown for research and development for business, academic and government institutions, hosting research centers for Dentsu and IBM Japan, and hosting International Catholic University (ICU) and Kyorin University. The city is also acknowledged by ICF as the

worldwide hub for production of "anime" cartoons, hosting Mitaka Forest Museum Ghibli in collaboration with Studio Ghibli. The chairman of ICF chairman, John G. Jung said in the press release¹¹⁰:

This little-known suburb of Tokyo is a story of the importance of broadband in creating the jobs of tomorrow. Mitaka was evaluated along with more well-known, world-class intelligent cities, including our 1999 Intelligent Community of the Year, Singapore, Toronto, Canada, and Sunderland, UK, which is the only community in history to be named to ICF's Top Seven list four consecutive years in a row. While these communities are remarkable, in our view Mitaka demonstrates the power of collaboration, a keen understanding of how knowledge work sustains a community's economy, and a plan to continue to leverage the most vital tools in the Digital Age. We hope other communiti seeking to transform themselves will look to Mitaka, and our other six communities, as examples.

In May 2007, Mitaka City announced their basic policy on promoting the adoption of ICT technologies by the year 2010. This policy set a new direction of ICT for daily lives of the citizens following the results of the past experiments since INS in 1984. The basic policy stated that with the adoption of ICT technology, an ubiquitous community that allows "anytime, anywhere for anyone" to enjoy the convenience, quality and joy of living, which is the ultimate goal of the initiative. The city had set five focus areas:

- (1) Secured and safe living environments
- (2) Revitalized local communities

¹¹⁰ Intelligent Community Forum webpage, Retrieved on August 10, 2008, from http://www.intelligentcommunity.org/clientuploads/PDFs/ICF_2005_Recipients.pdf

- (3) Attractive child education and life-long education
- (4) Openness of information and convenient use of city administration
- (5) Construction of infrastructure for ubiquitous community

This initiative was not about Mitaka only following the policy from the Japanese government, but rather, Mitaka made use of it to further promote the city's fundamental policy of "town management for high quality environment and high quality welfare." Kiyohara combined ICT with collaboration and placed citizens in the center of innovation. Kiyohara expressed her beliefs¹¹¹:

What I wish to emphasize is that people are living with their lives. ICT can only be useful when people with warm hearts and lives actually exist. It is not about ICT taking us over or us controlling ICT. ICT may be used to solve the conflict between people, or may be used to even worsen the conflict. Because we live our lives, we cannot avoid conflict when we interact. What we experienced in Mitaka was not always simple and clear. It was the result of hard labor with sweat and tears. We even faced some embarrassing situations. But such experiences helped us to move forward.

In line with the basic policy announced in 2007, Mitaka started an experimental social networking service (SNS) "Poki Net"¹¹², as a tool for social networking which created a virtual network of Mitaka citizens. Like other SNS, for security reasons, an invitation by an existing member is needed to become a member. 2000 members are

¹¹¹ Keynote speech at an ICT seminar held at Mitaka Network University on February 1, 2007

¹¹² Poki is a name of the character of the city, designed by the Studio Ghibli.

registered and 188 communities have been created. In Poki Net, citizens can read the blogs of other citizens, exchange comments, and discuss with community members. What distinguishes Poki Net from commercial SNS is that members include elderly citizens, who are quite active. For example, the most accessed blog is owned by Chojiro, an 81-year-old Mitaka citizen; he updates his blog everyday, mainly on the topic of politics and economics, and has about 4600 views every week. The second most popular is owned by Okina, a Mitaka citizen in his 70's; he also updates his blog everyday, mainly on the topic of environmental issues, and has about 2600 views every week. Emi, the third ranked blog owner, in her early 40's, commented¹¹³:

I was surprised to meet so many energetic seniors in Poki Net. I was much stimulated by them, and learned a lot from them, and was encouraged a lot by them. Because I read their blog daily, when I met them off-site for the first time, I had no problem; they were as I had expected from their blogs. SNS lets us meet virtually, transcending the time and space limitations, and that makes it easy to collaborate in the real world. This is how I became a reporter in Mitakacchi TV¹¹⁴.

5.2.4. Summary of Machiokoshi at Mitaka

The history of Machiokoshi, the town business revitalization and incubation, echoes the development and penetration of ICT technology in general. The history started with the INS experiment in 1984; it all started with Sakamoto's decision to accept the experiment; if he had not decided or accepted, the situation would have been

¹¹³ Interview with Emi Sudo, October 29, 2010.

¹¹⁴ Mitakacchi TV is an Internet-based TV channel on YouTube that broadcasts about events, people, and information on Mitaka.

much different. Because of the INS experiment, along with the citizens' participation in the Community Carte, the citizens acknowledged the hidden knowledge, power and ability within themselves, and at the same time, their responsibility as citizens. Traditionally, the role of the citizen was to demand from or request to the city administration; citizens were detached from the policy making and administration planning, and therefore they would criticize and complain. However, by inviting citizens from the planning phase, citizens' roles changed to thinking about, searching, and creating new ideas and solutions together with the city administration. Here again, autonomy, distribution and collectiveness seem to be the most particular characteristics of the town business revitalization and incubation in Mitaka city. With directions shown or given by the mayor and the city administration, the citizens could act proactively and autonomously, utilizing their human networks of both weak and strong ties (Granovetter, 1973; Granovetter, 1985; Milgram, 1967) and three degrees of influential social connection (Christakis & Fowler, 2010; Masuda, 2007) to establish the SOHO business models.

In addition to autonomy, distributed and collective leadership, what distinguishes Mitaka city's SOHO development compared with other regional business developments (c.f. Porter 1990; Porter, 1998; Eriksson, Niitamo, & Kulkki, 2005) is the role of Mitaka city. In the cases of cluster and living labs, local governments lead the making of policy and strategy, and are heavily involved in the execution by promoting and empowering

the other stakeholders, such as academics, businesses and citizens. On the contrary, SOHOs in Mitaka city were not developed only or mainly by the top-down policy, strategy, or the empowerment¹¹⁵ from the municipal government. In fact, what Mitaka city supplied was mainly the hardware; the office space, the funding, and optical fiber infrastructure, for example. Just as in the case of town administration planning and management, the attitude of Mitaka city was that “we offer the budget and never intrude.” It was the knowledge, know-how and the ideas from the SOHOs which became the basis of the SOHO project; and the city staff members’ role was to go over the counter, meet with the SOHOs face-to-face, and asks for their input and support.

In a sense, Mitaka city and its staff members were smart that they made the best use of the knowledge, know-how, ideas and the human networks of the citizens to realize their policy. Tsugitoshi Hatano said¹¹⁶:

I really think Mitaka City administration was really clever that they gave up from the beginning, “You know more than us, we know nothing. So teach us what SOHO is about.” If we are asked in this way, we feel we must do something for them, in a hope that there must be some kind of return. But the more we got involved, the more we were asked, and the more involved. And here I am, now in Mitaka, somehow becoming the chair of the Mitaka ICT Association, drinking

¹¹⁵ Empowerment itself is a top-down approach. (c.f. Wikipedia: Empowerment refers to increasing the spiritual, political, social, or economic strength of individuals and communities. It often involves the empowered developing confidence in their own capacities. Sociological empowerment often addresses members of groups that social discrimination processes have excluded from decision-making processes through, for example, discrimination based on disability, race, ethnicity, religion, or gender. Empowerment of employees in the workplace provides them with opportunities to make their own decisions with regards to their tasks. Retrieved on June 15, 2011, from <http://en.wikipedia.org/wiki/Empowerment>)

¹¹⁶ Interview with Tsugitoshi Hatano, October 8, 2010.

with Uyama and Kawase almost once a week, and still exchanging ideas about how to improve the ICT in Mitaka. It just happened to be that way. That's life.

In sum, in Machiokoshi of Mitaka, there were almost no command and control relationships between the city administration and the citizens, but flat and equal collaborative relationships. And such relationships fostered ideas to emerge organically¹¹⁷, as indicated by the knowledge creating theory with the SECI process (Nonaka, 1991; 1994; Nonaka & Takeuchi, 1995; Nonaka & Toyama 2003; 2005; Nonaka, Toyama & Hirata, 2008; 2010). Autonomy and distributed and collective leadership were essential conditions; the freedom of choice was on the citizen's side, they accepted the challenge by the city and they challenged the city in return. Citizens and the city staff members established a subtle balance of proactivity, reactivity and spontaneity.

5.3. The rise of Social Business and Community Business

As stated, one of the three streams of participation and collaboration in Mitaka is about so-called social business and community business, often abbreviated as SB and CB (c.f. Con 2008, Hattori et al 2010, Saito 2004). Generally, there are two routes to SB and CB. Voluntary activities that faced funding issues started to seek a business model

¹¹⁷ Interestingly, John Chambers of Cisco Systems said that he is turning Cisco to be a "distributed idea engine where leadership emerges organically, unfettered by a central command." McGirt, E. (2008). How Cisco's CEO John Chambers Is Turning the Tech Giant Socialist. *Fast Company.COM*. Retrieved on June 15, 2011, from <http://www.fastcompany.com/magazine/131/revolution-in-san-jose.html>

(SB), and entrepreneurial businesses with vision and a mission to solve social and/or community issues with business model were the CB. In the case of Mitaka, volunteer groups have been active in the Community Centers and Chokai (which is the town association), and entrepreneurial businesses have been incubated by the development of the SOHOs. As a consequence, there are many seeds of SB and CB in Mitaka.

However, not all the citizens welcomed SB and CB, and not all the active citizens wanted to turn to SB and CB. As the name of SB and CB suggests, SB and CB maintain business attitudes especially in terms of cost and revenue. Because of coming from this business angle, some citizens were doubtful¹¹⁸. Their stance was that if something or some services were necessary but not provided publicly, they were to be offered for free. And that was the reason and motivation behind the voluntary activities. In reality, voluntary citizens had been offering services free of charge, funded with either subsidy from Mitaka city and/or out of their own pockets¹¹⁹.

On the contrary, SB and CB had a different view; no services should be offered free of charge¹²⁰. Their stance was that public services were made possible by taxes paid by citizens,, and if anything necessary was not provided publicly, citizens should ask for improvement to the administration and at the same time any business could offer them as charged services. There seemed to be a big difference between the two stances.

¹¹⁸ Interview with anonymous citizens, November to December 2010.

¹¹⁹ Interview with Kimiko Hataya, November 30, 2010.

¹²⁰ Interview with Kiichiro Horiike, November 25, 2010.

However, interestingly, those on either side did not ignore or oppose but accepted the others. Because Mitaka citizens accept diversity and respect each other, they do not try to resolve the conflict but let it be. As a consequence, in addition to the Community Centers where the activities were more on a voluntary basis, a new facility was founded to support the activities of SB and CB; Mitaka Citizens' Collaboration Center.

5.3.1. Citizens' Collaboration Center

To cultivate and nurture the seeds of SB and CB in Mitaka, in 2003, the city founded Mitaka Citizens' Collaboration Center (Collaboration Center). The objectives of the Citizens' Collaboration Center were to support the activities of the citizens, NPO, citizen's activists groups, and neighborhood associations, and to promote discussions for future relationships between citizens and the city administration (see Figure 5-10). There was a shared but tacit understanding among some of the active citizens and city administration staff members that the volunteer model is not sustainable because it asks for the devotion of the volunteers and results in dependence to the services offered free of charge. Citizens should be autonomous and independent, with mutual trust and respect¹²¹. However, for any activities, the citizens would need a place to be based and support to promote their activities. So the Citizens' Collaboration Center was established to fulfill such needs.

¹²¹ Interview with Kiichiro Horiike, November 25, 2010.



Figure 5-10: Functions of the Mitaka Citizens' Collaboration Center

Source: Translated from <http://www.collabo-mitaka.jp/about.html>

The aim of the Collaboration Network is to support all the stakeholders, citizens, academics, businesses and administration, to collaborate equally and in harmony by making the best use of their strengths to solve the issues in daily lives. The facility offers meeting rooms, seminar rooms, copiers and printing machines at a relatively low cost. 136 organizations are currently registered; some are NPOs and some are private organizations, ranging from ecology and environment, elderly care, child care, to human rights and culture.

Originally, the plan to found the Collaboration Center came from the proposal made by the 21 Conference and was included in the third ground plan, to prepare a facility where the citizens collaborate. When the Citizens' Collaboration Center was founded, it was managed by Mitaka city, but the NPO foundation committee was

established to transfer the management from Mitaka city to the hands of the citizens, in the spirit of citizens' autonomy. And in 2008, NPO Mitaka Citizens' Collaboration Network was established and took over the management and operations of the facility from Mitaka city, which was chaired by Tatsuruko Shoman, the citizens' coordinator and the secretary general of the operations committee of the 21 Conference. Some argue that the Collaboration Network is patronized by Mitaka city, and that city administrations are making citizens work at a low labor cost on the issues which city administrations should do. But according to Shoman, this is not the case. She said¹²²:

Some say what we do is not a collaboration but a subcontract. But I think such criticism is wrong. We have a partnership agreement with the city and we are independent from them. Moreover, we think we can offer a good learning opportunity for the city administration staff as we are at the frontline of the collaboration with and among the citizens. There are people with different perspectives and different views, and sometimes we face severe conflicts. In many cases, it is the citizens who resist the change or the challenge. The only way to solve this is to be patient and persistent, and maintain continuous dialogue to persuade.

5.3.2. ICT as a tool to promote SB and CB

The businesses of SB and CB are diversified: child care, elderly care, health care, supporting the second step of retired citizens, ICT (PCs and iPad) training, social media (blog, SNS/Facebook, Twitter, and video) training, to name a few. However, most of them are small in business size just like SOHO businesses, with limited resources.

¹²² Interview with Tatsuruko Shoman, December 7, 2010.

To complement the limited resources, most of the SB and CB utilize ICT and SNS platforms such as Poki Net and Tamaliver.jp¹²³, and form multiple real and virtual communities where many of the members are related in multiple contexts.

For example, Kiichiro Horiike, who is a member of Senior SOHO, chairs several programs; a training program called “Hajime No Ippo Juku (which means a class for the first step forward)” for newly retired business people and housewives, a training program called “Mitaka Blog Village” on blogs, Facebook, Twitter and video. He also teaches about bamboo helicopters to children and trains adults to be bamboo helicopter evangelists. He runs an organization called Tama CB Network which promotes SB and CB activities in Tama area, and a lot more. His network consists of young to old, from business persons to housewives to restaurant owners to caregivers. Depending on the context he changes his role, and ICT has provided the speed and freedom from time and space constraints (Horiike, 2008). He said¹²⁴:

I have been using a mailing list and I thought at first blogs, SNS and Twitter are not suited for communication. So for almost two years, I did not use them. But, once I started using them, I found them quite useful. They take down the barriers between the real world and the virtual world. We can bring in what we have been talking about in face-to-face meetings to the virtual world, and we can continue the same relationship we built in the virtual world through blogs and SNS to the

¹²³ Tamaliver.jp is a regional blog portal for people living in, working in, born in, or interested in the Tama area, western region of the Tokyo prefecture. The blog is free of charge for up to 500MB of disk space. According to the Tamaliver.jp site, the number of blogs are 4,500, and the number of monthly site visitors are 110,000, monthly page view is 1,400,000 (as of December 2010). Retrieved on June 15, 2011, from <http://tamaliver.jp/>

¹²⁴ Interview with Kiichiro Horiike, November 25, 2010.

real world. I finally understand why these are called “social” media. We can socialize and create multiple relations using these tools.

