

Profile of Mutsu Ogawara Industrial Park—Towards the 21st Century

By Nagahira Akio

With 120 million people Japan has around half the population of the US, but with a small land area of 380,000 km² it is 1/25 the size of the US. Moreover, the land mass of the Japanese archipelago consists primarily of mountains and hills, so economic activities are concentrated in crowded lowland areas.

Even densely packed Japan, though, offers locations where large industrial tracts have been developed. One of these, Mutsu Ogawara Industrial Park, is located in Rokkasho, in the north of Japan's main island, Honshu, facing the Pacific at the base of axe-shaped Shimokita Peninsula. The Mutsu Ogawara Industrial Park tract stretches 10 km from east to west and 14 km from north to south, with a total planned area of 5,280 hectares, of which 2,800ha have been allotted for factory subdivisions (1,080ha have already been assigned). Mutsu Ogawara Development Inc., (MODIC) is both a real estate company and a development company jointly financed by the national government, prefectural authorities, and business interests. It was established in 1971 to acquire, develop, and subdivide the property.

Two national projects are currently located at Mutsu Ogawara Industrial Park. One is Mutsu Ogawara National Petroleum Repository, a government facility completed in 1985 and established to maintain oil reserves in the wake of oil crises. The other is a nuclear fuel recycling facility. Jointly financed by Japan's electric power companies, Japan Nuclear Fuel Ltd.'s core operations, already underway, consist of a uranium enrichment plant and a low-level radioactive waste storage depot. Moreover, construction of a reprocessing facility began in 1993 and is proceeding smoothly, with operations scheduled to begin in 2000.

General-use development of a section of the industrial site is also moving forward, specifically including research

facilities, office buildings, company housing, rental properties, factories, and a shopping center and cultural facilities complex (community center and library). A hotel is also planned. This development work stems from the belief that the companies of the 21st century will be staffed by creative personnel who will prefer superior residential environments. Mutsu Ogawara Industrial Park has already begun efforts to transform itself into a 21st century industrial park.

Mutsu Ogawara's environs

The industrial park is located in Aomori Prefecture, known within Japan for its bountiful, magnificent natural environment. The region is surrounded on three sides by the sea, and has many mountains and lakes (Towada-Hachimantai National Park), hot springs, tourist and recreation sites for every season, and is a Mecca for sports. Dairy farming has long flourished in Rokkasho, which, through a sister city agreement with Waren, Germany, is engaged in the production of fine quality dairy and processed meat products. With none of the pollution problems that are apt to plague industrial centers, the environment is one of the most refreshing in Japan. Moreover, in connection with the government's petroleum stockpile and the nuclear fuel reprocessing facilities mentioned above, Rokkasho has received substantial subsidies from the national government and these have been used to provide a variety of public facilities. Sports facilities, including baseball diamonds, are especially extensive. In other words, one encounters a different Japan there.

To Western eyes the distance from Tokyo to Mutsu Ogawara Industrial Park is not very far. However, Japanese companies accustomed to doing all of their business in Tokyo are always concerned about distances from the capital. That has definitely been so up to now, because, for some reason, Japanese

companies have always emphasized sales activities, and business has basically always been conducted face to face. However, we are now in an age of increasing technological advances and internationalization—the age of business through the Internet. It is enough to meet face to face occasionally. In fact, a German company recently relocated from Tokyo to distant Toyohashi, Aichi Prefecture. This company's president says that harbor facilities were the deciding factor. Mutsu Ogawara's harbor, incidentally, has a wharf with the capacity to berth 15,000-ton ships and in two years a 50,000-ton capacity wharf will also be completed.

Airports are also conveniently located in the Mutsu Ogawara Industrial Park area. Misawa Airport, which has four daily flights to Tokyo's Haneda Airport, is a 40-minute drive and Aomori Airport can be reached by car in around an hour and a half. Aomori's air terminal, which is exceptionally well equipped, has five flights to Haneda every day, one to Kansai International Airport, and three per week to Seoul, Korea. The distance between Tokyo and Rokkasho is approximately 550 km (in comparison, New York is around 1,100 km from Chicago and on the west coast, Los Angeles is about 600 km from San Francisco). It can be seen that 550 km is not much of a distance, unless, of course, one is thinking about commuting.

Misawa is also host to a US Air Force base and has more than 10,000 American residents. The city devotes considerable effort to cross-cultural relations, hosting various intercultural events.

Subdivided properties are priced at an average of ¥15,000 per square meter at the Mutsu Ogawara Industrial Park, but since a ¥5,000 per m² subsidy is offered for land acquisition, it actually comes to ¥10,000 per m², which is much less expensive than Tokyo area prices (naturally) or local industrial park subdivisions and lower still when one considers

that harbor and airport infrastructures are included. Moreover, employees' housing and commuting costs are much lower compared to notoriously expensive Tokyo and other large cities.

The management is currently giving further consideration to various types of projects that could be promoted at Mutsu Ogawara Industrial Park and MODIC has indicated that it would very much like to have overseas corporations use this property. This merits thought when considering entry into Japan and its huge marketplace.

Aiming for scientific and industrial leadership

Approaches toward industrial sites will undoubtedly differ from those of the past in 21st century Japan. Now we can anticipate that some of those approaches are expected to grow rapidly, to the extent that the 21st century is being referred to as the "Asian century." Although referred to as the "Far East," Japan is unmistakably an Asian nation and, along with the importance of its geographic position, it is still, in fact, vastly superior to other countries in both technical capabilities and the quality of its labor force. Therefore, consideration must be given to industrial locations that are in keeping with Japan's role among the nations of Asia. There is a line of thinking among Asian countries that the ability to succeed in Japan, a hard-to-crack market with high technical standards, demonstrates true attainment of international competitiveness and there have been many examples of companies whose plans to locate in Japan were linked to the attractiveness of the Japanese market. Second, the "global environment" will be a key 21st century industry concern, calling for locations that meet the needs of the times. Mutsu Ogawara Industrial Park has anticipated this trend in the policies that have been adopted. Specifically, for one, the nuclear fuel recycling facility, which could also be referred to as a chemical plant with R & D capabilities, is why associated industries are locating here, and two, auxiliary groups affiliated with the Science and Technology Agency are



An aerial view of Mutsu-Ogawara Industrial Park

conducting research into the creation of a miniature global environment. This and its planned resource recycling park, among other things, will make it a research facility that is ahead of the times on issues related to the global environment.

The management is now expending considerable efforts to bring the International Thermonuclear Experimental Reactor (ITER), a joint international thermonuclear fusion research project being promoted by Japan, the EU, the US, and Russia, to Mutsu Ogawara Industrial Park. This is an effort, based on scientific verification of research and development related to thermonuclear fusion being conducted in each nation, to construct a test reactor in an attempt to achieve practical electric power generation through thermonuclear fusion. Nuclear fusion, which could be described as the creation of a miniature, man-made sun on earth, is distinctive because deuterium is used for fuel (providing a solution to the world's energy problems because sea water, among other substances, offers an

almost limitless supply of heavy water); is safe, because nuclear fusion reactors are not subject to the danger of explosion or runaway reactions; and, it does not generate radioactive waste with a lengthy half-life. This would indeed be an energy facility suited to the era of the global environment. Under the ITER program, up to several thousand scientists from around the world and their families would come to live in the area and because expectations are that many sectors would also receive trickle-down benefits from scientific and high-tech industries, the region could possibly become a tremendous magnet for advanced industries.

Mutsu Ogawara Industrial Park is in this way implementing various strategies to accomplish the coming transition from simple industrial park to science city, advancing ever onward toward a leadership role in the 21st century. ■

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