Placecast Episode Ten – With Jeff Matsu and Abigail Taylor

Nicola Headlam:

Welcome to Placecast, a Local Policy Innovation Partnership Hub production based at the University of Birmingham. Placeclast is essential listening for those keen to explore the ins and outs of knowledge mobilisation for influence in central and local government, based on the view that is only through animating the power of place-based leadership, the wicked problems of 2025 can become more manageable.

This podcast aims to highlight knowledge and evidence based ways of working and the strategies needed to make real impact on the decisions that shape our society. Our guests are changemakers from across the UK, with stories about the ways in which influence can be achieved. We focus in particular on some of the connective tissue within and between sectors for clues as how to animate place-based leadership, as innovating is a team sport best done in the open.

Please contact us with feedback on the episodes, or if you'd like to be a guest or have strong views on the processes of advocacy, lobbying, public campaigning and more. Unpacking how research and evidence connects with neighbourhood, local, city-regional and national missions. We have a very special episode today because we're talking, rather than in general terms, about a specific piece of work done by some people that have associated with the LPIP Hub.

We have Abigail Taylor, who is co-investigator on public leadership on the LPIP Hub, and we have Jeffrey Matsu, who is the Chief Economist at CIPFA. And I was going to read out all his certificates, but there were so many that I thought I would stop. But Jeffrey has been a great friend to The Hub since its inception and is on the Delivery Partnership Group.

What we're going to talk about today is a piece of work that Abi and Jeff conducted with fieldwork in Japan, looking at differences and similarities between the governance and place-based leadership of Japan. And it was a piece of work that was conceived by them. But also Anne Green from the LPIP Hub. So first of all, I must ask you, either of you can answer this one.

Why did you choose Japan?

Jeff Matsu:

Thanks, Nic. That's a really important question. And the answer was fairly straightforward. We're very keen in our research to use case studies to elucidate some of the key findings we get when we talk to people in local places. When we sift through data. And in this piece of work, we built on previous research where we had a case study in Japan, in Fukuoka, and we wanted to develop that further looking at second cities.

And given that Japan is part of the G7 like the UK is, we thought, why not pick comparator country that isn't as easy to research? Why? Well, language is a common barrier. A lot of the

literature, the research reports are written in a different language. A lot of the abstracts you may find in English, but to really kind of dive deep language often constrains what researchers are able to do.

And it highlights sort of the dominancy of English. But that leads to research bias. And we wanted to break down those barriers by rolling up our sleeves, putting a little bit of extra elbow grease in, in terms of leveraging our networks and building new partnerships. And so all of that was really the motivation. If we're going to build a case study, why not try something different? Something that we don't see as often in the UK?

In the process, the dividends were just immeasurable in the sense that we met people. We were able to travel to Japan on two occasions over the past 18 months or so, and so no regrets in terms of doing this kind of research. And I would definitely encourage other researchers to consider not just Japan, but places in Asia Pacific and other regions where English necessarily isn't the dominant language or the first language in which those researchers would communicate with each other.

Nicola Headlam:

Great. So getting beyond Anglosphere assumptions, I guess that's really important. The research itself was about the really hot topic of fiscal and governance mechanisms and how they are. And obviously in the Japanese context, the government system is very different. But I think what you've been saying so far is that there were really strong lessons that you were able to draw from the perspective, as the UK looks at further fiscal devolution via soft governance mechanisms at the moment. Can you explain to us, Abi, exactly what you concentrated on in this project?

Abigail Taylor:

Thanks, Nicola. In the first piece of research that we did, we did a particular case study of Fukuoka as part of a wider report on city-regions internationally that had made progress with addressing regional inequalities. And then we wanted to delve down deeper into the comparison with the UK.

So what we did is we compared the experiences of the West Midlands with Osaka region or Osaka Prefecture, as it's more commonly called. We looked specifically at the institutional conditions that had promoted growth. We looked at how regional groups had been formed, and it was really interesting. We delve down into the funding mechanisms in the two city regions, the strengths and the challenges of the systems that existed.