With the penetration of ICT tools, social media supports, promotes and accelerates the creation of multiple contexts and multiple relationships by the same people at the same time. Social media combines the communities in the real world with the virtual communities (Kaneko, Tamamura, & Miyagaki, 2009). Horiike has pointed out that this combined community can supplement and promote the connections and relations in the real community, and at the same time, can supplement and promote the connections and relations in the virtual community, and promote emergence and accumulation of social capital and the shared sense of values and principles,¹²⁵.

5.3.3. Summary of SB and CB: a synthesis of Machizukuri and Machiokoshi

The recent rise of SB and CB in Mitaka city has its roots in both Machizukuri and Machiokoshi, the town administration planning and management, and the town business development and incubation. SB and CB blurred the distinction between Machizukuri and Machiokoshi; the two areas overlapped because SB and CB aim at realizing simultaneously the quality of life as a social mission and the business outcomes as an operational objective. This overlapping was observed in parallel with increasing autonomous, distributed and collective citizen leaders.

¹²⁵ Interview with Kiichiro Horiike, November 25, 2010.

In addition, there were overlappings of real and virtual connections. In other words, for SB and CB, there is no barrier between the real and the virtual; rather, virtual connection accelerates generating new ideas and putting them into practice. But in a different way, while the bodies of the citizens stand on the real ground of Mitaka, their minds transcend time and space limitations. Because of that, citizens meet each other without much bias about age, occupation, or existing relations or connections. There is a tendency to welcome newcomers because the newcomers can offer new perspectives and new ideas. In this context, citizens and other stakeholders develop businesses for the social good of Mitaka. Citizens and other stakeholders work together to develop new businesses for social good, and utilize ICT to stimulate and accelerate creating and sharing knowledge through trust and respect. Citizens and other stakeholders build on both the real and virtual networks. They welcome outsiders and take advantage of both old and new ideas; they resist both the “not invented here” attitude and “not born here” attitude.

However, the SB and CB raised the question of whether any needs of the citizens should be dealt with all voluntarily or all by businesses. The citizens and other stakeholders who take the voluntary stance insist that if any services are not offered publicly, then they should be acted upon by the citizens voluntarily. On the other hand, the citizens and other stakeholders who take the business stance insist that they should be served by businesses at a reasonable charge. Both stances seek for

sustainability of the services and pay close attention to the motivation of the people who offer the services; however, the conclusions are opposite. Despite the opposing positions, the citizens and the other stakeholders do not confront each other, but try to accept the other's opinion and co-exist. With a tacit understanding, the people with the voluntarily stance are based in the Community Centers, while the people with the businesses stance are based in the newly established Citizens' Collaboration Center. In both cases, the citizen leaders are autonomous, distributed, and collective

6. Case analysis and the discussions of the findings

6.1. Brief overview of the research

The research questions of this dissertation are: What are the key factors for successful collaboration? and, How and why do various stakeholders of a city work together for the shared goal of creating new social values? In other words, this dissertation seeks to identify the key factors for successful collaboration, and describe the method used and the reasons of various stakeholders of a city for pursuing collaboration in order to develop local businesses and/or to solve local social issues. From the literature review of management theories and concepts relating to economical development of cities and solving local social issues, I have derived the following hypotheses which were to be verified by the case of Mitaka city.

- Hypothesis 1: Various stakeholders of a city share the foundations of the city; such as the physical place (地域), history, tradition, norm, and the mental emotions and the social capital (地縁)
- Hypothesis 2a: The more the stakeholders participate in knowledge-creating activities (SECI processes), the more they establish a new ecosystem¹²⁶, that is,

¹²⁶ An ecosystem is a biological environment consisting of all the organisms living in a particular area, as well as all the nonliving, physical components of the environment with which the organisms interact, such as air, soil, water and sunlight. It is all the organisms in a given area, along with the nonliving (abiotic) factors with which they interact; a biological community and its physical environment (Campbell, Reese, and Taylor, 2009).

an environment consisting of various stakeholders as well as the physical components of the city with which the stakeholders interact (知域)

- Hypothesis 2b: The more the stakeholders participate in knowledge-creating activities (SECI processes), the more they establish new ties, that is, a social network of various stakeholders (知縁)
- Hypothesis 3: Collaborations are driven by the distributed leaders who share the vision and values, and are intrinsically motivated.
- Hypothesis 4: As a result of the collaboration, traditional wisdom (地恵) and wisdom from the various stakeholders (知恵) is synthesized into new social values and new traditional wisdom

The Mitaka case was presented in chronological order of the mayorship in each of the areas of Machizukuri, Machiokoshi, and SB/CB, delineating some of the noteworthy events and activities. In the following sections, I will analyze the case by verifying the hypotheses with the case findings.

6.2. Verifying Hypothesis 1: Key factors for successful collaboration

Hypothesis 1 was a hypothesis on the key factors for successful collaboration which were assumed to be the foundation of the city such as the place, history, tradition, norms, and the knowledge and social capital. To verify this hypothesis, it is

necessary to identify from the case if; 1) the citizens and other stakeholders share physical contexts by living/working in Mitaka city; 2) the citizens and other stakeholders share mental contexts by participating in the activities in Mitaka. To identify these points, I will present an illustration of the 36 interviewees (see Appendix 1) for the detailed profiles of the interviewees) as in Figure 6-1.

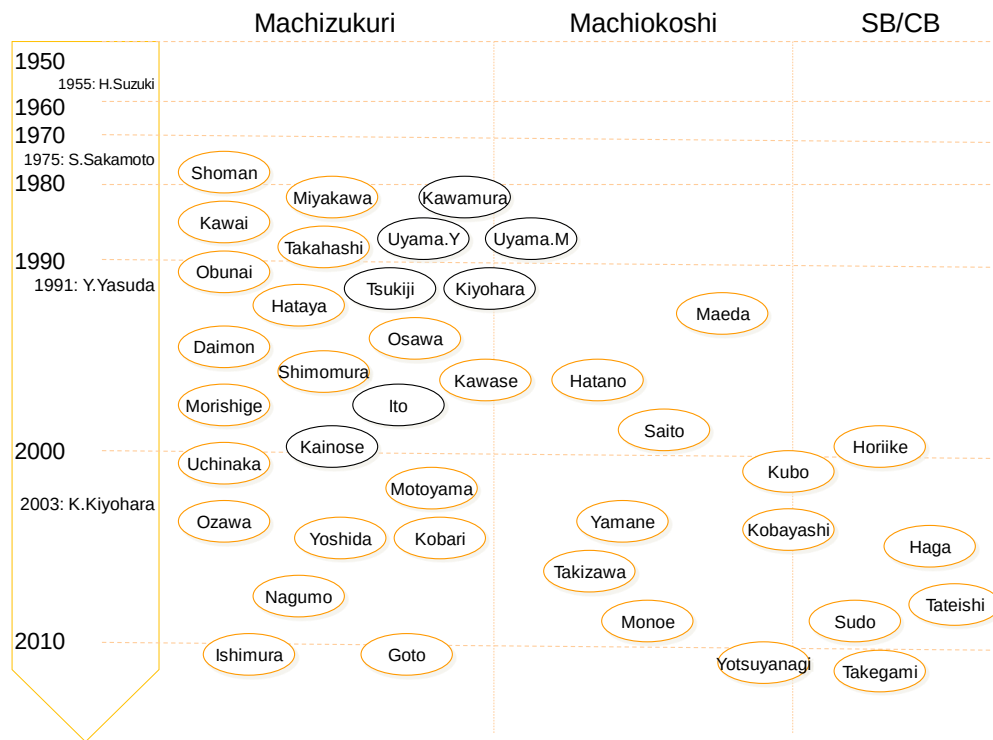


Figure 6-1: Mapping of the interviewees in the historical development

Note: Circle with black line indicates city staff members

Figure 6-1 is a combination of the two figures I have presented earlier, Figure 4.1 and Figure 5.1. In Chapter 4, Figure 4-1, I have illustrated that the interviews were conducted by the name generator method which started from one citizen, Kenichi Kawase. In Chapter 5.3 Figure 5-1, I have presented the timeline of Mitaka

development. Figure 6.1 maps interviewees along the timeline. Interviewees are indicated by their last names and placed by their first appearance as participants or collaborators in Machizukuri, Machiokoshi, or SB/CB. For example, Kawase is placed in the middle of the map because his first participation was in 1996 in the Tenohira kouen workshop which was one of the Machizukuri activities; however, because he later got involved in the SOHO development, he is placed at the border of Machiokoshi so that he can be affiliated with other people involved in Machiokoshi.

All the individuals mapped here are either living in Mitaka or working or acting in Mitaka. Some of those who participated in the early stages of historical development are long-time residents who lived in the area for generations, and at the same time worked independently in Mitaka (see Figure 6-2).

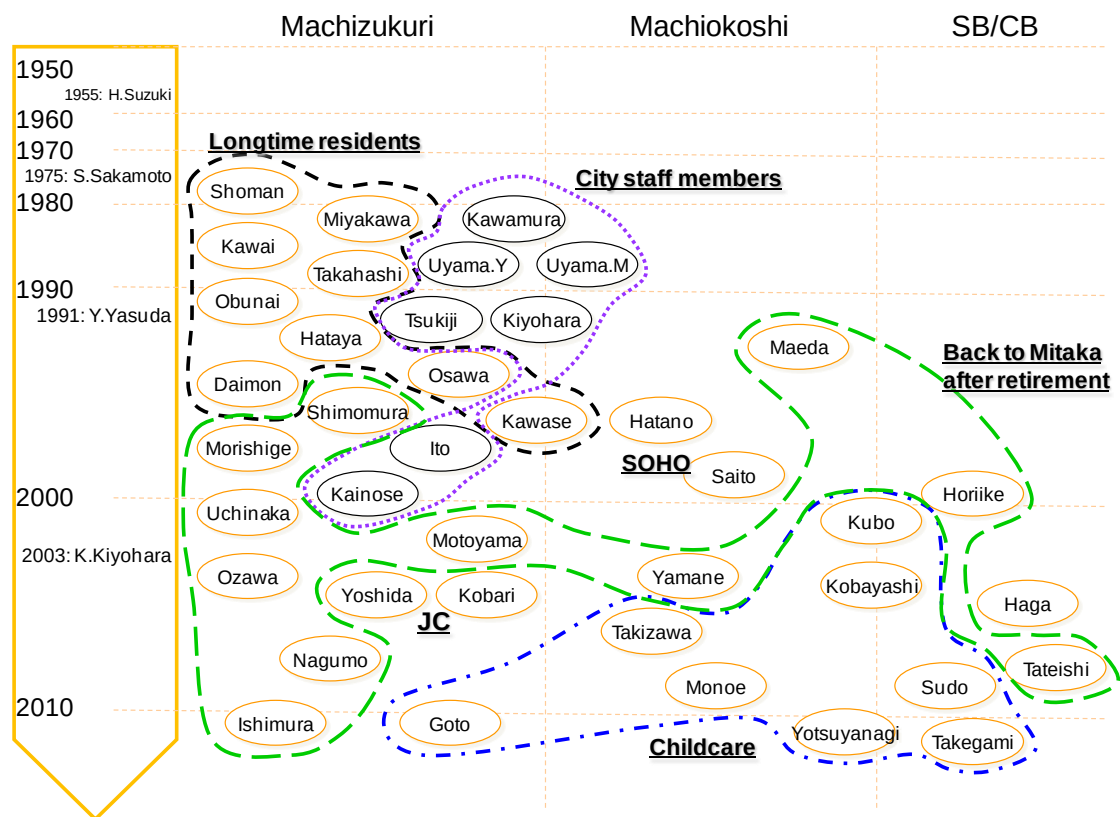


Figure 6-2: Grouping of the interviewees by initial participation

For example, Shoman, Miyakawa, Kawai, Takahashi, and Kawase belong to the group of long-time residents. City staff members, indicated by the black lines, also made their debut in the early stages; those include Kawamura, Uyama, M., Uyama, Y., and Tsukiji. Then, business people who moved to Mitaka city some time ago made their debut after or around their retirement ages; these include Maeda, Morishige, Uchinaka, Motoyama, Ozawa, Horiike, and Yamane. In addition, Hatano and Saito made their debut in SOHO development. Fulltime housewives and working fathers became involved because of their children's activities; for example, Nagumo, Kobayashi, Sudo, Yotsuyanagi, and Takegami. In sum, each person had a different background

and reason for starting participation and collaboration. But somehow, they came together to join in the activities. Figure 6-3 shows the grouping of the interviewees by some of the activities or events.

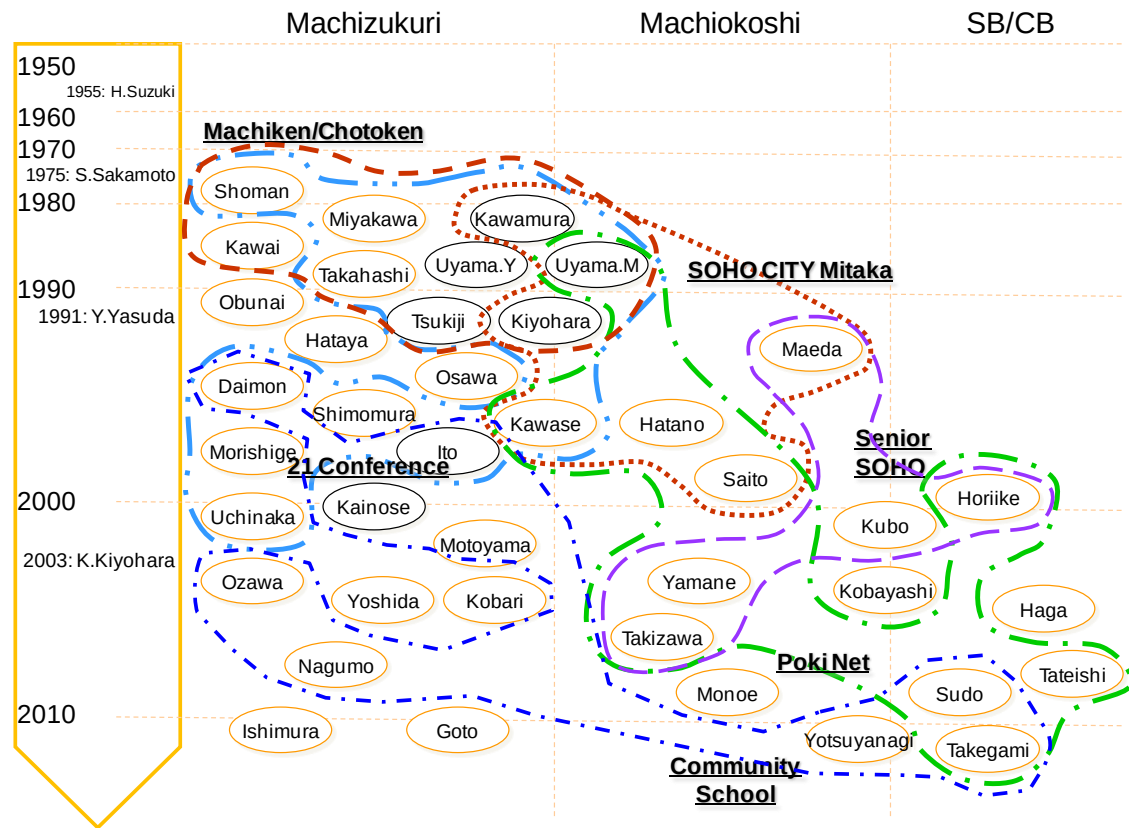


Figure 6-3: Grouping the interviewees by activities

NOTE: Not all of the activities or events explained in the case are shown

Figure 2 and Figure 3 together show that interviewees are working together regardless of their debut timing or the reasons of their participation, and yet share the context together. Most of the activities which the interviewees participated in consisted of a variety of people, including citizens and city staff members, academics from nearby universities, and business people who were working in Mitaka but living outside of

Mitaka. Then it is assumed that the groups consisted of various stakeholders who shared the physical context by working together in the activities.

