

Short-Term Educational Programs

— A Way Ahead for the Japanese Hospitality Industry
in a Future That Is Anticipated to Be Profoundly Unsettling —

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Abstract

The author discusses an emerging demographic and some profound changes that are likely to impact the hospitality sector in the near future. He makes recommendations aimed at mitigating the negative aspects of what is to come and meeting the expectations of the new demographic.

*“The shadows from last week
Are dancing in the street
In homage to the darkness closing in”*
“Still Life,” Jim Carroll

Prognostication is an activity stigmatized because, to a large extent, its practitioners are often crystal-ball-gazing, incantation-chanting, cold-reading charlatans, whose predictions have the certitude of a roll of the dice. However, there are prescient prognosticators who, without the accoutrements of the ball-gazers, can discern the changes yet to come and communicate their findings to the public. Sometimes these clairvoyants can be found in literature, especially that of the science-fiction genre. The French novelist Jules Verne and the Irish science-fiction writer Harry Harrison, author of *Make Room, Make Room!*, the novel upon which the American movie *Soylent Green* was based, are but two examples. These writers did their research before putting pen to paper, of course.

In this paper, I will briefly address some of the factors and developments that are likely to have a profoundly negative impact on the hospitality indus-

try in Japan; discuss an emerging demographic that defines luxury less in terms of ownership of Louis Vuitton bags and more in terms of their own criteria, with one criterion in particular being sharply divergent with respect to current policies and practices of the Government of Japan; stress the necessity of attracting *upmarket* tourists to the country; and provide information on short-term, vocational educational programs that may provide employees at restaurants and bars with the wherewithal to accommodate those well-heeled tourists who count themselves among this new demographic. Regarding the last-mentioned point, implementation of such programs by the private sector is not likely to dispel the “darkness closing in,” but it may make the approaching storm a little less devastating.

*“It’s hard to say what’s different each new morning
I need some clue to tell me when or where”
“Still Life,” Jim Carroll*

Like the proverbial frogs in a pot of water being slowly heated towards the boiling point and to their inexorable demise, the general public does not perceive the adumbrations that, when taken collectively, will give them a fairly reliable picture of their future. They may have a vague unease each morning, sensing that something is not quite right, but they need some hint that will help them understand the trajectory of recent events. Unfortunately, the Japanese mainstream press often fails to provide them with such clues. Consider this headline: “IMF Urges Gradual Consumption Tax Hike,” a Kyodo report appearing in *The Japan Times* (2/12/20).

The International Monetary Fund on Monday called on Japan to further raise its consumption tax rate in stages *to fund growing social security costs*, while warning that its public debt may reach up to 2.5 times the size of its economy by 2030 without credible fiscal policy.

...

It also said the public debt is “unsustainable” under current policies and the country’s ratio of government debt to gross domestic product could

exceed 250 percent in 2030....

...

Japan's fiscal health is the worst among major industrialized economies, with its public debt-to-GDP ratio standing at 237.5 percent in 2019, according to the Finance Ministry.

...

In addition to raising the consumption tax, the IMF proposed *reforms to curb health care spending, the introduction of a wealth tax* and a higher carbon tax as an incentive to reduce energy use. [emphases added]

What is missing from this report is any discussion of the animals; i.e., the albatrosses and the elephants, of the white variety. No mention is made of the ballooning costs of the upcoming Olympics and the debt-burden—the albatross—that will be yoked to the collective necks of the taxpayers for many years after the event; the massive costs incurred by the Fukushima cleanup; the huge amounts of public money that pays for the American military presence in Japan, some of which was ludicrously categorized as a “sympathy budget” (*omoiyari yosan*) by the LDP's Shin Kanemaru; and the staggering expenditures that will be incurred by the purchase of the F-35, an aircraft with a very spotty safety record, an extremely high price tag, and a plethora of problems—“more than 800 software flaws,” according to a recent Bloomberg article bearing the tragic-comic headline “F-35's Flaws Include a Gun That Can't Even Shoot Straight.” According to the same article, “Japan is the biggest foreign customer.” This albatross census is truncated, of course. There are many more of these birds, but a full enumeration is beyond the purview of this paper. It is time to turn to the white elephants, whose sizable presence should be prominently featured and carefully examined in any report on Japan's financial dire straits.