And then finally, we looked at experiences of monitoring and evaluation and what we can take from the systems that exist in each region. And for as a places across nationally as well. And then Jeff mentioned that we had been back again. That was in September, this year, and we were really lucky. We were invited by the Royal Society of Arts to present the findings of our research as part of a series of events that they were putting on to complement the UK Government's World Expo 2025 campaign as the Expo took place in Osaka.

And so we held an event that we had a great range of speakers so there was President of CIPFA Japan, there was the UK Commissioner General for Expo 2025, a Deputy Director General at

METI-Kansai, the Kansai Bureau of one of the ministries. There was a Director at a Union of Kansai governments which brings together different prefectures within the Kansai region.

We also had a representative from the United Nations University Institute for Advanced Study of Sustainability. And then we were very privileged to have the British Consul General in Osaka also participate. And whilst we were in Japan to hold that event, we extended our research by specifically looking at a system which exists in Japan, which enables officials in the ministry to be seconded or transferred into subnational government, and a similar system for subnational government officials to spend time in national government.

And we had various conversations with people who participated in the system to understand what worked well, what may be a bit more challenging and could be improved.

Nicola Headlam:

Brilliant. Sounds like you were quite reactive to conditions on the ground. Obviously the expo was a great opportunity for your research. What methods did you use specifically, Jeff?

Jeff Matsu:

One of the more innovative methods we used was visiting the country. It's not always possible, and particularly when you're traveling long distances. We went halfway across the world and we were able to do so on two occasions. I would say that that aspect, that method, really differentiates the insights we were able to elevate to the evidence base around regional governance structures and fiscal mechanisms that allow different tiers of government to deliver public services.

Aside from that, obviously we did the traditional sort of literature review and interviews, but just to focus a bit on how we did the interviews when we did our first report, looking at cities. The interviews focused a lot around people working in the cities and towns versus in this most recent report, we had the opportunity to engage and interview practitioners and civil servants at the regional level that represented different cities across the Osaka region and interestingly enough, we were able to visit Tokyo and meet with a number of ministries.

And I think that really opened our eyes to how the different tiers engage with each other, which we would never have experienced or understood had we just been reading publications on the internet. And as I said, one of the tricky things with using non-English countries as case studies is that a lot of the literature online, in English is quite limited, so you're losing a lot of the nuance.

And so by actually visiting the country and speaking to people, we were able to fill in what would have been considerable gaps. I think that element, I just kind of focus on it because we were fortunate to get funding through three philanthropies, the Daiwa Foundation, the Saskatchewan Foundation and the Japan Foundation, and this allowed for that knowledge exchange.

Funding most researchers would appreciate is critical to doing high quality work, and we are very grateful to have had that type of funding to allow us to have these conversations in person. I think in-person engagement brings case studies to life, and hopefully that came through in the report itself.

Nicola Headlam:

And it isn't just sort of what gets said in a qualitative encounter, is it? It's almost the non-verbal communication, the sort of scenario the buildings, you know, for saying this is a massive government priority, but you're behind the bins and in a sort of shed, you realise that maybe not. Whereas if you're in a government building, you really get a sense of the kind of way afforded to different government priorities. I think I just wanted to add was the relationships.

It's not a one trick pony, right? So people appreciate the fact that you've travelled to their country on their terms and engage with them. And what we hope to share with others is that these relationships take time to develop. By integrating it as a core part of your research methodology, you build a foundation to do future work. Having said all that and the benefit of going and immersing yourself in the culture, we always imagined that there would be a large culture shock in Japan, not least because of as we mentioned, the language already. How was that for you, Abi?

Abigail Taylor:

It was a very exciting experience, but also a challenging experience. I've done quite a lot of cross-national work before, but it's primarily been sitting in comparisons with France, and I speak French. I've lived in France previously, I've worked there, I studied there, and so when we had the opportunity to do this project, it was really quite different because I didn't have that deeper understanding of the language, the history, the culture to fall back on.