This leads to a second question: Do the citizens and other stakeholders share mental foundations, such as moral and ethical values, perspectives, sensitivity, and social capital? To verify the sharing of mental foundations, I observed the comments made by the interviewees and identified common expressions.

One of the common expressions I could identify from the interviews was; “I happened to become ...” or “I happened to take the role of ...” which is followed by “I appreciate that I could carry out the role with the support from” When I first heard interviewees using such an expression, I assumed that they were merely humble, or just followed the cultural norms. But later, the more I heard this expression, the more I recognized that my original assumption was wrong. Judging from the context of real-life stories they had told, what they were expressing was serendipity. Interviewees shared the sense of appreciation of the luck they encountered in finding or creating interesting or valuable things in their lives, made possible with the support of their peers.

Another common expression I could identify indicated openness to others, especially to those new to the city. The interviewees were encouraging the newcomers to join them in collaborative activities, by offering various opportunities:

There are various doors in Mitaka which open up various opportunities to participate and collaborate. Inside, there will be various people and various activities. Just try. If the place is fun and comfortable, then you can stay. People welcome you¹²⁷.

Another observation was that interviewees were good at grasping others' characteristics and sensing the atmosphere. It is often said that Japanese "read the air," that sensing the atmosphere is important when socializing with others. This tendency was found especially apparent among the interviewees. Although the Mitaka citizens were open to all the others in the beginning, they eventually chose the right match:

There are some people who insist on their own agenda and interest. It is difficult to work together with such people, so eventually we stop inviting them. Then, these people will gradually leave, sensing that they do not belong¹²⁸.

So, once newcomers are accepted and found to fit in the context, they are sure to enjoy collaboration. For the interviewees, collaboration is something beyond working for pay. Rather, collaboration reflects the meaning of life: to obtain the feelings of belonging and achievement:

¹²⁷ Interview with Kawase, Uyama, and Kawamura, September-December, 2011.

¹²⁸ Interview with Takahashi, Daimon, Takegami, Sudo, and Yotsuyanagi, , September-December, 2011..

Collaboration needs to be interesting and fun. If participants are really enjoying working together, then other people will come and join. If collaboration is not fun and people cannot enjoy it, it will not last long¹²⁹.

These expressions indicate that interviewees unanimously acknowledged and shared mental foundations; such as being open to others, empowering and encouraging newcomers, sensing the atmosphere, and enjoying the collaborations. However, they were also realistic and pragmatic; if someone is rather egocentric and insists on her/his interest, they amicably let the person leave. There is such a subtle balance shared among the interviewees. In sum, interviewees shared various kinds of mental foundations, such as moral and ethical values, norms, traditions and culture, and social capital. They are active, positive, open, sound, but grateful and humble to others. They trust and respect others, but are realistic and pragmatic. And moreover, they enjoy what they do, and they are proud, passionate and committed.

6.3. Verifying Hypothesis 2: How stakeholders collaborate

Hypothesis 2a and 2b are the hypotheses on how stakeholders collaborate, that more stakeholders create knowledge, the more they broaden the knowledge ecosystem and strengthen knowledge ties. To verify these hypotheses, it is necessary to determine from the case if: 1) the citizens and other stakeholders engaged in the knowledge-creating processes in any of the three areas of Machizukuri, Machiokoshi,

¹²⁹ Interview with Takahashi, Ozawa, and Nagumo, September-December, 2011..

and/or SB/CB actually create some kind of tangible knowledge; and 2) the more the citizens and other stakeholders engage in the knowledge-creating process, the more they broaden the social ecosystem and increase the number and/or the strength of the social ties.

To verify the first point about the knowledge-creating process, I will review some of the activities in Machizukuri, Machiokoshi, and/or SB/CB and identify if there were SECI processes in actual situations which resulted in creating new tangible knowledge, such as a new way of doing things or new services created.

The first example is the preparation for the Osawa Community Center. The citizens of the Osawa community formed a study group and discussed how an ideal Community Center should be. During the discussions, the tacit knowledge of each member was recognized by the other members as they lived close to each other and understood the context (Socialization). Then the ideas and concepts were articulated through the discussions and summarized in a proposal (Externalization). However, the SECI process stops here because it was the city staff members who combined the proposal with their own plans. Community Carte was a similar situation where the participating citizens walked around the community and observed the town (Socialization), and their ideas and concepts were summarized into a proposal (Externalization). However, there was no opportunity for the citizens to participate in the policy-making or planning; the city staff members did these and citizens were only

asked to give public comments. This means that Combination and Internalization between the citizens and the city staff members did not occur. The INS experiment was the same because the purpose was for the NTTP to experiment with the new technology, and the citizens were not involved in improving or innovating technologies, and therefore no Combination or Internalization steps by the citizens and between city staff members or the NTTP occurred. Accordingly, there was no new tangible knowledge created; no new system or service was created.

After these, the workshop started in 1996 was a breakthrough. In the case of Tenohira kouen revitalization, the participating citizens could share their tacit knowledge (Socialization), summarize their ideas into a proposal (Externalization), and work with the city staff members to operationalize the plan (Combination), and even plant the trees and flowers (Internalization). As a result of the workshop, citizens and city staff members worked together to put together the actual revival plan and citizens actually participated in its execution. This was the first case in which the citizens took the initiative in planning and execution.

Then the participating citizens acquired a sense of achievement and accumulated knowledge from experience. Accordingly, these citizens wanted to participate and collaborate more, and many later became the citizens' coordinators in the 21 Conference preparation committee. This was the first case in which the citizens' coordinator was instituted, and citizens autonomously and independently trained

themselves to become citizens' coordinators. In addition, the 21 Conference itself was the outcome of the knowledge-creating activities of the citizens' coordinators.

Furthermore, the 21 Conference itself hosted multiple and multi-level SECI processes; within each meeting of each subcommittee, each subcommittee itself, the whole meeting, and so on. The operational system of a subcommittee was a product of each subcommittee. Each meeting of each subcommittee produced new ideas to be incorporated in the third grand plan. 375 citizens brought in their tacit knowledge (Socialization), articulated it through brainstorming and discussions (Externalization), gathered the knowledge into plans and proposals and presented these to the city (Combination). The proposals were put into the third grand plan and implemented (Internalization). The 21 Conference resulted in a proposal to the city which was incorporated into the third grand plan by the city staff members, and was approved by the assembly. This system itself was a product of the 21 Conference. Some of the citizens worked together with the city to implement the plans, such as in the cases of SOHO development, enforcement of the Basic Ordinance for Autonomy, establishment of the Citizens' Collaboration Center, and so forth. The more the citizens and other stakeholders took part in the SECI process and created new knowledge which resulted in a new proposal, new procedures, and systems, the more they gained a sense of contribution and achievement, and the more enthusiastic, passionate, and committed they became.

Similarly, SOHO CITY Mitaka project was pursued with the SECI processes. Uyama visited SOHOs in Japan to identify the needs of the SOHOs (Socialization), and they gathered in study groups to discuss new ideas to develop SOHOs in Mitaka (Externalization), and actually established SOHO offices (Combination), and promoted the incubation of new SOHOs through training and competition (Internalization). Some of the citizens were experienced business people as well as citizens' coordinators, and then took the role of SOHO coordinators to coach and mentor the new SOHOs.

To verify the second point about social ecosystems and social ties, I will refer to the interview comments about the initial reasons for participation, and look again at the illustration of the grouping of the interviewees by the activities (see Figure 6-3). Three points can be identified: 1) those citizens who debut in the early stages of historical development are involved in multiple groups; (2) those citizens who debut later are spread out in three areas; 3) some citizens are mapped in multiple groups.

The first point can indicate that in all the activities, there was always overlapping of the old members, who began participation at the earlier stages. This can indicate that the experienced members shared and transferred their knowledge and experiences from the various activities, and at the same time, they created and nurtured the moral and ethical values, norms, culture, and social capital. The new members learned from the experienced members and inherited both the tacit and

explicit knowledge, and they became the experienced members in a new activity, and such relays continued.

For example, Tatsuruko Shoman was first involved in Machiken/Chotoken activities as one member among 300 members, then in the 21 Conference as a citizens' coordinator and as a secretary general supporting 375 participants, then in a Citizens' Discussion as a member of the preparation and operating committee which sent invitations to 1000 randomly selected citizens, and later in the Citizens' Collaboration Center as a chair of the NPO where 142 organizations are registered. She herself accumulated knowledge from experiences and broadened and strengthened relationships, but she also transferred her accumulated knowledge and relationships to others. Yukiko Takahashi made her debut in the 21 Conference, and later became a member of the NPO Citizens' Collaboration Network and as a staff member at the Citizens' Collaboration Center. This process resembles an apprenticeship, but was pursued in an unintentional way. The old members unintentionally took the role of exemplar, and the new members learned from them. But then they transformed what they had learned, and eventually created a new way of doing things, like the Shu-Ha-Ri process of creative routine (Nonaka, Toyama, and Hirata, 2008; Nonaka, Toyama, and Hirata, 2010). Accordingly, the social ecosystem broadened and social ties were strengthened.

The second point is that those citizens who came to participate later were spread out in three areas, reflecting the historical development of Mitaka city. Mitaka's historical development first started with the community development which was led by Suzuki in the late 1960s and 1970s, and then to the IT development which was started by Sakamoto in the mid-1980s, and then to collaboration in Machizukuri, Machiokoshi, and SB/CB by Yasuda and Kiyohara in the 1990s and 2000s. Moreover, this also indicates that despite the different interests or agendas each citizen or other stakeholder may have, which is apparent from the spread in three areas, the interviewees were closely connected in order to make referrals (Marsden, 2005). This further indicates that the interviewees share the trust and respect of each other, and that, "If she asks for a favor, I cannot object."¹³⁰ They shared moral and ethical values, indicated when many of the interviewees said, "If you [the interviewer] are doing research on this subject, you should meet her/him."¹³¹ They shared the norms, culture, and social capital in Mitaka city that many of the interviewees referred to as the "Mitaka way" and "Mitaka method," and used such phrases as "Always aim at number one in Japan", and "Enjoy collaboration or it will not continue."

The third point that some citizens are mapped in multiple groups while others are mapped in a few or one single group indicates that certain citizens play the role of a hub that connects the multiple networks (Watts, 2003). They are not only mapped in

¹³⁰ Interview with Shinsuke Kawai, on December 1, 2010.

⁶ Interview with Mitaka citizens, from September to December, 2010.

multiple groups, but also referred to multiple times by multiple people, indicating that they are influential (Christakis and Fowler, 2010). They often take a leadership role in starting new activities, and thus set the vision and the objectives, share information and knowledge, persuade others, and determine who is to be involved (Gladwell, 2000). One exemplar is Kiichiro Horiike. Throughout the interviews, Kiichiro Horiike was referred to by five others. He runs multiple communities both on-line and off-line. He is acknowledged by other local governments as well as the central government as holding the title of cabinet secretariat evangelist of regional revitalization (内閣官房地域活性化伝道師). He has co-authored two books, and is invited to give lectures and seminars on various occasions. He can connect many people, and at the same time, many people introduce others to Horiike. In Mitaka, there are other individuals like Horiike.

One way to show these three points is the referral route. One of the referral routes can be shown as in Figure 6-4. Here, Kawase referred to Takakashi, who referred to Takegami, then to Sudo, Takizawa, and so forth. The route crosses over the historical order and the three areas of development.

This crossover of referral routes illustrates that the citizens and other stakeholders shared the contexts and principles not only by living/working in Mitaka, but also by historically working together over the three areas of Machizukuri, Machiokoshi, and SB/CB. Moreover, through working together in the activities in the three areas, they shared even more contexts and principles. In other words, there was

a virtuous cycle of sharing physical and mental foundations that promoted expanding the social ecosystem of activities and increasing the number and the strength of the social ties between the citizens and other stakeholders.

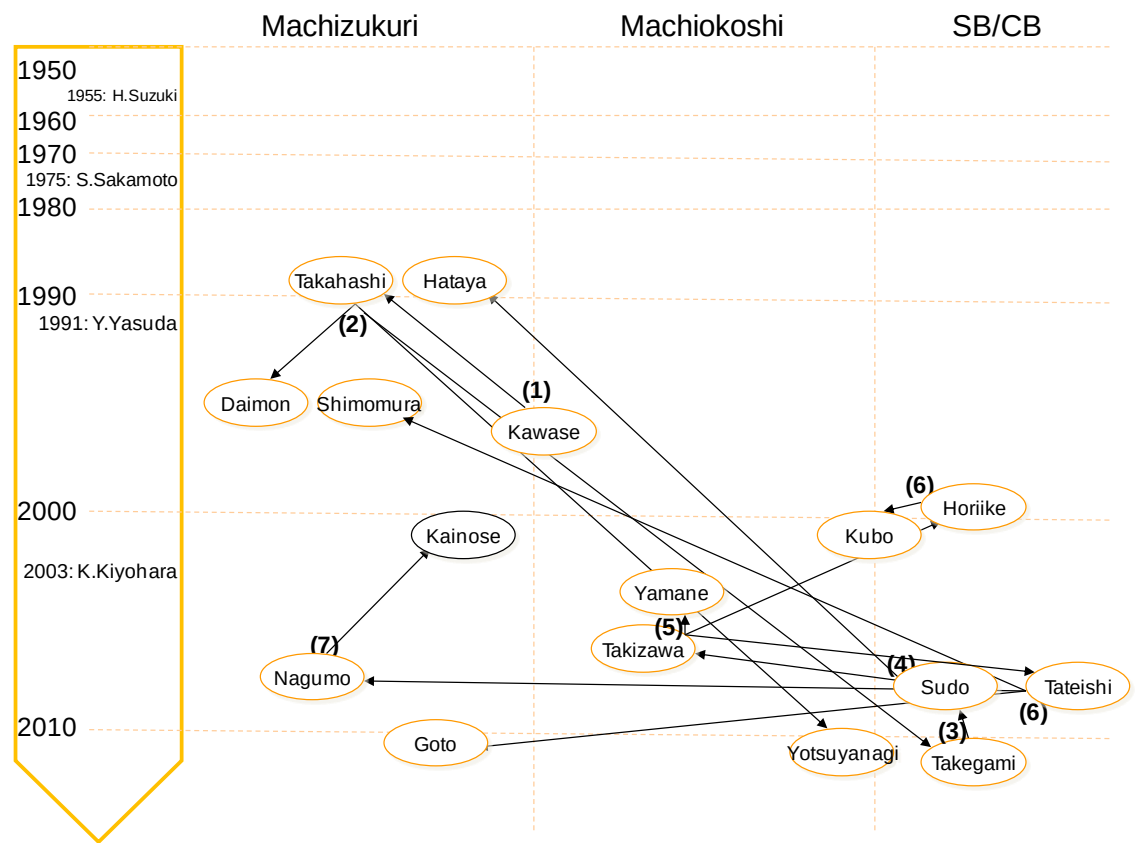


Figure 6-4: Example of a referral route

NOTE: The numbers in brackets indicate the distance of referrals from Kawase

6.4. Verifying Hypothesis 3: Why the stakeholders collaborate

Hypothesis 3 is the hypothesis about why stakeholders collaborate. The hypothesis assumed that collaborations are driven by the distributed leaders who share vision and values, and are intrinsically motivated. To verify this hypothesis, it is necessary to identify from the case if: 1) the citizens and/or other stakeholders can take

the role of leader; 2) they share vision and values, and 3) they are motivated intrinsically.