Fortuitously, the same issue of *The Japan Times* features a small article, also by Kyodo, entitled “13 Regional Airports Plan to Halt Flights to China.” This decision was taken in light of the spread of COVID-19, a story that is unfolding as this paper is being prepared for publication. The follow-

ing airports are mentioned in the story: “Airports in Ibaraki, Nagasaki, Kagoshima and other prefectures will have no direct flights to...Chinese cities.... Some of the other airports affected are in Sendai, Matsuyama...and Kitakyushu...³⁾” Curiously or perhaps understandably, that quintessential white elephant known as “Shizuoka Airport,” or “Mt. Fuji Shizuoka Airport,” is not mentioned. This could be the result of an exemption, of course, but that is highly unlikely, given concerns about the spread of the disease. With the hope of getting more information to shed light on this omission, I visited the official airport website on the same day of the report (2/12/20), checked the English “Flight status” page, and was astounded by this revelation: “Flight status displaying is status [*sic*] as of the midday of February 6, 2020.⁴⁾” Readers are encouraged to contact the airlines for the latest information. My concern here is not with the quality of the English. What is relevant is that the Kyodo report fails to mention this whitest of elephants and the airport itself cannot provide, at least to its English-speaking readers, current information. Without the presence of Chinese carriers, Shizuoka Airport will become more of a ghost facility than it already is. JAL abandoned it long ago! Conveniently not mentioning these facts militates against the empowerment of the taxpaying public. Whetting the appetite of the readership with such information would, of course, motivate some of them to learn more about it and to discover such things as the fact that a Shinkansen line passes underneath it but does not stop anywhere near it⁵⁾ and that it is twenty-seven kilometers from Shizuoka Station!⁶⁾ They might also encounter this: “The airport’s financial prospects are not good. It is used by six airlines on eight regular air routes [circa 2009] and for chartered flights. ...[T]he number of passengers is less than the original projection of some 1.38 million. In fiscal 2009, airport revenue will be only about Yen [*sic*] 260 million while its spending will amount to Yen [*sic*] 800 million.⁷⁾”

Olympics-related construction seems to have given birth to a number of white elephants of significant proportions. “Except for the Ariake Arena—the venue for volleyball and wheelchair basketball, which will be able to host competitions and concerts after the games—*five out of the six new venues owned by Tokyo are likely to be bleeding red ink*” [emphasis added]⁸⁾. Of

course, there is no way to ascertain with complete certainty the skin color of these pachyderms until the future becomes the present, but the perspicacious prognosticator will take the past into consideration before making a pronouncement. Baade and Matheson, writing in the *Journal of Economic Perspectives*, list four benefits proffered by Olympic boosters under their sub-heading “The Long-Run Benefits of Hosting the Olympics,” two of which are germane to this paper. The one I will address in this paragraph is the assertion that “the Games might leave a legacy of sporting facilities that can be used by future generations.” Of course, a quick glimpse at some of the videos uploaded to YouTube featuring abandoned Olympic venues could readily refute that assertion, but that would hardly be an academic rebuttal. Hence, I will cite Baade and Matheson.

A positive legacy of sporting facilities is the least promising [of the four alleged benefits] of these claims. Academic studies of sports facilities on host communities are nearly unanimous in finding *little or no economic benefits associated with stadiums and arenas....* Furthermore, due to the nature of the sporting events sponsored by the Olympics, *host cities are often left with specialized sports infrastructure that has little use beyond the Games*, so that in addition to the initial construction costs, *cities may be faced with heavy long-term expenses for the maintenance* of “white elephants.”⁹⁾ [emphases added]

Readers who wish to experience a more visceral response to the information just conveyed are directed to the YouTube videos.

