

COVER LEAD

Education in Transition — Will People Be Better Prepared by Education for a New Economic Society ?

By Naoyuki Haraoka

In Japan, which is facing a population decline in the aging society, we need to raise labor productivity to offset the negative impact of a decline in the labor force and achieve sustainable economic growth. To raise labor productivity, we will need two things. First, promotion of technological innovation; second, labor market reform to enhance labor mobility. The first is self-evident. Innovation would lead to more output per worker. The second would need more reasoning. In a capitalist economy, business is permanently in the midst of competition, internally as well as internationally. Therefore, in this “survival of the fittest” competition, only efficient companies will survive, while inefficient ones that lose their competitiveness will have to exit the market.

To make this process of structural change in the economy successful, labor and capital, both staple elements of corporate production, would need to be smoothly transferred from the less efficient sectors or companies to the more efficient ones. If both remain in the inefficient sectors that are losing their competitiveness, it would lead to inefficiency in the national economy and make sustainable economic growth impossible. In particular, in Japan employees will still tend to stick to their original job and be reluctant to change, being scared by even tentative unemployment. This would cause a distortion of resources in the whole economy and maintain its inefficiency. Education or human resources development will therefore be needed to make the labor transfer from inefficient sectors to efficient ones go smoothly. Employees given an opportunity for capacity building by education or human resources development either at a school or a company would find it easier to get a new job in a new company or sector with more competitiveness. High labor mobility achieved by good education would be a sign of a healthy economy.

This may sound rather unkind to employees but it could help people in their search for good job opportunities. Today, Japan and most developed nations would prefer to pursue their growth strategies without resorting to increased government expenditure

due to significant amounts of fiscal debt. Enhancing labor mobility could be crucial to achieving growth.

New technologies like AI or IoT would enhance the need for labor mobility even further. To prevent possible unemployment resulting from replacement of human jobs by AI or IoT, we will need to strengthen our education to endow humans with the capacity to work on higher value-added jobs that will not be replaced by new technologies. Additionally, well-designed education systems would probably be useful in mitigating an expansion in income inequality, another crucial challenge to our current economy. By learning, a poor worker in a less efficient sector would have a better chance of finding a job, assuring him or her of a good source of income. Innovation itself could be well promoted by education. A good education could make people more creative and spur entrepreneurship.

Our March/April 2018 issue highlights this aspect of education as a key role player in our growth strategy and provides the following contents from leading thinkers on this subject in interviews or articles.

Following my own overview of the issue, we introduce some of the work of the OECD in the domain of education. Andreas Klaus Reinhold Schleicher, the OECD's director for education and skills, tells us about the latest OECD work on this area, following our brief introduction of the OECD's historical contributions to education policy. Complimenting this article is a survey on policy implications of education in developing Asian nations introduced by Prof. Kang H. Park, a distinguished economist who has contributed a research paper to the Asian Development Bank Institute.

We follow this with an excellent article by Dr. Richard B. Dasher of Stanford University on the issue of education for innovation. The University of Tokyo's i.school is mentioned in his article, and our interview with Hiroko Miyakoshi, project assistant of i.school, provides more practical details of education for innovation.

Finland is often referred to as one of the best national education providers in OECD surveys, and we also have an interview with Markus Kokko, press and culture counsellor at the Finnish Embassy in Tokyo. The latest noteworthy developments in Japanese education are introduced in two articles: one is an interview with Dr. Ken Sakamura, a well-known computer scientist, leader and founder of the famous “TRON” project, who now heads a newly established Faculty of Information Networking for Innovation and Design (INIAD) at Toyo University in Tokyo; and the other is an interview with Akihiro Ozawa, director of Japanese

preparatory school Benesse Corporation's Route H. You will discover what Route H means in this article.

Lastly, we present a roundtable discussion among some bright young students from a diversity of backgrounds at Keio and Soka universities in Japan, in which they give their views on the future of education. I think some are truly more mature and well-considered than older people's views.

COVER STORY 1

New Role Model of Education for New Age

By Naoyuki Haraoka

Overview of the issue of the cover story, in particular with the introduction of the book *Disrupting Class* by Dr. Clayton M. Christensen of Harvard Business School, giving the core theoretical observations on reform of education.

COVER STORY 2

Education Policy Is Today a Global Challenge

By Japan SPOTLIGHT

This article introduces the basic findings on OECD member countries' education performance by OECD Education Policy Committee.

COVER STORY 3

Educating Learners for Their Future, Not Our Past

By Andreas Klaus Reinhold Schleicher

The OECD's latest report on Education 2030 shows how learners in the future should be equipped with interdisciplinary perspectives.

COVER STORY 4

Effects of Education & Globalization on Income Inequality in Asia

By Kang H. Park

His chief finding of this study is that education plays a significant role in reducing income inequality in developing Asian nations and also that education expansion with less dispersion of schooling is a major factor contributing to economic growth.

COVER STORY 5

Education for Innovation in Japan & the US: Challenges & Approaches in the University Setting

By Richard B. Dasher

University-based innovation education in Japan lacks both content and stimulus that are easy to find in the US. Large Japanese companies are not yet open to innovation with startup companies.

COVER STORY 6

Interview with Hiroko Miyakoshi, Project Assistant of i.school

Innovation Education — a Tool to Exploit the Potential of Creativity for All

By Japan SPOTLIGHT

i.school workshop is an information process to ideate the means to achieve a certain end, namely creative ideas. Coming up with ideas and evaluating them also involve information processing.

COVER STORY 7

Interview with Markus Kokko, Press & Culture Counsellor, Finnish Embassy

The Innovative Finnish Education System

By Japan SPOTLIGHT

The key to the success of Finnish education is the belief that play breeds creativity. Finnish schools let young children spend their time engaged in playful activities without enforcing strict academic programs on them too early.

COVER STORY 8

Interview with Ken Sakamura, Ph.D., Dean of the Faculty, INIAD, Toyo University

Education for Ubiquitous Network Society — Toyo University's Big Project

By Japan SPOTLIGHT

Toyo University's newly established INIAD aims at raising human resources to adapt to IoT and a ubiquitous network society through international communication with their counterparts overseas.

COVER STORY 9

Interview with Akihiro Ozawa, Route H's Director, Benesse Corporation

The Best & Brightest Youth in Japan Now Choose to Study Abroad

By Japan SPOTLIGHT

A large Japanese education business, Benesse Corporation, is trying to meet the needs of increasing numbers of young Japanese elite students interested in studying at the best universities overseas and not the best Japanese ones.

COVER STORY 10

Roundtable on Japanese Tertiary Education as Seen by a Diverse Student Panel

By Japan SPOTLIGHT

University students discuss their experiences at school and future education. They prefer human teachers to AI or computers in spite of the merits of computers in education enabling schools to provide customized teaching.

Naoyuki Haraoka is editor-in-chief of *Japan SPOTLIGHT* & executive managing director of the Japan Economic Foundation (JEF).