And I think when we first got there, I was also particularly struck by how different the country felt in some ways. In other ways, it did feel very similar. The trees were similar. It was a very welcoming country. For example, the humidity. When we first got off the plane, I remember it was almost 45 degrees and I'd never been to Asia before.

So there was the immediate culture shock, but then also thinking how to conduct this research in a country where we didn't speak the language, where we didn't have that many contacts initially, and what I took from this is that you can conduct research that's cross-national in places where you don't have that much understanding of the language. I tried to learn a few basic words so that I could at least be polite in the interviews, but what I think is absolutely key is that you have brokers within that country. We were extremely fortunate to benefit from working very, very closely with a professor in Osaka for the West Midlands Osaka comparative work Professor Naoki Fujiwara, as well as when we did that work in Tokyo, looking at the secondment systems there, we benefited from enormous support from Professor Inatsugu and Dr Sara Kaizuka, as well as wider support from the President of CIPFA Japan, Professor Ishihara, and his lab members.

So they helped facilitate meetings then translated within the interviews, which sometimes was pretty enormous undertaking because some of the interviews lasted two hours, at least because of the need for everything to be translated both ways. And then also, we were immensely lucky to benefit from the Japan Local Government Centre. So they're a network of Japanese local authorities, funded, through some the local authorities in Japan.

And their London office was very supportive in terms of both helping us before we went. So understanding some of the key issues, current debates, how are things like devolution, what are the words that are being used? Decentralisation rather than devolution, for example. That was

enormously beneficial. And also being able to think through how best to contact people, how best to explain what we're interested in.

It took probably a lot of planning before we went in order to make the trip successful once we were there, and then having those networks once you were there as well, in order to make the most of the interviews that we were able to secure. Going back to your point also about what you see, I think that was just so instrumental for me.

When we did that first piece on Fukuoka, we did a lot of desk research. One of my colleagues conducted the case study and that was Liam O'Farrell. And you can't compare it to, as Jeff said, to actually going there. Things like the number of people that some of the organisations were able to put up for interviews. I think that was really telling about greater capacity in local governance, the scale of the buildings, I think, was telling of resourcing and being there was just so so important.

Nicola Headlam:

And did you have a sense that the people that you were speaking with, obviously they were real experts in multi-level delivery in their own context. Was there any surprise at how difficult we find it in the UK from your Japanese brokers and interlocutors?

Abigail Taylor:

I think some people had a very detailed understanding of the UK. They had worked in the UK, studied in the UK, but one of the things I think I'll always remember is when Naoki came over to Birmingham, because we did a reciprocal exchange, trying to explain the frequency of institutional change and then drawing a timeline of LEPs, combined authorities, county councils, etc..

And that was just so different to in Japan, where there was much greater stability, was asking why why did it change so frequently.

Jeff Matsu:

Could I just one point on that, I thought it was quite interesting how many of the Japanese people we met have high regard for UK policy. They seemed quite surprised when we on a few occasions mentioned that their governance frameworks and funding mechanisms, because they're far more decentralised, actually deliver far better outcomes in public service delivery.

And they just found that maybe it's just the humility that these people have, but they just seemed really taken aback that we were using them as a model of what good looks like and what the UK should aspire to achieve. That came through on a number of occasions, and so it just goes to show that perceptions are different.

We think, oh gosh, things are so horrible here in the UK in terms of funding not being updated and not being allocated to where needs are highest and just a high degree of just dysfunction and atrophy almost. But that when you go halfway around the world, others think, oh, the UK is actually a leader in this area. So that was really eye opening for me.

Nicola Headlam:

And I think also that's quite difficult identity work as a researcher, because I think there's a kind of conflict. And the more you're moving in diplomatic circles pretty much in this research. So the temptation to be like, it's not as great as you might think, I find that very difficult because you don't want to be on an international forum sort of your own private sort of frustrations, maybe.