*“With nothing left to steal
Lies make our lives seem real
It slows down all the madness like a shield*

*I don't know why I need to understand it
I don't know if there's anyone who cares”
“Still Life,” Jim Carroll*

The Japanese mainstream press is in the habit of linking the current surge of inbound tourists with the Olympics. One frequently encounters stories in which the following string appears: “in the run-up to the Tokyo Olympics,” or similar phraseology, which seems to imply a linkage of sorts. Of course, there is not even a tenuous connection between the tourists arriving now and those who will come for the Olympics. Current inbound tourists are here for a multiplicity of reasons: aspects of Japanese pop culture, cherry blossoms, sensory experiences related to Japanese food and drink, to name but a few. Those who will arrive for the Olympics will be here for the Olympics. The big questions are who will arrive for the Olympics and in what number.

Baade and Matheson list another alleged benefit of the Olympics. “The Olympics can serve to ‘put a city on the map’ as a tourist destination.”¹⁰⁾ A moment’s reflection will lead the reader to the conclusion that this “benefit” does not apply to a world renowned city like Tokyo, situated in a country already experiencing (pre-COVID-19) heavy inbound traffic. They concede that Barcelona and Salt Lake City did experience this benefit, but “[T]he results in Salt Lake City and Barcelona have not been replicated in other host cities.”¹¹⁾

Anticipating who will come, or perhaps more importantly who may not come, must be considered in light of relatively recent developments. Deteriorating relations with South Korea, Japan’s complicity with respect to U.S. sanctions on Russia, and the sudden appearance of a seemingly stochastic phenomenon like COVID-19 in China suggest that the number of attendees from these countries could be subpar. And what about the United States? A recent survey indicates that a large percentage of Americans does not even know that the event will be taking place: only 55.6% of Americans know that the Olympics will be taking place in Japan this summer!¹²⁾ Furthermore, another major international event is taking place in 2020: Expo 2020, which will be held in the United Arab Emirates, a country that can easily outspend debt-ridden Japan to publicize its event (in one of its airports the nation has a vending machine that dispenses gold). In the words of Kazuhiko Togo, Japan’s former ambassador to the Netherlands, “Hosting the 2020 games was *a mistake right from the beginning*”¹³⁾ [emphasis added].

*"I don't know how or why
It could be something in the sky
That makes it seem it's best to be prepared...."*
"Still Life," Jim Carroll

Whatever the dénouement of the Olympic saga may be, there is little that can be done now to change the outcome in any significant way, which, given the above, is likely to prove devastating for Japan in general and, in its aftermath, its hospitality sector in particular. The latter may be less negatively impacted if it takes heed of these developments and makes adjustments to address the new realities. First, there is a clear backlash with respect to the number of inbound tourists (pre-virus) entering the country. This is especially clear in Kyoto, where the issue figured prominently in the 2020 mayoral election. JCP and Reiwa Shinsengumi candidate Kazuhito Fukuyama articulated a few of the complaints when he said, "Kyoto residents can't get on overcrowded buses and there have been problems with private lodgings, while the number of hotels is increasing rapidly."¹⁴ The same article goes on to give other examples of the downside of this inbound boom, including "ill-mannered tourists," "foreign tourists chasing after geishas," and "ambulances stuck in...crowded streets."¹⁵ "So it was no surprise when 48.8 percent of respondents in a recent *Kyoto Shimbun* poll...indicated that current tourist numbers should not be increased. Only 15.7 percent favored policies aimed at increasing the number of tourists. ...15.4 percent responded that they also favored city policies that would lead to an *increase in only wealthy tourists*" [emphasis added].¹⁶

The last-mentioned point is in harmony with what some, including me, have been saying for quite some time: that attracting upmarket tourists to Japan and providing them with rewarding, fulfilling, and memorable experiences is far better, less troublesome, and more stable in the long-run than the current practice which favors quantity over quality. Quality—upmarket—tourists are not likely to generate problems of the kind or magnitude that plague cities like Kyoto, can be expected to spend significantly more money on local goods and services than the present-day ramen-and-manga set, and, if satisfied with their experiences in Japan, will most likely return, as their

interest in the country will be less ephemeral than the current inbound cohort, many of whom are enamored of what they believe to be “cool Japan.” Fashion, of course, is as fickle as the wind.

