

Average per capita income in Aichi prefecture is the highest in Japan at just over ¥2.4 million (1986), 108.6 per cent of the national average. Nagoya is known as the city of "koganemochi" (people of above-average incomes or assets). The traditionally conservative nature of the populace has fostered a lower rate of credit card use than elsewhere in Japan and an estimated six-month "trend lag" after Tokyo.

But the situation is changing. Like citizens in the rest of Japan, the people in Nagoya are beginning to feel more financially secure. As a consequence, they are willing to spend more of their disposable income on the consumer goods and leisure activities that they had previously considered unnecessary luxuries.

Geography

The southern part of the Japanese Alps contains the central part of the Chubu region. These beautiful mountains divide the district into two coastal areas and a mountainous zone. The Pacific coastal quarter encloses the Tokai region surrounding Nagoya. The land-locked mountain terrain is famous for recreation, while the coastal territory bordering the Sea of Japan has always been remote, despite its natural beauty and rich cultural heritage.

Tokai's strategic position mid-way between Osaka and Tokyo has been an advantage for centuries. As a mandatory stop along the old Tokaido road, Nagoya developed superior information-gathering skills that helped create the basis for its industrial strength. Today, the area's geographic position enables it to serve both the Tokyo and Osaka markets, which are within an easy commute by modern expressway, convenient bullet trains or regularly scheduled airline flights.

Nagoya's proximity to Tokyo and Osaka — two hours from Tokyo and 90 minutes from Osaka by bullet train — has been instrumental in establishing the city's economic credentials. However, an even swifter form of transportation is emerging: the linear bullet train, which will connect Nagoya to Tokyo in 40 minutes and to Osaka in 20. Nagoya expects to be the main beneficiary of the project. In addition, the area's new airport and highway projects will not only enhance Nagoya's transportation efficiency, but will boost domestic demand, ensuring that Nagoya remains a centre of industrial activity well into the next century.

Figure 1
Industrial Structure of Nagoya and Tokai
Compared with Japan

