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People's preferences for future development scenarios in Miyako Island, Japan

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People's preferences for future development scenarios in Miyako Island, Japan

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Abstract

Many regions encounter a dilemma of how economic growth should be pursued with cultural and environmental conservation under global competition. While there are several articles that examine the relationship between development and environment, little is known about how people in a region prefer future development scenarios across economic growth and conservation. We pose a research question of how Miyako Island (MYK) people in Japan prefer a future development scenario over the growth vs. the conservation as well as rural tourism vs. urban one. It is hypothesized that (i) prosocial people and/or with an identity “I am a MYK person” prefer conservation by rural tourism and (ii) people with long residential time in MYK prefer economic growth by urban tourism. We conducted online choice experiments with permanent and temporary residents, collecting the data over their preferences for the scenarios, prosociality, experiences and socioeconomic factors. The results show that (i) people who have spent a relatively long period of their lives in (outside) MYK prefer the growth (conservation), (ii) a majority of MYK people are prosocial and do not prefer economic growth by urban tourism and (iii) prosocial and/or environmentally concerned people support conservation by rural tourism. Overall, we interpret that how people have been associated with MYK as residents or outsiders causes their preference gap, however, the gap will get resolved to conservation by rural tourism as people become prosocial and environmentally-concerned. In addition, it is concluded that the current development process that follows economic growth by urban tourism in MYK is unlikely to contribute to the residents’ wellbeing due to discrepancy with what the residents prefer on the basis of our results.

Key Words: Economic growth; social value orientation (SVO); environmental concern; tourism; discrete choice experiment; future development scenario

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1 Introduction

2 While climate change and environmental problems remain as serious concerns for humanity,
3 global competition has been intensified as an ongoing process, driving regional economies to grow
4 and decline depending on their culture, environment, innovation, geography and market conditions
5 (Dwyer, 2015). Thus, many regions in the world face a dilemma of whether to prioritize economic
6 growth or cultural and environmental conservation in an era of globalization (Mol, 2003). With the
7 dilemma, what and how people in a region prefer among development scenarios between economic
8 growth and conservation shall characterize and shape their regional economic states in the future
9 via the degree of their consensus or disagreement. It is likely that a group of people in a region
10 may prefer conservation to economic growth for their wellbeing and quality of life, whereas the
11 other group of people in that region may prefer the opposite for the same reasons (Stimson et al.,
12 2006, Easterlin and Angelescu, 2011, Barca et al., 2012). In other words, investigating people's
13 preferences for future development shall be informative to understand what people demand for
14 regional economies as well as to improve their wellbeing and quality of life through customized
15 policy formation. Given this state of affairs, this paper addresses how people in a region prefer
16 future development scenarios between economic growth and conservation.

17 For sustainable future development, it is essential to identify potential channels that drive eco-
18 nomic growth. To this end, a series of studies aim to understand the key determinants of regional
19 economic development (Srinivasu and Rao, 2013, Pradhan et al., 2021). Kyoi et al. (2023) eval-
20 uates people's diverse environmental preferences for future development scenarios through a dis-
21 crete choice experiment and identifies the significance of land use preferences. By conducting
22 choice experiments, Kim (2018) observe that tourism quality and the attraction of rural tourists are
23 crucial for sustainable rural economic development. By analyzing panel data, Andry et al. (2025)
24 examines how tourism has the potential to reduce income inequality and foster economic progress
25 and finds that the growth of tourism is linked to a reduction in income inequality in island coun-
26 tries of the Indian Ocean. Pradhan et al. (2021) identify the important role of ICT infrastructure
27 development in promoting economic growth using the panel data of 20 Indian states.

28 Conservation is often perceived as being in opposition to economic growth; however, it is es-
29 sential for sustainable future development. The existing literature highlights the importance of
30 conservation as a fundamental component of future development strategies. Estifanos et al. (2020)
31 conducted a choice experiment with 316 households in Ethiopia to investigate rural residents'
32 preferences for conservation management options aimed at protecting endangered species. Their
33 findings indicate that residents prefer to receive financial incentives from rural tourism. Through
34 scenario analysis, Hashimoto et al. (2019) explored how alternative development pathways influ-
35 ence future land-use patterns, biodiversity, and ecosystems. Their study underscores the signifi-
36 cance of land-use policies in shaping the future availability of ecosystem services and biodiversity.
37 Similarly, Ghatak (2010) emphasizes the need to balance environmental conservation with eco-
38 nomic development, particularly in communities reliant on natural resources. Based on primary
39 and secondary data analysis, their study demonstrates that environmental conservation and future
40 development can be compatible.

41 Tourism is a key driver of regional development, particularly in island areas, where it often
42 serves as the primary economic engine. Over the past few decades, tourism has played a significant
43 role in fostering economic growth in many nations (Andry et al., 2025). However, its impact
44 on local development has both positive and negative aspects, as highlighted by previous studies.
45 According to Bartik (2003), tourism may contribute to income inequality by driving up prices and
46 increasing property values. Similarly, Papatheodorou (2004) argues that tourism can widen the
47 wealth gap by benefiting large international corporations at the expense of smaller local businesses.
48 On the other hand, Kim (2018) emphasizes that ongoing efforts to enhance the quality of tourism
49 resources in rural areas, as well as to attract and satisfy rural tourists, are crucial for the long-term
50 sustainability of rural economies. Despite the extensive literature on the effects of tourism, little
51 attention has been given to identifying the specific types of tourism that local communities desire
52 as pathways for future development.