*“I don't know where it will be
Two by land...One by sea
Sleep with one eye open
Be prepared”*

“Still Life,” Jim Carroll

Ambassador Togo has a way of putting things both succinctly and cogently: “Nobody in Japan can escape the Olympics,¹⁷⁾” and this is unfortunately true, but the hospitality industry must take heed of some recent developments and respond appropriately to what awaits Japan in its aftermath. The key word here is *sustainable* and its variants such as the IMF’s use of “unsustainable” in reference to Japan’s debt.

In 2019, the World Economic Forum released “its latest Travel and Tourism Competitiveness Report..., ranking 140 countries on their relative strengths in global tourism and travel.”¹⁸⁾ It “warns of an approaching ‘tipping point,’ where factors such as less expensive travel and fewer tourist barriers increase demand to unsustainable levels.”¹⁹⁾ No matter what one thinks of Greta Thunberg and her fondness for traveling by yacht, an option not available to most ordinary folks, air travel, as it exists today, is incredibly damaging to the environment. “Aviation accounts for 3 percent of climate-damaging carbon emissions globally, according to the European Environment Agency....”²⁰⁾ It is reasonable to assume that policies meant to address this problem might involve price increases that would make travel by plane less attractive to budget travelers, thereby, reducing the number of downmarket tourists. Not surprisingly, Japan now scores high under a number of criteria: “Japan remains Asia-Pacific’s most competitive T&T [Travel and Tourism] economy, ranking 4th globally.”²¹⁾ What is surprising, given Haruhiko Kuroda’s (BOJ) loose monetary policy, is the following: “...Japan can further enhance its competitiveness by continuing to improve its price competitiveness (113th), which is characterized by low purchasing power (128th).”²²⁾ In

other words, Japan is just too pricey for many tourists, presumably the preponderance being of the down-market variety. A global economic downturn may result in this cohort being unwilling or unable to come to Japan.

The word *sustainable* figures prominently in another report, that of the United Nations World Tourism Organization's *International Tourism Highlights*. Under a subsection entitled "The Big Picture: Societal Changes," the report states the following: "Sustainability and competitiveness go hand in hand as destinations and businesses can become more competitive through the efficient use of resources, the promotion of biodiversity conservation and actions to tackle climate change."²³⁾ The same page lists "Consumer Travel Trends," among which are "Travel 'to change'—Live like a local, quest for authenticity and transformation. [and]...Rising awareness on sustainability—Zero plastic and climate change."²⁴⁾ Unfortunately, Japan does not rank high on sustainability.

[J]apan still has room to better utilize its promising natural resources (25th). Improved area protection data shows that the nation could yet do more to expand habitat protection (76th), which is critical given Japan's high number of threatened species (132nd) and global rank of 97th for fish stock pressure.²⁵⁾...

The Abe regime's embrace of coal and its dogged commitment to nuclear power (no, it is not clean; it is not safe; it is not cheap; and despite some recent assertions, it is *not* green!) can hardly improve Japan's low sustainability rankings. In the eyes of this emerging demographic, Japan is decidedly *not* cool.

The drinks industry, on the other hand, is becoming increasingly cool. Recently published books and articles have made it clear that there is a growing demand for organic wine, partially due to its favorable sustainability characteristics. A recent issue of *Harpers Wine & Spirit* entitled "Making Sense of It All," "delves into the new and *sustainable* innovations in wine closures"²⁶⁾ [emphasis added]. Some of the more interesting articles discuss products that are representative of the circular economy, a feature of which

is upcycled products such as Discarded's Banana Peel Rum, which takes what was essentially waste headed for the dump—banana peels—and makes it a valuable part of the production process. A description of the product taken from the company's website follows:

About Banana Peel Rum

Originally, the purpose of this Caribbean Rum was to impart flavour to prepare empty whisky casks for the final phase of maturation. Once the cask is seasoned with the Rum's flavour, the Whisky replaces the Rum to complete the whisky's final maturation. The Rum, however, is then often sold on or even disposed of. An undiscovered treasure, this 'finishing' Rum has now been repurposed to form the base of Discarded's next fruity-forward spirit. The revealing quality behind this Discarded Rum comes from an unlikely source, Banana Peel. Once extracted, Banana peel provides a fresh toffee note with a fruity balance whilst maintaining the foundation flavour of an iconic Caribbean Rum. Best served neat over ice, shaken in a Daiquiri or mixed long with Ginger Ale.