First, to verify that the citizens and/or other stakeholders can take the role of leader, I will present the comments of the interviewees. From the interviews, I can derive similar comments made by multiple interviewees. They said:

I never thought I would be a leader. But I was told to give it a try by the experienced people. They said they would help if I faced trouble. So I decided to give it a try. And after I tried, a new world opened up, and here I am¹³².

This comment indicates that the interviewees were challenged and given an opportunity, and took on the role of leader, and this way of encouraging and empowering new members to take on leadership positions was somewhat a common practice. Of course, there were other cases where because no one accepted the role of leader, the interviewee decided to take the role; or, the interviewees proactively raised their hand and said they would be the leader. However, in any case, all of the interviewees had some kind of experience as leader, and some even had the experience of supporting and coaching others. So I think it is safe to say that some people with the experience of being a leader were there to support and coach the inexperienced, and inexperienced people took the chance and challenge to be leaders. Accordingly, the leadership is distributed, and autonomous and collective in Mitaka.

¹³² Interview with Takahashi, Yotsuyanagi, Takegami, and Sudo, September-December, 2011..

As for the second point about sharing vision and values, as already analyzed in hypotheses 1 and 2, citizens and other stakeholders shared the physical and mental foundation and shared the social ecosystem and social ties. In addition, the citizens and other stakeholders worked together to come up with a consensus. For example, Morishige, who led the subcommittee in the 21 Conference, said that his committee was like a boardroom where the executives actively discussed, exchanged ideas, and made quick decisions¹³³. There were consensus-making steps before making final decisions. However, the leaders and other members could hold their own opinion, and the others accepted the difference and the diversity. This process is also found in the Citizens' Discussion. In the five-person group discussion, one member takes the leadership role and tries to coordinate the opinions from other members. She/he will be the one to present the group ideas. But at the same time, each member of the group can hold her/his own opinion if the person thinks it is worthwhile. Such difference and diversity are welcomed. In sum, the vision and the values are shared among the members, but not always agreed upon by everyone.

Then the question is why citizens and other stakeholders are willing to take the role of the leader, when they have no obligation to do so. Unlike in the case of firms, no extrinsic motivation exists in the cities because there is no solid structure or system, and thus there is no hierarchy or command-and-control power relationship. From the

¹³³ Interview with Morishige, November 12, 2010.

case and the interviews, one major reason derived was to satisfy self-interest. However, there are two sides of this self-interest; one is self-centered and the other is other-centered (Uno, 2010). In the case of Mitaka, the two sides are subtly balanced, which can be represented by “*okagesama*” and “*otagaisama*” attitudes of the interviewees.

“*Okagesama*” and “*otagaisama*” were two of the common expressions I could identify from the interviews. *Okagesama* is a Japanese term which expresses appreciation for either specified or anonymous others. *Otagaisama* is a term to express that we are all the same after all, and because we are all the same, we should help each other if anyone faces difficulty. Two terms are closely related to the sharing attitudes (c.f. Gansky, 2010; Hunt, 2010). These expressions are generally used to express courtesy but often are used insincerely. However, judging from the narratives of the interviewees, this was not the case in Mitaka. Interviewees’ attitudes were not superficial but profound. Interviewees were sincerely grateful for the support they received from specific people, or at times thankful to the luck they encountered. Then, to repay their gratitude, they too supported the others in return, not always specifically the ones who supported them, but other people who needed support. In so doing, the sense of serendipity made the citizens and other stakeholders humble to others, respectful of others, and trusting in others.

The self-centered self-interest can be expressed as a “Because I wanted to, I did” way of narrative. Interviewees did relate this type of story in the interviews, however, usually at the early stage of their personal history. Although they started out with their own wish, dream, or interest, in the course of their involvement, they often came across serendipity. Then, their agendas changed, and eventually, the self-centered portion of their self-interest decreased and was balanced with the other-centered portion of self-interest. Their stories changed to expressions such as, “Because she/he recommended me, I happened to do it, and I enjoyed it.” As a consequence, their satisfaction seemed to increase as the self-centered portion of self-interest decreased and other-centered portion increased, because they felt not only satisfied by the achievement of their own agenda, but also by achieving others’ expectations. As the sense of achievement and satisfaction by the other-centered interest increased, they gained respect of others and by others, and they were more motivated (Maslow, 1943). In sum, the more the citizens and other stakeholders broaden the ecosystem and the ties and increase the diversity of perspectives and knowledge, the more they are willing to work, both on self-centered and other-centered interests to satisfy their self-esteem and self-actualization.

6.5. Verifying hypothesis 4: Tangible outcomes as a result of collaboration

Hypothesis 4 is the hypothesis concerning the results of collaboration, specifically, tangible knowledge or wisdom created out of collaboration. To verify this hypothesis, it is necessary to identify from the case if: 1) new social value or new traditional wisdom was created to solve social issues and/or develop new businesses, 2) the new value or new wisdom synthesized the traditional wisdom embedded in the city with the new wisdom from the various stakeholders. In other words, it is necessary to identify if there is a new system, a new process, a new service, or a new product created from collaboration.

To verify these points, I focus on so-called “Mitaka methods.” Both the literature and interviewees mentioned that there are a few “Mitaka methods,” which means new ways of doing things. For example, to set up the preparation committees or operation committees which prepare for the main event is referred to as a “Mitaka method.” Generally, if it is concerned with policy making or city planning, a preparation committee or operation committee consists of city staff members. But in the case of Mitaka, committees consist of not only the city staff members or the stakeholders, but also include experienced citizens, new citizens by public application, academics, NPOs, etc. This is to balance the various interests as well as to utilize the diversity of knowledge and experience.

Another example of a “Mitaka method” is the method of brainstorming and consensus-making using the card-making method. This method itself may not be new,

but Mitaka citizens recognize this method as their own way of creating new ideas and coming to a consensus. This was why this method was implemented in the Citizens Discussion, which itself is called a “Mitaka method,” where the Citizens Discussion based many of its aspects on the Planungszelle developed in Germany, but were modified to fit the contexts of Mitaka, such as duration, discussion and consensus-making by the card-making method, setting up operation committees, etc. Modifications were made based on the knowledge, know-how and experience of the city staff members, citizens, and JC members who joined the operation committee, and through the knowledge-creating process of the SECI model. In fact, there are other “Mitaka methods” which are all the outcomes of combining and synthesizing the existing knowledge and wisdom of the citizens and other stakeholders with the new knowledge or information from outside. Moreover, both citizens and city staff members are proud of “Mitaka methods.”

Another distinctive tangible outcome of collaboration are the SOHOs. For example, the Senior SOHOs utilize the knowledge, know-how, and skills of retired seniors to offer new services, such as elementary school patrol, webpage creation, ICT skills training, study groups for dementia, etc. Senior SOHOs match the needs of Mitaka citizens with their expertise and offer new services. For example, Senior SOHOs trained seniors to be ICT-literate, and those through learned at Senior SOHOs became lecturers and trained other seniors to be ICT-literate. A cyclical system was established

to promote ICT in the city. Their activities were acknowledged by other municipalities and won an award from the Ministry of Economy, Trade and Industry in 2004 for promoting ICT in the region. Similarly, NPO Kosodate Conveni supported new mothers in raising children, and after their children became old enough, some of them in return helped new mothers. Thus, a cyclical system was established to support new mothers. Their activities were acknowledged by other municipalities and won an award from the Ministry of Economy, Trade and Industry in 2004 and the Ministry of Internal Affairs and Communications in 2010 for solving social issues and promoting regional development.

Another example is the SOHO Venture College and Minotake Kigyo Juku, run by Mitaka TMO and Mitaka Network University which are both subsidiaries of the Mitaka city government. Although the operation seems to be led by the Mitaka city office, in reality, the operation is led by Dr. Maeda and other SOHO coordinators, who are citizen experts in incubating, training, and coaching SOHOs. Their activities are also acknowledged by other municipalities and the central government and they receive subsidies from the cabinet office for creating new employment opportunities.

These examples are a few of many other cases of creating tangible knowledge from collaboration, synthesizing the local traditional wisdom and the wisdom of the citizens to create new social values or new traditional wisdom. Most of them are revisions or new combinations of existing knowledge and wisdom in Mitaka or of the citizens.

However, what distinguishes them is the fact that they are mainly created autonomously by the citizens, utilizing the knowledge of the citizens, city staff members, academics, and businesses.

6.6. Discussion of the findings

As a result of the analysis of findings verifying the hypotheses, the way in which the collaboration black box works can now be identified (see Figure 6-5).

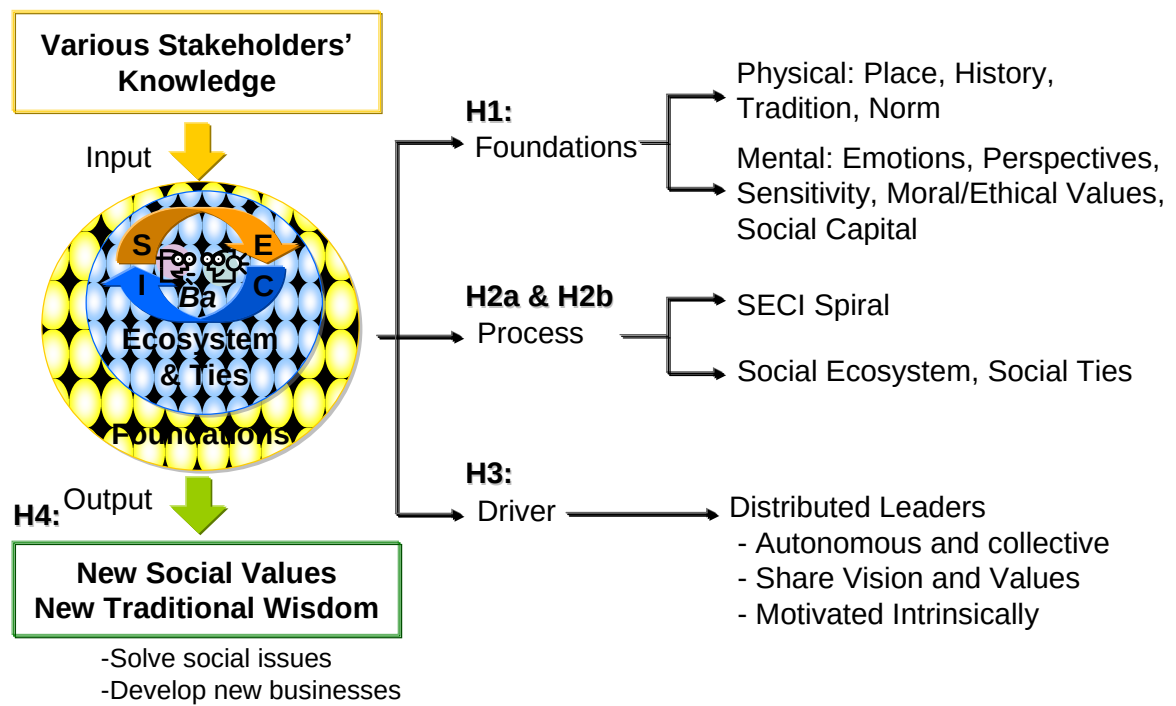


Figure 6-5: How Collaboration Blackbox Works

Inside the collaboration black box were basically three factors: shared foundations, process, and driver. The shared foundations consist of two types: physical foundations such as place, history, tradition, and norm, and mental foundations such as openness

and humbleness, trust and respect for others, realism and pragmatism, enjoyment and encouragement, pride, passion, and commitment, and so forth. Process consists of SECI spiral and social ecosystem and ties. The SECI process is a process to create knowledge, but at the same time it is a process to share the context with others and to create *ba*, where the sense of belonging, achievement, and commitment are generated. By connecting multiple *ba*, social ecosystem and social ties are broadened and strengthened. Distributed leaders are the driver of the process which bases on the foundations. In sum, three factors develop *ba* that shares particular and dynamic context of collaboration. I will now focus on *ba* to discuss the findings of the case on each of the three factors.

Foundations: Sharing the Mental Foundations in *ba*

One of the key factors for successful collaboration is the shared foundations, which consists of both physical and mental foundations. Physical foundations are easier to share than the mental foundations because the physical foundations can be explicitly explained by words, or can be transferred as technical know-how, or transferred through learning by doing. On the other hand, mental foundations are difficult to share because they are tacitly possessed by each person and cannot be easily expressed in words or transferred by body language. The question then is how we can share mental foundations.

In the case of firms, physical and mental foundations are shared through trainings, both off the job and on the job, in a shared context in motion, or *ba*. Often they are expressed by the corporate philosophy, corporate mission and vision, and/or the code of conduct. In sum, in the case of firms, physical and mental foundations are mostly articulated and explicitly shared in a systematic approach. If not explicitly available, the people still can share through socialization in meetings, on the shop floor, or at the customers' sites. On the other hand, in the case of cities, physical and mental foundations are difficult to share because there is no structure or system to enforce the transferring and sharing. Then the question is how to share these in the case of cities.

The mental foundations overlap with the experiential knowledge asset in the knowledge-creating theory of firms. As described in Chapter 2.3, the experiential knowledge asset is tacit knowledge shared through common experiences in the particular contexts, such as skills and know-how of the individuals, social capital, and emotions. Knowledge-creating theory of firms suggests that experiential knowledge assets are to be created and transferred in the socialization step through resonating and empathizing with others. Then similarly, mental foundations also can be created and transferred through resonating and empathizing with others. In fact, recent findings from cognitive science and neuroscience suggest that human beings can understand and exchange thoughts and emotions of others by resonating and empathizing.

According to the recent findings from the neuroscience, in our brain, we have a nerve system called “mirror neurons” which enables the human body to copy another’s movement by watching the other’s actions. It is assumed that by copying the other’s movements, human beings can empathize and assume the other’s emotions and thoughts (c.f. Fujii, 2010; Rizzolatti, Sinigaglia, and Anderson, 2008). On the other hand, recent developments from cognitive science indicate that human beings can exchange emotions and thoughts merely by living and acting together under the same roof and sharing the dynamic contexts. We begin to accept others as they are, and we establish with others intercorporeality and intersubjectivity (c.f. Kobayashi, 1979; Varela et al., 1991; Yamaguchi, 2005; Yamaguchi, 2009). This is also an act of empathy or resonance, which is our innate ability (Preston and de Waal, 2009)

The recent findings from neuroscience and cognitive science suggest that to create and share mental foundations, the members need to resonate and empathize with each other. And to do so, the members need to establish intercorporeality and intersubjectivity by living and acting together in shared *ba*. Put differently, the more the members live and act together in shared *ba*, the more they establish intercorporeality and intersubjectivity, which reinforces resonance and empathy, and the creation and sharing of mental foundations. This indicates that the more socialization occurs in shared *ba*, the more the members resonate and empathize, and the more the SECI process spirals, and the more mental foundations will be shared,

which then starts another cycle of socialization.