But then equally, if there is a misapprehension about UK policymaking, then you sort of have to acknowledge the complexity, acknowledge that maybe some of the short termism has political kind of roots in some ways, as you say, the further away you go, the more you have to examine your own biases and your own assumptions. Do you think was fair?

Abigail Taylor:

Yeah. Anne Green, I think, said what she'd taken from the work was going further away, made you reflect more closely how systems are working at home. I think that's something that when you're caught up in their day-to-day working in a system, sometimes it's hard to find the time to do.

Jeff Matsu:

Very much so. I think it's human nature to do a fair bit of navel gazing. And until you lift your head and look forward and around, you might not realise that the systems and frameworks you have in place actually are pretty good. And I think that's the case in Japan that they don't benefit maybe as much from seeing what's happening in other places. And so they thought their systems are good. But when we kind of shared the experiences of how devolution is moving forward in the UK, in many cases, these kind of seed, wide eyed expressions of interest like, oh, is that so?

How can it be? It's easy to take for granted systems when they work. You kind of just say, okay, it's working. So we don't think much about it when it doesn't work, that there's a lot of apprehension and uncertainty. And I think that manifests clearly in the UK. It's not working. And as a result, people across the country, whether it's at a regional, local or national level, know it doesn't work. And it almost becomes you kind of go into a dizzying spin because you get so frustrated. And I think that's why you need to elevate this type of comparative international work to showcase what good looks like.

Nicola Headlam:

I think after the spin as well. I think it's fair to say a lot of people that work on the subnational scale in the UK, it's more of a doom loop. We feel like we haven't got it right. Therefore there's a lack of confidence. I feel there's a lack of kind of the know how in the know who in the system, but this is what's interesting then in your case in Japan, something I'm very interested in is these secondment is longer running secondments so that you see a different part of the governance system in your career.

And that's kind of built into being effective at whatever scale you are. Could you tell me something more about that, and what are the strengths of these long run secondments, please, Abi?

Abigail Taylor:

This was really interesting. So in Japan, a system exists in the ministries where officials, at key points in their careers, starting very early on in their career, but continuing at various points throughout their careers can be seconded or transferred for generally between 1 and 4 years into subnational government. I think this system came out really strongly in our conversations, as being important in terms of helping central government to understand better the experiences of subnational government, as it meant that officials spent quite a long period of time really working within subnational government. They developed contacts there, and it meant that when they went back to their ministries, the learning went with them, as opposed to the UK system that we were just talking about this this morning, about how the UK system is quite individualistic.

Often if you are a civil servant to get promotion, you might to move to a different ministry, whereas the Japanese system meant that people would go and do a secondment. But then when they went back to the ministry, they'd often get promotion. And so, it was just a way of enabling people to get new experiences, develop contacts that they could then follow up on at subsequent points, whether that was to test a policy idea or to understand how something's working within local government.

It's fair to say there are challenges with the system. Certainly, people seem to describe being told at very short notice where they were going, so that can be difficult to plan for. Some people talked about how quite a young age they were put into quite senior roles and they had to think how to manage those relationships. But overall, we have the sense that it gives people a lot of career fulfilment and it enabled a system that felt more collective, where people are more invested in taking learning back to their ministry, then perhaps the system we have in the UK.

Nicola Headlam:

Very interesting. And comparing the West Midlands and Osaka and specifically on funding, what were the differences in approaches, Jeff, that we can learn?

Jeff Matsu:

I would focus on four broad categories, and I just kind of want to go into some detail because this is one of the main areas that we were exploring around these fiscal mechanisms. The four areas around fiscal autonomy and local empowerment.

The second category was around balancing equity incentives, the third one around innovation in regional funding tools. And the fourth and final one was around risks and resilience in fiscal devolution. On the first one around fiscal autonomy and local empowerment. Japan’s local government have growing control over tax revenues and expenditure decisions, and that came out quite clearly not just in our interviewees, but you see it in the literature as well.

Decentralisation reforms have allowed prefectures and municipalities to collect diverse local taxes and use unconditional transfers, like the local allocation tax, to fund local priorities. And that local allocation tax structure is updated annually. That matters, especially if you want to have transparency and trust. And so that is critical. And it's not just the local allocation tax framework that's important.