*"The spectres ride the stallions of my ruin
The shifting of my blood tells me it's soon...."*

"Still Life," Jim Carroll

I believe that Japan's dire straits will become evident to even the most unaware and unthinking members of the general public, if not during, then shortly after the Olympics.

*"I don't know how
Or why...it could be
Something in the sky
That makes it seem the time says to beware"*

"Still Life," Jim Carroll

Carroll's admonition to beware and prepare certainly applies to Japan's

hospitality industry. But what is the way forward mentioned in my subtitle? The answer: relatively low-cost, short-term educational programs that will prepare waitstaff to better serve upmarket tourists by providing them with accurate information about the drinks—both alcoholic and soft—on offer at their respective establishments and by so doing enhance customer satisfaction and facilitate upselling. Why order a highball when you can have a well-aged, single-malt Scotch for a slightly greater expenditure?

A number of programs* meeting the above-mentioned criteria exist: WSET Level 1 certification, Cicerone Certified Beer Server, Whisky Ambassador, and the North American Japanese Tea Instructors Association's (NAJTIA)** Bamboo (level) certification. These programs are all offered in English; some are also given in other languages. The English used to convey pertinent information promoting quality over quantity is relatively simple. Waitstaff whose ability to communicate in English is limited can, of course, resort to Google Translate or a similar app if need be both during their course-taking and on the job. The reader may question the reasoning behind recommending a Japanese tea program whose medium of instruction is English to waitstaff who are predominantly Japanese. There is, of course, a wealth of information available in their native language, but learning it from a *foreign* perspective (i.e., Canadian in this case) may help them anticipate foreigner preferences and better position them to answer questions that may arise during exchanges with foreign customers. In the remaining part of this section I will present a brief description of each program.

WSET: The Wine & Spirit Education Trust, which is based in London, was established in 1969. Its Level 1 Award in Wines is an introductory-level certification that can be completed online. Among the topics covered are wine types and styles, wine storage, and wine and food pairings. Waitstaff that have successfully completed the program should be able to address these issues knowledgeably and coherently, taking their customers way beyond the stereotypical flight attendant's, "Red or white?"

Cicerone: This is a Chicago-based beer certification program, established by Ray Daniels. Their Certified Beer Server award is an entry-level credential that covers a wide array of topics. The qualifying examination is given

online. Graduates will not only learn much about types of beer but also about the proper serving environment. Their online shop offers the especially useful “Certified Beer Server Beer Style Cards.”

Whisky Ambassador (WA): This is a Glasgow-based accredited training program that was established in 2012. The founders of WA are Sue Beatt and Jo Graham. Certification is granted upon completion of a day-long seminar and the passing of written and tasting tests. WA’s motto is “Drink less. Drink better,” which is clearly in harmony with the position I have taken in this paper. That assertion is further buttressed by this citation from their website: “[T]he course gives you the knowledge, skills and confidence to talk to customers about Scotland’s national drink, furthermore improving customer experience and exponentially increasing sales of Scotland in a glass.²⁸⁾ ®”

North American Japanese Tea Instructors Association (NAJTIA): This Vancouver-based certification program offers the student a firm background with respect to the history of Japanese tea and its production. Upon successfully completing the course, the student is awarded the “Bamboo” certification.

* Disclosure: The author is affiliated with all of the programs mentioned in the article. Similar programs exist and may be equally attractive. The author’s unfamiliarity with those programs has precluded their inclusion.

** At the time of this writing the website is being redesigned and the curriculum revised.

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