Process: The Power of Social Media in Connecting Real and Virtual *Ba*

Social media is becoming a fundamental tool in our daily lives to socialize with others, and establish, maintain and expand our social network (Sasaki, 2011; Yamazaki, 2010). Social media can establish a virtual *ba* (Nonaka, Toyama, and Hirata, 2010). For example, we can link together the connections and relationships created in the real world and the virtual world using Social Networking Services (SNS) such as Facebook, MySpace, and LinkedIn. These are virtual *ba* where people come and mingle with each other. People exchange information, emotion and even location through Twitter and Foursquare. Anyone can present ideas, opinions, and even business plans on blogs, and can broadcast over Youtube and Ustream, and seek for collaboration. In Mitaka, especially those people involved in SB and CB are utilizing various social media as tools to socialize with others: Mitaka SNS “Poki-Net,” the regional blog portal “Tamaliver,” and the local internet TV “Mitakacchi” on Youtube. Any citizen can become the sender of information, and can initiate socialization and sharing of knowledge. The IT tools and social media can close the gap of time and space, and help transcend differences in age, gender, and occupation because members often use handle names when communicating in the virtual world and they do not know the detailed profile of others when they begin communication. As a consequence, a new

community is created between the real and the virtual world, which combines the multiple *ba* and the network established in the real world and the virtual world (Kaneko, Tamamura, and Miyagaki, 2009).

Then the question is: Is it possible to nurture mental foundations, broaden the social ecosystem, and increase and strengthen social ties through social media? Social media enables people to connect rather freely, flexibly, and simultaneously in various contexts and multiple *ba*, transcending the time and space limitations. For example, people can show their empathy to even unknown others by clicking on “like!” or “iine!” buttons on Twitter or on Facebook. Anonymous people can share information, knowledge, and/or feeling by leaving comments on blogs, Ustream and Youtube. With the social media as a tool, people can connect multiple *ba* and extend social networks from real to virtual and vice versa.

Driver: Power of Social Leaders in Developing *Ba*

In the case of Mitaka, there were mainly two types of leaders: those who are given authority from the social system like the historical mayors, and the others who are autonomous, but distributed and collective social leaders. The social leaders were occasional, unplanned, and unintended leaders who happened to take leadership roles in a specific context. The social leaders worked together with various stakeholders because they shared passion and commitment to improve the quality of life. Even if

each had different personal agendas, they could work together for the ultimate common good. And through working together they could share the physical and mental foundations, broaden the social ecosystem, and increase and strengthen social ties. The moral and ethical values involved the value judgments of truth, goodness, and beauty, which is are in the direction of common good (Aristotle, 2000; MacIntyre, 1984).

From the case analysis, I can say that the social leaders are different from those traditional leaders in politics, management, or administrations who are given authority and power from the structure or the system, and stand on the power to control people, top-down, as command-and-control leaders. Social leaders are not like those charismatic leaders in management who stand up to make a change, revolution, or turn-around by managing, controlling, and sometimes firing people. Social leaders do not conform to the closed and hierarchical system of structures. On the contrary, social leaders base their judgment on shared vision and shared social values for the common good of the society and/or community, and act on them in a shared context in motion. Such leaders build human networks of both strong and weak ties using their personal traits: magnetism, trust, respect, and persuasive rhetoric, to name a few. From a different angle, the influence in the social context is mostly intrinsic, where it is a mix of extrinsic and intrinsic in businesses, politics, and administrations. There is no such thing as legitimate power in the social context. Power between the citizens and other stakeholders is relational and contextual, and it is only applicable in a particular

context, or a *ba*.

Consequently, in the social context, leadership is not exclusive to a few elites; depending on the context, people take turns in the leader's role according to their expertise and commitment, i.e. leadership is distributed and collective. Because of that, social leaders can make the most appropriate, timely and balanced judgments for the particular context, autonomously and independently, but with broad perspective towards the total maximization.

Moreover, leadership is not a granted privilege to the seniority or the experienced. There seems to be a mechanism or a norm to nurture new leaders, where experienced citizens can sense who can become the next generation leader, and they train them by giving the person an opportunity to act as leader and train her on-site. Many of the citizens interviewed mentioned that they happened to take the role of leader because they were recommended by other experienced citizens. As stated before, the interviewees were told that whenever they faced any problem, they would be offered help from those with experience. They then decided to give it a try. The more the autonomous leaders are nurtured, distributed, but collective; they can shake and change the world (Christakis, and Fowler, 2009).

Three Factors are Synthesized in “Common”

One of the major differences between firms and cities is their perspectives toward the world: how to view relationships between individuals, and between the individual and the society, and within the society itself. In general, the society consists of private, public, and common elements. The word “public” is used as an antonym to “private”, and a synonym with civic, communal, common, national, and social. The word “private” is focused on individual and personal rights and interests, while the word “public” stands up as a power to limit or control the “private”¹³⁴. To solve the conflict and synthesize the contradiction between the public and private, “common” needs to arise. “Common” is a shared context, or a *ba*, which emerges in between the private and the public (see Figure 6-6).

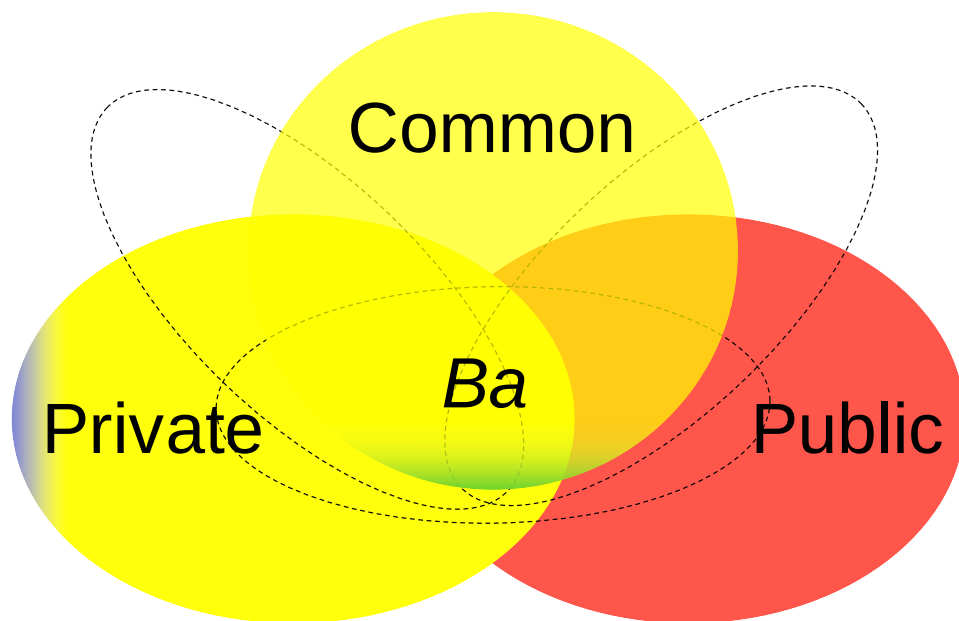


Figure 6-6 : Common is a *Ba* that emerges in between Private and Public

¹³⁴ There was a heated debate between Liberalism, Libertarianism, and Communitarianism since the 1980s which I will not go into detail.

The attitudes of *okagesama* and *otagaisama* identified in Chapter 6.4 are the wisdom of the common *ba*; *okagesama* reflects absolute moral and ethical values while *otagaisama* reflects relative moral and ethical values of the common good. In other words, these attitudes together can host both the absolute and relative values toward the common good. If various stakeholders can internalize these attitudes, then the conflicts would be solved and contradiction could be synthesized between the public and the private while each has its own agenda and interests

In sum, the attitudes of *okagesama* and *otagaisama* indicate how much the citizens shared social values and created common *ba*, to pursue common good. These attitudes reflect the wisdom of the citizens that helps reduce the tension between the public and the private, and helps solve conflicts and synthesize contradictions. In short, *okagesama* and *otagaisama* can be considered as terms to measure the success of collaboration in creating the common *ba*.

To conclude the discussions on the findings, the three factors develop *ba* that shares particular and dynamic context of collaboration. *Ba* emerges from the foundation in a particular situation fosters and promotes the SECI process. And by distributed leaders connecting multiple *ba* in larger dynamic contexts, social ecosystem and social ties are broadened and strengthened, and new social values and new traditional wisdom are created.

7. Conclusions and Implications

Finally, I will close the dissertation with conclusions and the implications. I will first summarize the conclusions on the research questions, then describe the managerial and theoretical implications, and lastly list the limitations and the future opportunities.

7.1. Conclusions on the research questions

To recapitulate, with this dissertation, I intended to answer the questions: “What are the key factors for successful collaboration?”, and “How and why do various stakeholders of the city work together for the shared goal of creating new social values?” I used a metaphor of a black box to represent collaboration. I had assumed that if we input various stakeholders into the “collaboration” black box, then the output will be new social values. The question becomes, how does this black box work? Accordingly, this dissertation sought to identify the key factors for success in collaboration, and describe the method and the reasons for various stakeholders of the city to pursue collaboration, in order to develop local businesses and to solve local social issues.

To answer the research questions, I conducted a literature review of the articles relating to the management of economic development of cities and regions, namely,

cluster theory by M.E. Porter, the concept of creative class by R. Florida, the concept of creative city by C. Landry, and the concepts of knowledge city, Living Labs, social entrepreneurs and social enterprises. I also conducted a literature review on the knowledge-creating theory of firms, because the theory explains the process of collaboration in firms as a knowledge-creating process. However, none of the reviewed literature was able to explain fully the key factors of successful collaboration, and/or how and why various stakeholders of the city collaborate. Only the knowledge-creating theory seemed to have the potential to explain the phenomena comprehensively, and thus be transformed into a theory of cities. From the literature review, I derived five hypotheses that describe the factors of successful collaboration and how and why various stakeholders collaborate.

Then I have conducted a detailed case study on Mitaka city, a city regarded as a success case of collaboration with the citizens and other stakeholders for both developing and revitalizing businesses and solving social issues. I described the historical development of Mitaka city in three streams, Machizukuri which is about local city planning and management, Machiokoshi which is about local business incubation and development, and Social Businesses and Community Businesses. I also conducted a simple network analysis on the 36 interviewees, whom I was referred to by the other interviewees using the name generator method. From the interviews, I

identified that citizens are connected and related beyond the limits of time and beyond physical borders among the three streams.

In Mitaka, cyclical and spiral relationships between the environment, structure, and the agents are constructed. Long-time citizens with experience welcome newcomers and nurture them, and the newcomers in return welcome other newcomers and nurture them. Through apprenticeship-like relations, physical and mental foundations are shared and renewed, and the citizens become leaders, distributed, autonomous, and collective at the same time. They inherited the frontier spirit of “being number one in Japan” and established their own way of developing policies, plans, and businesses, which they proudly call the “Mitaka method.” There are multiple “Mitaka methods,” in city planning and execution for solving local issues, and SOHO (small office, home office) incubation and SB/CB promotion for developing local businesses. “Mitaka methods” is characterized by the intensive use of ICT (information and communication technologies) and social media as tools to promote collaboration.

As a result of the case study, I have verified the hypotheses; identified physical and mental foundations as the key factors of collaboration, SECI process, social ecosystem and social ties to explain how, and distributed autonomous collective leaders as to explain why the various stakeholders collaborate. The three factors develop *ba* that shares particular and dynamic context of collaboration. As a result of collaboration, I have also identified the output to be new social values and new

traditional wisdom which synthesize the traditional wisdom and the knowledge from the citizens. In sum, the more citizens participate and collaborate, the more the participants share the physical and mental foundations of the city, the more the knowledge-creating processes occur, and the social ecosystem and social ties are broadened and strengthened, and finally, new social values and new traditional wisdom are created. Accordingly, the four hypotheses were verified that physical and mental foundations (地域地縁) will be synthesized with the social ecosystem and social ties (知域知縁) through knowledge-creating processes facilitated by the distributed, autonomous and collective leaders. As a result, the traditional wisdom and knowledge of the citizens (地恵-知恵) will be transcended by new traditional wisdom and new social values.

7.2. Implications

So what are the implications from the research findings and discussion? There are largely three implications. First is that the case of Mitaka city itself can be a reference to other municipalities and citizens as a benchmark or reference of collaborative activities between and among the citizens and other stakeholders. I concur with Flyvbjerg (2006, p.237) that “good narrative typically approaches the complexities and contradictions of real life.” And, following Flyvbjerg’s suggestion, I have tried to present the case of Mitaka city to offer a virtual “learning by reading” experience. In so

doing, the case was structured to cover the three main streams of the local city administration: on city planning and management (machizukuri), local business development and incubation (machiokoshi), and the social and community businesses.

Theoretical Implication

The second is the theoretical implication (see Table 7-1). In this dissertation, I have explored the applicability of a theory and concepts relating to the economic development of cities and regions to explain the collaboration in Mitaka city. However, I have concluded that the theory and concepts could only explain partially the phenomena. In fact, the theory and concepts are able to explain only partially the key factors of successful collaboration identified from the case of Mitaka city. From the case of Mitaka city, I have identified that successful collaboration needs largely three factors: shared physical and mental foundations, a knowledge-creating process and social ecosystem and ties, and distributed leaders with shared values and intrinsic motivations. For example, cluster theory can explain well the physical foundations and how they should be developed. However, cluster theory assumes other factors are externalities or given conditions, and thus the theory cannot explain the collaboration comprehensively.

Table 7-1: Findings from the Mitaka city case

	Perspectives	Focus	Activities	Goal
Cluster	Macro Level	Economic Development	Use shared information and technologies	Win the competition
Creative Class	Macro Level	Economic Development	Attract creative people	Win the competition
Creative City	Macro Level	Economic Development	Cultivate culture and creativity	Win the competition
Knowledge City	Macro Level	Economic Development	Execute knowledge-based development strategically	Win the competition
Living Labs	Macro Level	Economic Development	Co-develop new technologies, services	Win the competition
Social Enterprise	Micro Level	Economic and Social Value	Solve social issues with business approach	Improve quality of life
Social Entrepreneur	Micro Level	Economic and Social Value	Solve social issues with business approach	Improve quality of life
KC Firms	Macro and Micro Level	Economic and Social Value	Create knowledge for innovation, value creation and sustainability	Win competition and improve quality of life
Mitaka City Case	Macro and Micro Level	Economic and Social Value	Solve social issues and develop and incubate businesses	Improve quality of life

Viewed from a different angle, the fact that the theory and concepts of regional economic development can only explain the phenomena partially indicates that the factors identified in this dissertation may be able to complement the theory or concepts. For example, Porter and Kramer (2011) presented the concept of Creating Shared Value (CSV), that a firm's business success and social welfare are interdependent and therefore the two are no longer trade-offs in the long term. The concept of CSV indicates that firms need to collaborate increasingly with the various stakeholders of the society. In this regard, the factors identified from this research may be able to offer some value.

In addition to the theory and concepts of regional economic development, I have

also reviewed the literature on social enterprise and social entrepreneurs to explain the collaboration in Mitaka city. These areas are quite similar to the case of Mitaka city in that they pursue both solving social issues and developing businesses by utilizing resources of the various stakeholders. These areas are still new and thus still at the exploratory stage of theorizing. In this regard, the research findings, especially on the knowledge-creating process, may be able to offer a conceptual background.