It's the fact that it gets updated annually. The West Midlands shift to sort of lump sum funding and business retention increases local discretion. The trailblazer deal devolution deal from 2023, I think, is a good example of what can be as devolution evolves across the UK, particularly in England. It's a slow process and it's a bit unchartered and as a result it kind of creates a lot of uncertainty and skepticism,

I might say. There's also greater autonomy, which supports tailored responses to regional needs and long term investments. And so I think in Osaka, we saw these integrated resorts cropping up. In Birmingham, you kind of have the metro expansion. Overall, you kind of need better alignment with local socio-economic challenges. And I think both jurisdictions are really trying hard on that front.

The second point around balancing equity and incentives, I've said, you know, the local allocation tax system in Japan redistributes resources to ensure basic service provision. It uses a formula based system to redistribute national taxes, ensuring that all localities can fund essential services regardless of the economic strength. That's really important, and I think that's what the UK aspires to.

But again, we seem to be often distracted by sparkling, shiny things. And so then we have intentions to update the fair funding to do the fair funding review, but that we keep kicking that down into the long grass. One point to note is that equalisation can also reduce incentives for local economic growth, if not carefully designed, so as local governments raise their own revenues in Japan, their local allocation tax share may be reduced, creating a disincentive for aggressive economic development or commercial investment.

And I think that is recognised as an area that needs to be explored in the UK context as well. And the UK's model ties revenue to performance but risks widening regional disparities. So while we have business rate retention, encouraging growth oriented policies, poorer areas may struggle to increase local revenues, which then exacerbates inequalities if redistribution mechanisms are weak.

And that was one of the touchstones of the levelling up agenda that we saw under the Conservative government, and which the Labour government today still puts a focus on in terms of making sure that this redistribution mechanism is fit for purpose. In terms of innovation and regional funding tools. Japan uses strategic zones with tax breaks and grants to drive sector specific growth, particularly in the Kansai region, which Osaka city is a part.

Biotechnology is one of the driving industries, and they use special economic zones to offer preferential treatment like reduced corporate tax rates and R&D funding to attract investment in high growth industries. And we see that happening here in the UK as well. We have a tendency to change the name and the rules of the game in terms of freeports and all the naming conventions, and the frameworks change depending on how the policy is announced, and that creates uncertainty in terms of business investment.

So I think that's a point that the UK needs to learn from. Both systems show experimentation with tools that align funding to economic priorities. So from tax based incentives to flexible co-funding schemes, regional finance tools increasingly link funding to innovation, productivity and strategic national objectives like green growth and digitalisation. And these types of innovations are things that I think the UK government is very aware of and keen on exploring.

But again, there needs to be policy consistency. I think that's the UK shortfall and where Japan has comparative strength. We need to stop changing policies every time ministers moved musical chairs, it's just not conducive to investment and it challenges our longer term growth ambitions for overall national prosperity, let alone regional growth strategies. And the last point I'll quickly touch on is the risks and resilience in fiscal devolution.

So as I mentioned, there's a rising reliance on local taxes, which could strain residents and limit capacity in poor regions in the UK. We have exceptional financial support and Japan's LAT reforms reflect efforts to manage fiscal stress. We saw that just this past year, with Birmingham financial crisis triggering this exceptional financial support with strict oversight. It's similar in Japan where you sort of have tax redistribution mechanisms to address imbalances and support weaker municipalities.

The caution I would underscore here is that in the UK in particular, it's becoming far too common to have exceptional financial support mechanisms, and it's often needs to go through a process that can to some extent be a black box at times. And so that creates uncertainty for a local government sector that is already under financial stress. And so I'll leave it there.

But again, lots of learning around these financial mechanisms, which I think with the UK budget and with the spending review frameworks, you can't just snap your fingers and say we want to have better regional growth. You need to have a strategy that's consistent, that's clearly articulated, and that has strong buy in from stakeholders across the piece. And that piece isn't just central government departments that get allocations through the spending review, but it has to trickle down in a very meaningful way to regional and local practitioners.