As for the knowledge-creating theory of firms, the key factors of successful collaboration were developed with the knowledge-creating process of the SECI model, and also references were made to the concepts of knowledge vision, *ba*, knowledge assets, the knowledge ecosystem, and leadership capabilities. In this regard, the knowledge-creating theory of firms could offer the most comprehensive explanation of the collaboration in Mitaka city. However, the theory cannot be applied to the context of cities as it is. For example, the theory cannot fully explain why various stakeholders collaborate only through intrinsic motivation. Furthermore, the theory cannot fully explain why the social ecosystem and social ties can broaden and strengthen where there is no legitimate structure, system, or power relationship, but only the “social” and the “shared” relationship exists. In this regard, this research can add value to the knowledge-creating theory of firms and ultimately establish the knowledge-creating theory of cities (see Figure 7-1).

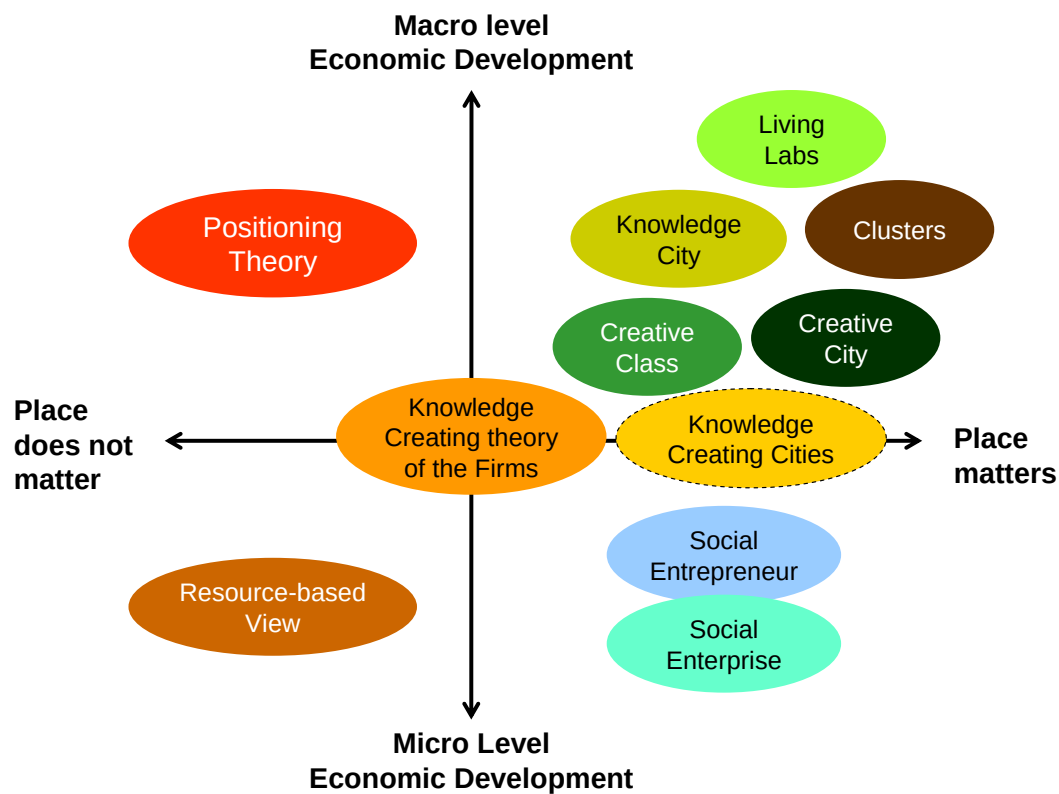


Figure 7-1: Positioning of Knowledge Creating Theory of the Cities

To conclude, as a theoretical implication, the dissertation transforms the knowledge-creating theory of firms into a theory of cities. As said, study of cities, regions, and communities is an emergent new field in academics with increasing attention and interest, and grounding on the knowledge-creating theory opens new field of research. Furthermore, the dissertation can be extended to establish a knowledge-creating theory of social innovation, which is about creating new social values, processes, and wisdom for solving social issues.

Managerial Implications

In addition to the theoretical implications as described, this research will be able to provide new and practical insights to local governments, citizens and staff members, and other various stakeholders who are to pursue collaboration. To repeat, from the case of Mitaka city, a successful collaboration needs largely three factors; physical and mental foundations, a knowledge-creating process and a social ecosystem and ties, and distributed leaders with shared values and intrinsic motivation. In order to implement collaboration and have it lead to success, the local administrations and citizens should pay close attention to these factors and evaluate and promote them in particular contexts of actual situations. Figure 6.5 in Chapter 6.5 can offer a framework for successful collaboration.

In sum, as for the managerial implications, the dissertation identifies how collaboration can emerge and be implemented in cities, regions, and communities, through sharing physical and mental foundations, creating new knowledge, and fostering distributed leaders as drivers. These findings together with actual cases of “Mitaka methods” should encourage collaboration in cities, regions, and communities.

7.3. Limitations

There are a few limitations. First, this dissertation is based on a single case and therefore there is an issue of whether one can generalize in order to represent all cities. The case of Mitaka city is a critical case on collaboration between the citizens and

other stakeholders in a city, and Mitaka is often regarded as a model of collaboration and benchmarked by other local municipalities. To solve this issue of generalizability, more cases, illustrating both successes and failures of collaboration, need to be analyzed to verify further the case findings.

In sum, the limitation of this dissertation is that it is based on a single case and thus the findings of the dissertation need to be tested and verified in other contexts. However, this also indicates that future opportunities are wide-open. Comparative case studies such as on success and failure cases, rural and urban cases, foreign and domestic cases will add value to the research. In addition, quantitative approaches such as surveys or questionnaires may be able to support the comparative studies.

7.4. Future research opportunities

As said, future opportunities are wide-open and expectations are high in the study of cities, communities, and regions. I can find many future research opportunities in which I will be able to apply the research findings on the key factors for successful collaboration, namely, physical and mental foundations, the knowledge-creating process and the social ecosystem and ties, and distributed leaders with shared values and intrinsic motivations. For example, Musashino, Chofu and Fuchu cities, located next to Mitaka city, offer examples where I could compare and contrast the similarities and the differences and examine the reasons behind them. In addition, I can also

analyze the cities in rural areas, such as the Asaza Fund case in Ibaraki prefecture and the Irodori case in Tokushima prefecture. Furthermore, I can also analyze the cases of failure in collaboration and compare those with the successful case. I can also compare this case with international cases and conduct a cross-cultural comparison. By verifying with other cases of collaboration, I would be able to solve the issues of generalizability and representation.

In addition to increasing the number of cases which is a qualitative approach, I will be able to conduct quantitative approaches, such as surveys and/or questionnaires to the citizens and other stakeholders. Especially the process of knowledge-creation, the SECI process and the social ecosystem and social ties can be quantified, and thus compared and evaluated against the results of other cities. I may also conduct network analysis or sociometry and seek for any corelationship with the survey results of the SECI process and the social ecosystem and social ties. By supplementing the case study with the quantitative data, the finding from this reseach will become more concrete and rigorous.

From the dissertation research, it becomes clear that physical and mental foundations (地域地縁) will be synthesized with the social ecosystem and social ties (知域知縁) through knowledge-creating processes facilitated by the distributed, autonomous, and collective leaders. As a result, the traditional wisdom and knowledge of the citizens (地恵-知恵) will be transcended by new traditional wisdom and new

social values. The case of Mitaka city and the key factors of successful collaboration should be a useful reference for city administrations and the members of the assembly, as well as citizens, academics, and businesses. It can provide guidelines for collaboration to solve local social issues and develop and incubate local businesses. Such guidelines are especially needed for town planning and revitalization of the cities in the Tohoku area, which were severely damaged by the earthquake on March 11, 2011. Collaboration not only develops knowledge and wisdom but also hope (Genda, 2010). Ultimately, by conducting a number of studies in depth, I hope to present the theory of knowledge-creating cities and of social innovation, which will contribute to improving the quality of life of citizens around the world.

Acknowledgement and Gratitude

From the case of Mitaka city, I have learned that passion and commitment are both infectious, and so is creativity. I would like to give sincere appreciation to Mr. Tsugitoshi Hatano, Mr. Kenichi Kawase, Mr. Masayuki Uyama, and all the Mitaka citizens. I would also like to thank Jan Hodgman, M.A. for proofreading the dissertation in such a short lead-time, but with practical and insightful comments.

- End

Appendix1: Detailed Profiles of the Interviewees

	Name	Profile and current occupation	Date
1	Kenichi Kawase	Male, in his mid 50's, now a PhD candidate Citizens' coordinator, SOHO coordinator	2010/9/9
Referred by: Kenichi Kobari			
Referred to: Masayuki Uyama, Tsugitoshi Hatano, Takamasa Maeda, Tatsuruko Shoman, Hitoshi Miyakawa, Yukiko Takahashi			
Involvement: Born and raised in Mitaka. Kawase's grandfather was a horticulturist, who selected the cherry trees planted at the Potomac River in 1912. Used to work in a printing company, but started own business at the age of 38. Spent difficult time with the start-up, and while walking around the neighborhood, met a retired executive and was encouraged, "If you work diligently, you will be better-off." He introduced Kawase to local gardening activities, which led him to participate in a workshop to revive the Tenohira Park in 1997. Kawase feels that interest and humor, the sense of achievement, and taking turns are needed in sustaining collaboration. At the same time, both pure volunteer (no money) and SOHO (with money) is needed to balance the interests of various citizens and other stakeholders.			
2	Masayuki Uyama	Male, in his early 50's, University graduate Senior Manager, Machizukuri Mitaka Company Ltd.	2010/9/9
Referred by: Kenichi Kawase			
Referred to: Yoko Uyama			
Involvement: Employed by Mitaka city in 1982, in physical education division. (Takashi Kawamura was two years senior in the same division). Applied to this division assuming the work load was low. In reality, most of the work and events were after 17:00 or on the weekends to serve the citizens. Daytime on weekdays were relatively free, so could spend time on studying and discussing with colleagues. Eventually involved in city planning and management. INS experiment was the first big experience; young staff members joined in the project, human network expanded. Many of them later became the core of Chotoken and Machiken. Did a lot of brainstorming and many ideas came out; some of them are realized. Struggled much in the projects, but the efforts were rewarded by satisfaction and appreciation. What Uyama worries about now is that younger generation staff members seem quiet; they may be tired of pursuing projects. Projects need passion, commitment, and joy of achieving, but these come as a result of trial-and-error processes of preparation and practice.			

3	Tsugitoshi Hatano	Male, in his late 40's, university graduate Chairman of the Mitaka ICT Association	2010/9/9
Referred by: Kenichi Kawase			
Referred to: Norihito Saito			
Involvement: Hatano used to work at Uchida Yoko, and was influenced by the organizational knowledge creation theory (Nonaka, 1991). Became independent in late 30's and started own SOHO business. Met Uyama in 1997, attracted to his personality and somehow got involved in his SOHO project. There was a good balance of family-like trust and systematic structure; SOHO itself always works in an alliance; an ad hoc relation emerges from the SOHO community. Eventually, Hatano moved his office from Tama city to Mitaka, and recently moved his home to Mitaka. Hatano is involved in the SNS PokiNet and sees more opportunity of collaboration emerging from the virtual-real relationship for both city planning and management and business incubation, Hatano sees many of the citizens of Mitaka to be above the fifth level of Maslow's hierarchy of needs; tolerant of newcomers, new things, and new challenges, independent, autonomous, and maintaining their own principles and values.			
4	Sumio Yoshida	Male, in his mid 40's, university graduate Former Mitaka JC member	2010/9/13
Referred by: Kenichi Kobari			
Referred to: Yoshihiro Ito			
Involvement: Former member of Mitaka JC, Yoshida runs own insurance company in Mitaka. Yoshida was involved in all the Machizukuri Discussions in Mitaka since 2005, assisted Kiyohara's election campaign in 2011, and is now involved in "New Public Commons" initiative by the Cabinet Office, as a representative of NPO Citizens Discussion Promotion Network. Yoshida sees Mitaka as good at balancing the old and the new, the right and the left, by always forming "preparation committees" and/or "operation committees" with various stakeholders. Such variety of participants often leads to chaotic situations, but in the case of Mitaka, participants can respect others and know how to disagree. Moreover, such variety gives sense of assurance and transparency to citizens and stakeholders. Everyone involved knows who the key persons are in a particular subject, and thus can involve them when needed. There is a lot of coordination and arrangement before, during, and even after the event, but the key persons do not mind; rather enjoy doing.			

5	Yukiko Takahashi	Female, in her early 50's, university graduate Citizen's coordinator, Collaboration Center	2010/10/12
Referred by: Kenichi Kawase			
Referred to: Kyoko Takegami, Chikako Yotsuyanagi, Yukiko Daimon			
Involvement: Takahashi was an ordinary housewife. When her children were in elementary school, she happened to be involved in neighborhood library, where she read books to nearby children. Then she was recommended to be a representative of the neighborhood, and around 1990, she became the chair of the representatives. She learned that library is central to children's learning experience. To improve the library service, she as a representative submitted petition to Mitaka city to place a librarian in every school library. Even after her own children were grown up, she continued to be involved in city planning, and participated in the 21 conference, and is now working at Mitaka Citizens' Collaboration Center. Takahashi finds many mothers like her, who get involved because of their children, and through the activities many become proactive in citizens' activities. Takahashi feels that citizens' collaboration is like understanding different cultures, maybe in the beginning there's no interest, but by working together, gradually understanding others and interest emerges. Also, she sees a good mix of diversity and homogeneity in Mitaka; not too urban, not too rural, and not too new, not too old.			
6	Chikako Yotsuyanagi	Female, in her mid 40's, university graduate Community School coordinator	2010/10/14
Referred by: Yukiko Takahashi			
Referred to: Kyoko Takegami, Shigeru Kainose			
Involvement: Yotsuyanagi is an ordinary housewife. When her children were in elementary school she was appointed the chair of PTA. While her children were at elementary and junior high school, Mitaka changed the school system to merge elementary and junior high schools. She then participated in Community School Operation committee, which supported the transition to the new system. Some call her "start-upper" as she started up new programs; citizen as guest teacher, entrepreneurship class with the citizens, softball tournament, etc. She simultaneously started a project to prepare a place for children after school, and connected and coordinated schools, teachers, local communities, local citizens, and so forth. She feels that when someone can filter and connect people, then a network can expand, and can quickly find necessary information and/or expert people. Yotsuyanagi feels that the place for children after school must be structured, and wants to start a community business.			