Nicola Headlam:

Thank you very much. So that's sort of on the finance side. And that's, you know, nobody knows more about wanting financial rules to equalise than you, Jeff, what about institutionally and organisationally? You mentioned that you looked at the the comparison of organisational structures, comparing Osaka and the West Midlands. What did you find, Abi?

Abigail Taylor:

I think the key difference is that point you made earlier about more enduring governance arrangements in Japan than in England. So from about 1999, when a new decentralisation law was introduced.

There's been a process in Japan where competencies have been gradually devolved to subnational government, and replacing a system where there was previously quite unclear central decision making regarding local responsibilities, and further reforms have then aimed to enhance municipal autonomy, clearly outline subnational responsibilities, and all of this has

been done in conjunction with the financial mechanisms that Jeff has just outlined to try and ensure adequate financing for subnational government.

And whereas there has been this move to greater decentralisation in the West Midlands and England more broadly, and certainly when we did comparative interviews in the West Midlands, people who we were talking to the stakeholders, they definitely welcomed the trailblazer devolution deal, the integrated settlement. But the structures we have now, the powers that are devolved are quite far behind those that exist in Japan.

What I also felt particularly interesting, was how in those special strategic zones that Jeff has mentioned. There are formal processes for proposing and piloting additional powers, and some of the people we spoke to talked about how beneficial that had been. They could test an approach, and if it worked well, then the Japanese government would roll that out more generally.

So I think that is relevant in the context of the proposal for established mayoral strategic authorities to be able to recommend new devolved functions that would be beneficial. Also, what particularly struck me with how when we were speaking to people in Japan and we asked is there any further powers that would be beneficial if they're devolved. People generally struggled quite a lot to identify additional powers and actually they suggested that some devolved powers that they'd gained might actually be better passed back to national government. So things that don't tend to differ much across regions, like certification, were suggested to actually be quite a bureaucratic burden if they're devolved. And I think that also offers learning in the context of discussions around further devolution in the UK context.

Nicola Headlam:

Absolutely. So sort of regulatory functions are really about standardisation in a sense. That's really interesting example. So we always speak on Placecast about the power of place. So I want to ask what is the potential for this work reaching maturity and becoming fully embedded. What could change as a result and what is the size of the prize? Jeff.

Jeff Matsu:

One of the lessons that I've learned not just from this project, but sort of just doing comparative international work over the past couple of decades now, is that it's incremental.

Nothing will change overnight because you're talking about deeply embedded institutional structures, whether it's governance frameworks or fiscal mechanisms like I was just discussing. These things are integral to how a country operates. And so it's just not going to change by one person, by one department. These things need to be incrementally addressed and it needs to be addressed in incrementally consistent way.

If we're ever going to get the prize, which is better outcomes in public service delivery and in public spending, we want more efficient and effective and more equitable funding of public services and public service provision. The one key takeaway from Japan is that you need to work together. You need to decentralise. It's not optional if you want for these mechanisms to become fully embedded, where you have fairness and a more equal distribution of prosperity, then you need to trust. You need to trust regional voices. You need to trust local leaders and

local communities. And I think Japan does this really well. And I think it is an excellent example that UK government should strive to learn more from.

Nicola Headlam:

You're really preaching to the choir. I've been doing some work recently on similar part of the world, very different government, but the One Belt, One Road initiative in China, the big infrastructure, geopolitical infrastructure project. Reading the speech announcing One Belt One Road in 2013 and the Northern Powerhouse introduction speech from George Osborne in 2014. They're very similar in terms of tone and language. The, the aspiration, the size of the prize is painted really clearly. And since largely because of EU exit, the Northern Powerhouse is no longer really a strategic priority. But in the same time period, the Belt and Road have gone through 75 countries and spent billions.