7	Yukiko Daimon	Female, in her early 60's, university graduate Director of NPO Muiku Shien Network	2010/10/18
Referred by: Yukiko Takahashi			
Referred to: Shigeru Kainose			
Involvement: Daimon was long involved in women's equal rights activities, and has been a chair of Mitaka women's committee since 2000. She participated in 21 Conference in education subcommittee and met Takahashi. Although many people say 21 Conference was a success, Daimon does not fully agree, because Mitaka city seems to be only following up the proposals with Mitaka city's priority; women's rights seem to be low-priority. Collaboration is about working together by sharing knowledge and wisdom, and not about city staff making citizens work on issues that city cannot handle. As to women's rights, Daimon thinks the city is not doing enough work. Besides women's rights, Daimon is also involved as education volunteer after the 21 Conference. Kainose, the principal of 4th elementary school at the time, asked neighborhood community to support elementary education and she volunteered. She met Shimano, Horiike, Ozawa, and many others, who worked together to establish NPO to sustain their activities, and she was recommended to be the director.			
8	Kyoko Takegami	Female, in her mid 40's, university graduate Citizen's coordinator	2010/10/18
Referred from: Yukiko Takahashi			
Referred to: Emi Sudo, Kiichiro Horiike, Nanako Kobayashi			
Involvement: Takegami moved to Mitaka after she returned from France in 2006, with two children. In France she used to volunteer in school activities, and thus was natural for her to do something for the school, neighborhood children, and the community. She checked the Mitaka city newsletter, and applied to Community Center to volunteer in Toshiko Kanzawa project, to celebrate the children's' book author's 40+ years of work. The project involved junior high school students, neighborhood communities, and citizens' centers, 200 volunteers worked for nearly two years on the preparation and operation of the exhibition. Then she realized what she wanted to do-prepare a place for neighborhood children and elderly to come occasionally and spend time together, chatting, or reading books, etc, and started a community called "Minna no book café (Book café for everyone)." She actively participated in courses on blogs and videos run by senior SOHO and expanded her network. Takegami feels that there are many people in Mitaka who can think and start new things and new events. They offer help to others and share their knowledge and human network cheerfully.			

9	Yukihiro Ito	Male, in his early 50's, university graduate Mitaka city staff for Citizen's 21 conference	2010/10/26
Referred by: Sumio Yoshida			
Referred to:			
Involvement: Ito was involved in 21 Conference. Before that, he was involved in workshops in 1997 and 1998. By that time, citizens who participated in Community Centers' activities were almost fixed; they themselves were turning to interest groups. It was Mitaka city's belief that every citizen wants to make the city a better place to live, and wants to improve the quality of life. So, a new method of collaboration with the citizens which was 21 Conference, was introduced. Ito thinks it is the "Mitaka method;" that is, to ask citizens to work together in a group project, which could be found even in the mid 1960s. Once the citizens join, they can present their dreams, and the dreams can come true by discussing the details and planning and proposing ideas. There is a sense of ownership, that the ideas and plans are their own. This is different from other cities where planning is outsourced to some consulting firm. Mitaka only refers to their ideas, and actual planning is done by the hands of citizens. This is a big difference.			
10	Yukihiko Motoyama	Male, in his early 70's, university graduate Citizens' coordinator	2010/10/26
Referred by: Tatsuruko Shoman			
Referred to: Yoshiyuki Morishige, Hitoshi Miyakawa			
Involvement: Motoyama got involved in community activities after he retired about 10 years ago. He attended the citizens' lifetime education course, and learned about 21 Conference. He applied to the preparation committee, and was involved from the preparation phase. He was recommended to be the vice secretary general, and he also ran subcommittee on the future of citizens' participation. From this experience, he started a self study group "First Step Mitaka" to support the first step into the community. Every businessperson will face hesitation at their first step into the community; no acquaintances, no knowledge, no know-how, etc. First Step Mitaka will provide occasions and know-how to those people new to the community. He feels that participation by application is more appropriate than random sampling, because the will of the citizens is reflected in application. Participation and collaboration need clear will, which means autonomy and independence. His dream is to establish a think tank for the city and the citizens, where anyone can come for know-how, knowledge, wisdom, and human network.			

11	Yoko Uyama	Female, in her early 50's, university graduate Mitaka city staff in Citizen's 21 conference	2010/10/27
Referred by: Masayuki Uyama			
Referred to: Ritsu Tsukiji, Takashi Kawamura			
Involvement: Uyama was employed by Mitaka city in physical education division (Masayuki Uyama and Takashi Kawamura were in the same division) and after six years, moved to public relations and worked for 20 years. Then around 2005, she was transferred to take charge of the picture book museum project, which was part of Kiyohara's manifesto. She then took charge of Toshiko Kanzawa project which expanded her human network. She happened to learn that National Astronomical Observatory of Japan in Osawa, Mitaka is seeking a way to preserve their old wooden facility from Taisho era. The picture book museum project decided to utilize the facility and renovate as a museum, which has similar look and feel with the the house of Satsuki and May from the Tonari no Totoro animation movie. Through her experience from the two projects, Uyama feels that it is difficult to control volunteers, because they are different in age and gender, have different views, different ideas, and different commitment. The key is to share the objectives and values, share the milestones and follow up step by step.			
12	Emi Sudo	Female, in her early 40's, university graduate Reporter for Mitakacchi TV	2010/10/29
Referred by: Kyoko Takegami			
Referred to: Chiharu Takizawa, Kiichiro Horiike, Kimiko Hataya			
Involvement: Sudo moved to Mitaka city with children from England. Attended a course on blog and started own blog on PokiNet, and many people came to read her blog and give her comments, and gradually got to know each other. When Sudo met people off-site, she felt as if she knew them for a long time, she felt that is the power of SNS and virtual tools. So, when she was asked by Chojiro (most senior blogger) if she would be a reporter on newly started online local TV, Mitakacchi TV, she gratefully accepted. Sudo thinks that trust is built up by many small "Yes, I wills." She wants everyone to live grateful of living. She wants to show her two children that anyone can do good if they try, so that her children can also attempt whatever they want to do. If they can keep trying, someday, their dream may come true. It is important to enjoy what you are doing. Internet is a great tool, can loosely connect, and share tacit rules to keep good distance; if someone does not fit, then somehow is driven out. A lot of connection is in Mitaka, where people connect as they are.			

13	Toshio Ozawa	Male, in his early 70's, university graduate Community School coordinator	2010/11/4
Referred by: Tatsuruko Shoman			
Referred to: Yuzuru Ishimura, Kiichiro Horiike			
Involvement: Ozawa lived in Mitaka for 45 years, retired early at 58 years old, and started a small Okonomiyaki shop. To advertise, attended a course on webpage building by senior SOHO, and met Horiike. Then introduced to education volunteer, and involved in school operating committee. 4-5 volunteer citizens attend the class as a study advisor to help students learn. Ozawa's role is to coordinate citizens and teachers to find best match as study advisor, guest teacher for the topic. Because school teachers move to other schools every four to five years, school coordinators have more know-how and human network than teachers. Teachers now understand this, and they are more cooperative with the coordinators. Ozawa feels that coordinators and teachers now share the same objective of raising children together with the support from the community. Ozawa also feels that collaboration must be fun and interesting, and should not be forced by others. Mitaka is a good size, can go anywhere by bicycle, interesting places and interesting people. Issue is to how to sustain this good cycle.			
14	Chiharu Takizawa	Female, in her late 40's, college graduate PC trainer and Community coach	2010/11/8
Referred by: Emi Sudo			
Referred to: Kiichiro Horiike, Akira Yamane, Isao Tateishi			
Involvement: Takizawa was born and raised in Mitaka, and joined a firm; while working, Mitaka was just a place to sleep. In 2008, out of necessity, learned PC skills at Senior SOHO, and found it to be really interesting and fun. Took three certificates, and was invited to Horiike's blog course, then joined PokiNet, participated in Mitaka CB study group, and became a member of Senior SOHO, although she is not a senior yet. She is now a lecturer for three courses on PC skills. She has started to study for career counselor certificate. What she found from her experience is that people she met were good at finding strengths and utilizing them; and she felt that she wants to help others if there is anything she can do. Open and flat relationship where people can naturally fit in. The role is naturally divided and offered. It is like exchanging activities and trust relationship, instead of product and money. Relationship itself is the capital.			

15	Nanako Kobayashi	Female, in her mid 50's, university graduate Child Nursing NPO	2010/11/9
Referred by: Tatsuruko Shoman, Kyoko Takegami			
Referred to: Masaharu Haga			
Involvement: Kobayashi moved to Mitaka more than 20 years ago, with two children. Saw an ad for volunteer for child raising activities in Mitaka city newsletter and applied. Mothers like herself gathered and they decided to form an NPO; she became co-chair. Working together with Mitaka cable TV and other NPOs to support mothers raising small child. Total of 120 registered members; 50 – 60 are active. Use Community Center for activities, such as baby massage, mothers' yoga, and blog and Twitter courses. Subsidized by Mitaka city, and barely breaking even. To volunteer is good, but no one can act without any money. In this sense, NPO is a good alternative; purpose is not making profit but can focus on making reasonable revenue and return. This is needed for sustainability. Because there are always new mothers in the community, there are always new members, and there are always a few people who want to be involved. In this sense, the NPO can maintain its membership and core members can work on operational issues.			
16	Yoshiyuki Morishige	Male, in his late 70's, university graduate Participated in Citizen's 21 conference	2010/11/12
Referred by: Yukihiro Motoyama			
Referred to: Eisuke Uchinaka			
Involvement: Morishige was a member of Shinkawa Nakahara Community Center in the late 1990s, while he was still a business person in a global manufacturing company. Community Center was good that it reflected directly the needs and wants of the local citizens, but as the members stayed longer, the system and the people got rigid. Morishige believes that to live as a citizen is to live both private and public self; as a business person and a mere individual which needs subtle balance. City offered the budget but maintained citizens' autonomy, but Morishige thinks that city should at least check the outcome of their investment, too hands-off. He participated in 21 Conference because one person from the community center needed to participate, and he was selected by the draw. Because he was interested in community management, he joined the subcommittee on citizens' autonomy, and happened to chair the committee. It was like an executive meeting, members were eager to learn and discuss. Morishige believes that citizens' collaboration needs to be open to inside and outside. It is to accept others, get ideas out, and practice the PDCA cycle like in management.			

17	Ritsu Tsukiji	Female, in her early 50's, university graduate Mitaka city staff in Citizen's 21 conference	2010/11/13
Referred by: Yoko Uyama			
Referred to: Shinsuke Kawai, Miyako Obunai			
Involvement: Tsukiji was a nursery teacher, a staff of Mitaka city. When she started working, Mitaka just started a nursery for disabled children. Then she was moved to nursery for ordinary children, then to training division, then back to nursery. The more she moved, the more her human network expanded. That was how she was involved in Chotoken, and met Shoman, and joined 21 Conference. But, Tsukiji liked to be at the frontline, where she can directly be involved in raising children. Then she was moved to take charge of picture museum project with Uyama. Tsukiji feels that there are many passionate people as hubs; they have many faces and connect different relations. These people get excited together, by sharing objective and sharing values. Also, there are many Mitaka methods; citizens like to call whatever way of doing something "Mitaka method"; one typical way is idea generation and problem solving using sticky cards (like KJ method). Even elementary school children have used this method in Mitaka. Many active citizens can make a good speech or facilitate a training course on their expertise. But, from her experience, this is not so in other areas.			
18	Isao Tateishi	Male, in his mid 60's, university graduate Community Coach	2010/11/24
Referred by: Chiharu Takizawa			
Referred to: Nobuyuki Nagumo, keiko Goto, Shimomura			
Involvement: Tateishi moved back to Mitaka when he was in senior high school. When he was around 45, he started to be involved in community; first from Young Men's Association. Despite the name "young", he was the youngest; average was around 50 years old. There were variety of people, met once a month with a drink afterwards. He felt comfortable. What the association does is to participate in seasonal events. Before he retired, he thought of how to contribute to the community. He was certified Small and Medium Enterprise Management Consultant, and he thought coaching is a good match to assist SOHO in Mitaka. He also likes to hike and studied about therapeutic walking in the forest. His future dream is to establish community coaching, to help people debut and actively participate in community activities. It is difficult to join established community but to build new one is easier. Tateishi feels loose and tight relationship, like the diversity and symbiosis in the natural ecosystem is the model of the active community.			

19	Yuzuru Ishimura	Male, in his mid 70's, doctor, university graduate Dementia NPO	2010/11/25
Referred by: Chiharu Takizawa			
Referred to: Nobuyuki Nagumo, Keiko Goto, Shimomura			
Involvement: Ishimura was a doctor, and when he retired he moved to US to pursue his dream to have more experiences. When he became 70, he thought of what he could do for the rest of his life. Then he thought of two topics; to educate citizens on dementia and to educate children in science. When he looked at the quantitative research results of Mitaka, he found out that citizens do not have enough knowledge on dementia and there is no proper education or support system. So, he is now working to form system to learn about dementia and support family with dementia, coordinating Mitaka city administration, doctors' association, patients' association, pharmaceutical companies, etc. To educate children in science, he thinks that actual experiments can trigger interest in science. So, he is now setting up an after-school class where children can gather to do scientific experiments. Ishimura sees two kinds of activities in Mitaka, one voluntary, and one with pay, like community business. Ishimura sees difference in values, although the objective may be the same.			
20	Kiichiro Horiike	Male, in his early 70's, university graduate Senior NPO	2010/11/25
Referred by: Chiharu Takizawa, Kyoko Takegami, Emi Sudo, Toshio Ozawa, Akira			
Referred to: Noriko Kubo			
Involvement: Horiike is a long time Mitaka citizen. When he became retirement age, he realized that he had not relayed the wisdom he received. He felt that his generation should continue to pass down knowledge and wisdom to the younger generation. He quit his job in the 50's and started to be involved in community. He believes that volunteering is not good for both the recipients and the volunteers. In old days, even the elderly and disabled people had something to do; were given some role and were appreciated and paid for their work. If these people cannot really work, then they should be supported, but as long as they can do something, they should work. By that, people can sense the achievement and feel the meaning of their lives. Blogs, internet video, SNS, are useful in connecting people both on-line and off-line; loose relation is built and can be strengthened depending on the context. He started courses to teach how to start blogs, videos, and SNS. By reading and watching, we can empathize at anytime with others, that is social. Horiike believes that community business is not about efficiency or effectiveness, but about redefining the quality of life.			

21	Kimiko Hataya	Female, in her early 60's, university graduate Chair of Shinkawa Community Center	2010/11/30
Referred by: Emi Sudo			
Referred to: TBD			
Involvement: Hataya was an ordinary housewife with two children. When she was a member of PTA, she was asked to be the member of Community Center. Then she was recommended to take over the first chairperson who had contributed for 23 years. There are 150 volunteer members and 100 registered organizations. Because everyone is volunteer, they are doing it for their own intrinsic motivation; if paid, then the motivation will be extrinsic and impure. Because members enjoy what they do, they can continue. Community Center can collaborate and align with various stakeholders; neighborhood communities, other community centers, schools, various NPOs and associations, etc. Because we know each other face to face, Hataya can easily ask for help and so can the others. Sometimes she feels it is too much, but she is always thankful when someone asks her for support, or offers her help. She feels that there is a shared feeling and empathy when working for shared objective, which is the source of energy. Because there is no money involved, it is purely the human magnetism and relationship that matters. She thinks that is what community is about.			
22	Shinsuke Kawai	Male, in his early 60's, college graduate Editor of community newspaper	2010/12/1
Referred by: Ritsu Tsukiji			
Referred to: Miyako Obunai			
Involvement: Moved to Mitaka in 6th grade. Failed art university twice, and founded a printing company with elder brother. Went to education course for workers, and met interesting teachers and classmates. Started publishing town newsletter "Mitaka Kiitaka" in 1979 and met more people. In 1984, participated in INS Experiment, and founded INS Mitaka Citizens Association, and started another newsletter to keep the record. Later founded Mitaka Citizens' Network in 1990, and Joined Chotoken as a citizen. He became the chair of Musashino Mitaka Cable TV. Kawai feels that his energy comes from his failure to enter the art university; to compensate for the loss, he has been struggling to find something meaningful in his life. While he struggled, he met many people, most helped him, but some bothered him. But all were fun after all. Everything seems to come together. Mitaka is a peaceful but interesting and fun place by admitting and enjoying the differences. That is the wisdom of Mitaka.			