And I think what's very interesting is the difference between the sort of headline and the aspiration, and then the steps to get there and obviously you're not going to get a Belt Road Initiative by mistake. But equally, the kind of constant shifting of tone and objectives and language in the North as a strategic priority for the government has come in and out of fashion, mainly rhetorically.

In a sense, what you're describing sort of does happen, but almost accidentally, because the incremental change is the thing that's coming along behind the grand project, and the Grand Visions and all the rest. I find it incredibly interesting, the difference between almost political rhetoric and then administrative incrementalism kind of working together. And and even if that's not advertised as the way the system works, in a sense it is the only way any system has of of finding sense and salience. Otherwise, the UK can just feel like such a mess.

Jeff Matsu:

And could I just build on that? I think this is where cultural differences also come to the fore, because in Japan, the group and collective decision making is highly valued, less so in terms of individualism, whether that's for an individual person or individual department or individual jurisdiction. And as a result, compromise and reconciliation come a lot easier for the Japanese because it's built within the fabric of their culture.

And that's a mindset. That's not to say that different cultures, such as in the UK, where maybe creativity and individualistic expression are more highly valued, can't achieve the same outcomes. But you need to be more mindful that if you want to advance the public policy agenda within limited financial resourcing, you need to build trust. And if you're going to reach and achieve compromise and reconciliation, which is a must in any kind of public policy sphere, you need to be able to communicate well.

And I think that is something that the UK needs to reflect on. How can government across different tiers and across different places, communicate more intelligently and more empathetically?

Nicola Headlam:

Well, a challenge do you have anything to say on that Abi?

Abigail Taylor:

I think that we're hoping to expand on this work next? We're currently discussing with the Japan Local Government Centre about doing a workshop with them, as they've been such a very useful link for us and it would be helpful to almost sense-check erm our findings today.

We're also in the process of writing up an LPIP Hub policy briefing, and a journal article exploring and learning about this transfer system, and how, Jeff just talked about, it supports partnership working across different tiers of government, which I agree is so absolutely fundamental. I think the project has opened my eyes to what is possible to do in places as far away as Japan, and our aspiration is to build on the networks that we've developed in Osaka and in Tokyo to do further policy focused work with the Japanese government, with practitioners and with academics if we can secure funding, and navigate the policies and approaches. What I thought was particularly interesting when we were in Japan. Was how they are thinking about and trying to plan for the challenges created by an aging society. Japan's obviously so more on the cusp of these challenges then we are at the moment in the UK, particularly in terms of if you've got a smaller population and therefore a declining tax base, and the initiatives that they're developing in terms of sharing of resources were really interesting.

And I think that goes back to the point we made earlier about how sometimes you don't know quite exactly what you will find until you do the sort of comparative work where you really embedded in a place. But it can be beneficial on multiple levels, both the questions you have when you initially go out there and what you find in the process. And we're also keen to facilitate wider dialogue. It was great that last week, councillors from Osaka met with officers at the West Midlands Combined Authority.

Nicola Headlam:

Brilliant. [Musical interlude]

British individualism and exceptionalism aside, one of the ways that we think about place leadership on Placecast is that you need brokers to kind of pull together knowledge and then you need, hopefully if they get to dock with a really good place leader, then you've got a real hope there of kind of making change. So we divide really the knowledge side into knowledge brokers and then place leadership.

I wonder, Jeff, from the work you've been doing, can you think of a specific person that you came across who was a really good broker?

Jeff Matsu:

Yeah, this is an excellent question because as an economist, I'm often thinking about the numbers and creating charts and graphs, and I don't spend as much time reflecting on some of the soft power skills of bringing people together.

So it's really, really a fantastic question. And I think the one person that sort of really came to mind was Naoki Fujiwara, who also happens to be one of the co-authors on our report. He's a vice dean, a professor in the Faculty of Regional Development Studies at Otemon Gakuin University which is based in Osaka. But he was kind of like a late bloomer, so to speak, in the sense that he wasn't an academic by birth.

He kind of spent 20 years working at Osaka City government, overseeing economic development and urban planning. And then through that practitioner sort of focused work, he developed an itch to do deep dives. And that's how he segue into academia. And because of that richness and experience of being a civil servant, having worked a lot with practitioners and kind of seeing a lot of these research themes at the frontline, when he then moved into academia, he was really able to be inquisitive, but with a different hat on.

And as a result, I think he has a very good grasp of the concerns and motivations that different stakeholders have. And he is a prolific traveller. If you follow him on social media, he's here, there, everywhere. And that reflects in the vastness of his research portfolio. So I would say that he brings people together. He's certainly helped facilitated a lot of the meetings we've had with, colleagues in Japan and with the people that we did interviews with. His contributions to this project in particular have been invaluable.

Nicola Headlam:

Gosh you're describing his biography, and I'm thinking, I know somebody a bit like that. Can you think of a really Good Place leader?

Jeff Matsu:

I sure can, and that person is our very own Rebecca Riley at City-REDI and University of Birmingham. Their pathways Bec and Naoki's are very similar. And for the very reasons I've just outlined what makes Naoki a good broker, I think I would just repeat all of those and that's what makes Bec a good place leader. She's actually rooted in the region. She's worked with the West Midlands Combined Authority.

She's personally vested in the place that she leads, and I think she's done an amazing job building up City-REDI alongside Anne Green. And fast forward ten years, it's their ten year anniversary. The centre has become the go to place for regional growth analysis and intelligence and it's easy to take for granted. The people who bring centres of excellence like City-REDI is, along such a journey.

You see, many of these centres fail. Funding, isn't there. Leadership is inadequate. Bec and Anne Green have done a fantastic job of steering City-REDI so that it can be a partner and a resource for the broader region and local community. Based in Birmingham. And I think if she's not a good example of a place leader, I'm not sure who would be. Yeah.

Nicola Headlam:

Very good. Just before I let you go, I'm going to let you have a wave of my place-based innovation magic wand. You must be very careful with it. It can grant you a wish. You have absolute power

to do one of these things. But you must use your powers to make a tangible change to a specific place.

Your change will be specific, measurable, actionable, recordable, and transferable. Smart magic is hard to get hold of at the moment, even in the run up to Christmas, and is subject to a 20% multi-year budget reduction settlement. You can have a 10 million pound project fund, half an hour with the cabinet and a slide deck, editorial control of the front page of a tabloid newspaper, a clause to insert into a bill.

Some people have extended that to say even a full act of Parliament, a simple message to go viral on TikTok or anyone in the world is an advocate for your work, or the last one which flushes out the true nerds amongst us. The answer to something that has bothered you forever. Which would you like?

Jeff Matsu:

The 10 million, please. [Laughing] I think I come from a public finance background. Funding is scarce. There are lots of charities and non-profits doing excellent work. A lot of our current and, prospective research is around preventative spending. We're talking with a lot of charities that are working across homelessness, reducing recidivism in the criminal justice system. These are small organisations with huge aspirations and big hearts, and they need funding. So with that 10 million, I think I could fund or help fund a couple of these charities that are so critical in working with public policymakers to deliver change in local communities today.

Nicola Headlam:

Well, there we are. People started off by avoiding taking the money, but then they started getting really interested in taking the money after a while. Thank you ever so much for your time. I really enjoyed that conversation. I think that you're absolutely right. If you're interested in the notion of kind of incremental versus radical change, there is, of course, the notion of radical incrementalism, which is if you set a direction and then you're able to think much more creatively about how to get there right. That's something that I think is fascinating from what you're discussing, because you still want there to be space in the system.

But the system, as we all know, has been frustratingly multi-headed of late, as well as multi-level governance has been multi-headed. And thank you to our listeners for joining us. We set out to mine insights from experts, real world case studies of Japan, practical tips and career advice, and to spotlight solutions as well as waive the place-based innovation magic wand. And we have.

Jeff Matsu:

Thank you, Nic. It was fun.

Abigail Taylor:

Yeah, it was good. I enjoyed that. Thank you.