23	Akira Yamane	Male, in his mid 70's, university graduate Senior IT NPO	2010/12/3
Referred by: Chiharu Takizawa			
Referred to: Kiichiro Horiike, Noriko Kubo			
Involvement: Long time Mitaka citizen, involved for about 10 years. In 2002, when the FIFA World Cup was held, Yamane decided to learn IT skills. IT is good for elderly because it is new knowledge, uses five senses, and enables meeting new people; can avoid “hikikomori” of the elderly. IT is easy, does not need sophisticated liberal arts; once you learn, you can teach. IT is useful, can be a tool to communicate with children and grad children. Yamane started an IT skill course for beginner seniors in Senior SOHO; has been gathering enough participants to sustain as a business. Yamane's wish is to realize the society where there is no “ohitorisama” or “muen”. IT can help anyone to act globally, even the retired elderly. If elderly can meet new people and learn new things, they will be stimulated; the more the meeting and learning, the more stimulated. Yamane's next step is to utilize iPad for seniors. He learned to think ahead and do what can be done today, and make what is mine into ours.			
24	Takashi Kawamura	Male, in his late 50's, university graduate Vice Mayor	2010/12/6
Referred by: Yoko Uyama			
Referred to: TBD			
Involvement: Kawamura joined Mitaka city administration in physical education division and learned to work in teams. He was transferred to planning division, and worked for citizens' active participation. In the 70-80's, citizens often visited city admin office to chat and discuss; there was open atmosphere. Then some conflicts between the citizens and city began to emerge. To overcome, started workshops and 21 Conference. Then the trend was collaboration again; but recently, another conflict seems to be emerging; history cycles. Kawamura believes that quality of life is a matter of local community and municipality; not of the central government. Thus the citizens and municipality need to collaborate as partners and work together; long time Japanese tradition of “<i>wa wo motte tootoshi to nasu</i>.” Because everyone has different experience, different view, and different opinion, there are different roles and there is a feeling of achievement in creating something new. Society and community are not about quality of life of individual but for everyone; so must think in terms of a system or a whole network. There must be a shared feeling of joy, of creating, of working together, and of achieving something together. Where there is joy, people gather and connect.			

25	Eisuke Uchinaka	Male, in his mid 70's, university graduate Participated in Citizen's plan 21 conference	2010/12/6
Referred by: Morishige			
Referred to: TBD			
Involvement: Uchinaka was a newspaper journalist and thus no involvement to Mitaka until he retired. Then he participated in 21 Conference, in citizens' autonomy subcommittee. It was the first in Japan, and nobody in city administration, or even within the 21 Conference understood what it was about. So, the topic was about to be deleted from the final proposal, but we insisted that citizens' autonomy is a must to pursue collaboration. However, the subcommittee was not satisfied with the results, and we continued our activity after the 21 Conference. Uchinaka assumes that because citizens' autonomy somehow contradicts with the assembly, the members of the assembly are not fully in agreement; in fact Uchinaka and Morishige are now proposing an improvement plan for the city assembly. Uchinaka feels that there are many intelligent citizens in Mitaka, however, many of them are seniors. How to involve younger generation is the key to the continuing collaboration. Uchinaka sees that all started from Mayor Suzuki; his vision, policies, and various activities set the root of Mitaka today. This is what makes Mitaka different from other cities.			
26	Tazuruko Shoman	Female, in her early 60's, college graduate Mitaka JC, Citizen's coordinator	2010/12/6
Referred by: Morishige			
Referred to: TBD			
Involvement: Shoman was born and raised in Mitaka. Her mother was a citizen activist who worked together with the wife of Mayor Suzuki on internationalization. Shoman herself lived in NY for 10 years in her 20's, where she experienced the citizens' direct participation in the local community. After she returned and was to renovate her house, there was an issue of city design regulation on constructing buildings. She happened to attend a seminar by JC on this subject, and then joined JC. She had met and connected to many by JC activities, eventually participated in Chotoken, and got involved in 21 Conference. She then became involved in setting up the Collaboration Center, a place for citizens' autonomous activities. Setting the rules was most difficult, because the rules needed to satisfy people with different objectives, values, and activities. The Collaboration Center is now run by NPO, which in her opinion bridges the conflict between the public and the private interests. It is a place where citizens meet and learn from each other; which is one of the "Mitaka methods," to learn by doing.			

27	Masaharu Haga	Male, in his early 50's, university graduate Designer who supports NPO	2010/12/6
Referred by: Nanako Kobayashi			
Referred to: TBD			
Involvement: Haga is not a Mitaka citizen; he does designing of books, newsletters, and brochures. He happened to support NPO Kosodate Konvini on its newsletters, because he met them when he was doing research on community and NPO newsletters (so-called “free papers”) for his book. From his research, he identified some key factors for success, and used the findings to improve the quality of the NPO’s newsletter around 2005. By 2009, the staff members of the NPO learned the know-how and Haga now only checks the final draft. He feels that Mitaka has a sophisticated culture; there are museums and halls for music and plays, and the citizens have trained eyes and ears. At the first sight, Mitaka seems like an ordinary city, but once involved, one gets to know people, and learn its history, and Haga found that Mitaka city is full of attractive points.			
28	Nobuyuki Nagumo	Male, in his late 40's, university graduate Community School coordinator	2010/12/12
Referred by: Isao Tateishi			
Referred to: Shigeru Kainose			
Involvement: Nagumo moved to Mitaka about 15 years ago, and was involved in community because of his children. He happened to know several nearby families who were friends of his children. When he went to some of the neighborhood association’s events, he was asked to join the neighborhood association. At first he hesitated, but after a few trials, he gradually felt comfortable to participate in the activities. Then he eventually got involved in PTA activities, and was asked to be the chair of PTA because nobody volunteered. The network expanded beyond the neighborhood community to school district, and then to all the school districts in Mitaka. He also joined the Young Men’s Association and Security Association. All these associations encourage communication through drinking; a great occasion to get to know each other. Being a salary man, Nagumo feels that there is almost no chance to get to know people outside of work environment; but because of his children, he could expand his human networks, which gives him joy, meaning, and achievement. If it were an obligation, then he could not have enjoyed. No obligation is the wisdom of collaboration.			

29	Keiko Goto	Female, in her early 40's, university graduate Community Coach, staff at local university	2010/12/12
Referred by: Isao Tateishi			
Referred to: TBD			
Involvement: Goto moved to Mitaka about 10 years ago. Although she wanted a child, she could not have one. While she worked in a company, she attended citizens' education courses at citizens' college on career development. There she met people with a variety of values and meaning of life; she came to think that having a child is not the only goal. Goto then got involved in planning the citizens' education courses as a member, and gradually got involved in Women's Rights association. Goto used to work at a cosmetic company, and had been taught that expansion and efficiency are important. For some time, Goto maintained this value even in pursuing community activities, but then realized these values do not apply. Doing what can be done is enough; no need to stretch. While she got involved and met many people, she feels that she found her own place in the community. Goto tried to treasure every meeting; by adding small achievements, meetings, awareness, then they will build up to something meaningful. That seems to be the motivation of collaboration.			
30	Shigeru Kainose	Male, in his early 60's, university graduate Chair of Mitaka City Education office	2010/12/13
Referred by: Nobuyuki Nagumo			
Referred to: TBD			
Involvement: Kainose was a principal of the Forth Elementary School in Mitaka from 1999 to 2005. Before that, he was a member of Tokyo prefecture's education committee and moved around inside Tokyo prefecture. He wanted students to feel with their hearts, think with their minds, and tell stories with their own words; teachers were good at teaching, but not making students think; moreover, the teachers themselves are not experienced. So he set up a vision on education for the 21st century, and thought of utilizing the knowledge and wisdom of the citizens; study advisors support teachers in classes, community teachers teach their expertise. Then Kainose promoted the community school; merging elementary and junior high schools, with collaboration with the parents and neighborhood citizens. With this success, he was transferred to chair the education office, and promote the success within Mitaka. Kainose thinks that essence of education and collaboration are same; it is about thinking and realizing what we live for. Principals are in good position, they can be the community managers; they can teach, facilitate, and coordinate knowledge and wisdom.			

Appendix 2: About the Planungszelle Method

Since the 1990s, citizens' participation in the public management by deliberative methods has been gaining attention (Crosby, 1986; Brown, 2006). There are several methods of deliberative citizens' participation; those range from focusing on mere discussion to actual participation. One typical example which focuses on discussion is the Deliberative Poll® (DP), developed by Stanford professor J.S. Fishkin (Fishkin, 2009; Fishkin, Luskin & Jowell, 2000). DP is a method for citizens to gain information and learn from discussion on administrative issues to make better decisions as a citizen¹³⁵. DP is considered efficient and effective because the method measures the quantitative changes of citizens' knowledge and ability to make decisions before and after the DP. DP was started in the U.S., and has been adopted in Europe, South America and even in China, and its effectiveness in increasing citizens' knowledge and ability to make decisions were empirically proved.

On the other hand, typical deliberative methods that focus on citizens' participation are the Planungszelle in Germany and Citizens' Jury System in England¹³⁶. Planungszelle is a German word meaning planning cells, which means small groups of citizens (=cells) are engaged in discussions on administrative issues (=planning). The Planungszelle method was developed by a Wuppertal University professor, the late Peter C. Dienel in the 1970s. By the 1990s, the Planungszelle method was established and gained attention from various parts of Germany. As of 2010, Planungszelle has been conducted more than 150 times in more than 40 locations throughout Germany¹³⁷. The issues discussed include city planning, traffic and energy, environment, labor and leisure, and immigration, which involve various organizations of the local governments (Flynn, 2009; Shinoto, 2006). The method has proved its effectiveness empirically by the fact that both the municipal governments and the citizens were satisfied with the outcome of discussions and how it was reflected to the actual administration (Dienel, 1999).

Dienel summarizes the method in four principles (Dienel, 1999, p. 83):

- (1) Members of Planungszelle should be chosen at random
- (2) Members should be given all relevant information

¹³⁵ Similar to DP is a method called Consensus Conference

¹³⁶ Prototype is the Citizens' Jury system conducted by the Jefferson Research Institute in the U.S. in 1970s. It was said that the program attracted much attention from media but in reality, the effect on the actual politics was limited (Shinohara, 2004).

¹³⁷ According to NPO Citizens' Discussion Promotion Network, April 2011

- (3) Recommendations are reached through a process of deliberation
- (4) Recommendations are fed back to policy process in a meaningful way

Table 1 is an example of a Planungszelle program held in Nois, Germany in 2000.

Table 1: Example of the Planungszelle program: Nois, Germany

	Day 1	Day 2	Day 3	Day 4
8:30~10:00	①Guidance Good and Bad Points on Nois	⑤Traffic system operator in central town	⑨Business and restaurants in central town	⑬Research and plans
10:00~10:30	break	break	break	break
10:30~12:00	②History, characteristics and the future of Nois	⑥Tram train in central town	⑩User 1 disabled and elderly	⑭Forming guideline for 2010
12:00~13:00	lunch	lunch	lunch	lunch
13:00~14:30	③City development	⑦Sight visit	⑪User 2 Female, children, family, young	⑮Forming model for central town
14:30~15:00	break	break	break	break
15:00~16:30	④Traffic system and operation	⑧Ideas on tram trains	⑫Opinion of the politician	⑯Evaluation and closing

Note: Held on January 2000, with 183 participants, divided into 8 planning cells

Source: Shinoto, 2006, p.26

Mitaka city introduced the Planungszelle method in 2006 as “Machizukuri Discussion” which is generally called “Citizens’ Discussion.” Schedule was reduced to only one and a half day (see Table 2).

Table 2: Mitaka Machizukuri Discussion 2006 Program

Day 1		Day 2	
		10:00~10:40	Information Sesseion: Safety and security map – NPO – City administration
		10:45~11:45	Second Discussion Session Ideas on how to create safety map and how to use
		11:45~12:45	Lunch, presentation and vote
		12:45~13:00	Information Session: Cases from other areas
13:00~13:50	Opening message	13:05~14:05	Third Discussion Session Ideas on how to increase the eyes watching children in the area
	Orientation	14:05~14:40	Break, presentation and vote
13:50~14:30	Information Session: Facts and issues around safety and security of the children – City administration – School administration – Statistics from the police	14:40~15:40	Fourth Discussion Session Summarizing proposal: Ideas on what to start
14:30~14:45	Break	15:40~15:55	Break
14:45~15:45	First Discussion Session When and where do children feel unsafe and unsecure?	15:55~17:05	Presenatation and vote
15:45~16:30	Presenation and Vote	17:05~18:00	What happen next: Summary, results and reflection

Source: Mitaka Machizukuri Discussion 2006 Report, Page. 9 and 11.

Figure 1 shows the typical process of one session.

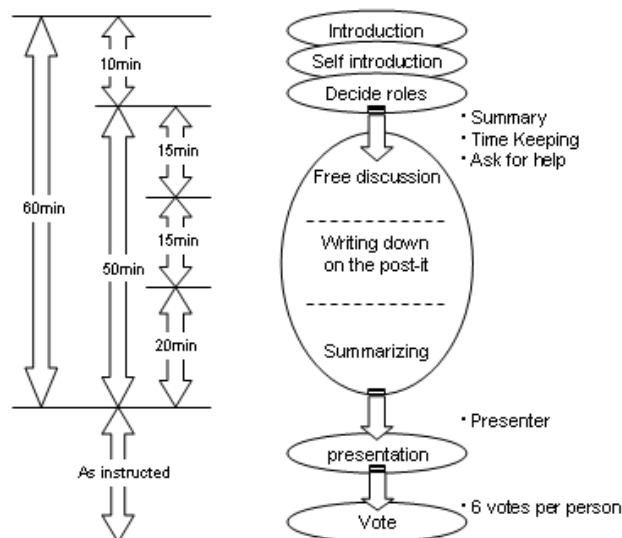


Figure 1: Process of the discussion

Source: Mitaka Machizukuri Discussion 2006 Report, page 10

After seeing the success of Mitaka Machizukuri Discussion 2006 and 2007, other local committees of Tokyo JC started promoting the Citizens' Discussion in six prefectures in the Kanto area. As a result, a total of about 150 Citizens' Discussions were held by 2010, adopting the "Mitaka Method" and revising it according to the local conditions and contexts. Japan Planungsstelle Research Association and the NPO Citizens Discussion Promotion Network were established to conduct research and promote the method. Since March 2008, two organizations have been jointly holding an annual conference, "Citizens' Discussion Fair" to share the cases and recent developments of the Planungsstelle method in Japan and Germany.

Shinoto now admits that Citizens' Discussion is becoming an established method of deliberative method of citizens' participation in Japan (Shinoto, Yoshida, and Kobari, 2009). Kenichi Kobari, the secretary general of NPO Citizens' Discussion Promotion Network commented on the future of the citizens' discussion¹³⁸: "Citizens' Discussion is accepted and spreading more rapidly than we have anticipated. Once everyone experiences it, they all understand the effectiveness and become enthusiastic promoters. There must be some kind of psychological element; people really get into it."

¹³⁸ Interview with Kenichi Kobari, the secretary general of NPO Citizens' Discussion Promotion Network, June 10, 2011.

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