53 While several studies empirically examine the relationship between economic development
54 and the environment, little is known about how people in a region choose future development

55 scenarios across economic growth and conservation. Thus, we pose a research question of how
56 Miyako Island (MYK) people in Japan prefer a future development scenario over the growth vs.
57 the conservation as well as rural tourism vs. urban one. This study hypothesizes that (i) prosocial
58 people and/or with an identity “I am a MYK person” prefer the conservation and rural tourism
59 and (ii) people with long residential time in MYK prefer the growth and urban tourism. To test
60 those research hypotheses, we conducted online choice experiments with permanent and temporary
61 residents, collecting the data regarding their preferences for the scenarios, prosociality, experiences
62 and socioeconomic factors. As of our knowledge, this is one of the pioneering attempts to analyze
63 the preference of future development scenarios in the island area.

64 **2 Methodology**

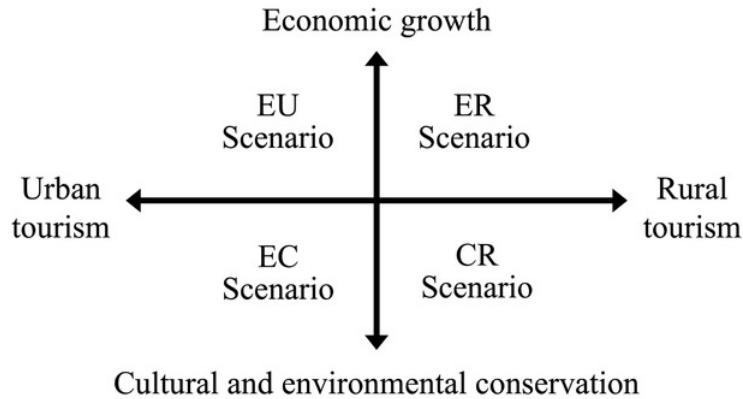
65 **2.1 Study area**

66 We selected Miyako Island (MYK) as our study area. It is located between the main island of
67 Okinawa and Taiwan. There are 28 282 households, and the population is 55 569. Miyakojima is a
68 rural area with abundant natural capital. The island is situated in a semi-tropical biome, making it
69 the only place in Japan with such characteristics. Miyakojima was formed by coral reefs, and it has
70 neither mountains nor rivers. The average temperature is 23.8°C, and the annual precipitation is
71 2057 mm. MYK has a thriving tourism industry and agriculture. Due to these economic activities,
72 especially tourism, the nominal GDP of MYK reached 182 521 million JPY (Miyakojima city
73 office, 2021).

74 **2.2 Discrete choice experiment**

75 An online survey was conducted using a representative sample of 251 MYK people from
76 November, 2024 to December, 2024. The survey primarily investigated the inhabitants’ prefer-
77 ences for sustainable development patterns (referred to as scenarios). It also gathered information

Figure 1: Four scenarios comprising two axis for future development



78 on respondents' environmental perceptions, social value orientations (SVO), discrete choice experiments, and socioeconomic characteristics. Participants selected their preferred options through a
79 series of choice tasks (Saito et al., 2019, Kyoi et al., 2023). The discrete choice experiment in this
80 study evaluates people's preferences for sustainable future development scenarios.
81

82 In this study, we develop scenarios by combining study area-specific storylines that depict
83 plausible alternative development pathways (figure 1). This approach, commonly known as the
84 story-and-simulation method (Alcamo, 2008), integrates qualitative assumptions with quantitative
85 models and is highly effective for addressing dynamic uncertainties in social-ecological systems.
86 The first axis represents the relative orientation of social development achievements and indicates
87 two possible directions: whether MYK prioritizes economic growth or focuses on cultural and
88 environmental conservation for sustainable development. Meanwhile, the second axis defines
89 two distinct channels through which sustainable development could be realized—namely, urban
90 tourism or rural tourism.

91 2.3 Scenario assumption

92 EU scenario represents a scenario of "economic growth," leveraging both tangible and intangible assets such as tourism and geographical advantages. The goal is to promote economic growth
93

94 via urban tourism. In this scenario, MYK will develop amusement facilities and infrastructure
95 to improve the convenience of residents' lives by establishing logistical hubs. Additionally, MYK
96 plans to introduce modern accommodations and casinos to attract tourists. It is expected that MYK
97 will capitalize on its geographical advantages as a transit point in Asia, leading to substantial eco-
98 nomic gains. As a result, MYK could acquire significant economic resources and experience
99 dramatic development.

100 ER scenario represents a scenario of "economic growth" through rural tourism by leveraging
101 tangible resources such as natural materials like mango, hemp, and beaches. The goal is to promote
102 economic growth via rural tourism. In this scenario, MYK will develop products for a wide range
103 of customers, including mango-based goods, traditional handicrafts, and sugarcane exports, utilizing
104 e-commerce, social media marketing, and government support, such as JETRO services (e.g.,
105 Japan Street, Japan Store), to boost exports. MYK will also need to compete with other regions
106 producing similar products, such as mangoes from Miyazaki and hemp from China. Furthermore,
107 MYK will promote outdoor activities like coral reef tours. As a result, MYK could build strong
108 and independent economic resources.

109 CU scenario represents a scenario of "cultural and environmental conservation" through urban
110 tourism by leveraging both tangible and intangible assets of MYK. The goal is to promote cultural
111 and environmental conservation via urban tourism. In this scenario, MYK would promote its
112 cultural festival, Pantu, to a global audience and aim to elevate it to the status of a national event,
113 like Namahage in Akita, by utilizing social media. Additionally, MYK will develop more eco-
114 friendly aquariums, building on the concept of the existing underwater park. As a result, MYK
115 could achieve a balance of coexistence, conservation, and economic growth.

116 CR scenario represents a scenario of "cultural and environmental conservation" with permacul-
117 ture to create a sustainable society. The goal is to promote cultural and environmental conservation
118 via rural tourism. In this scenario, MYK will produce only the necessary products for daily life,
119 minimizing exports and focusing on adding value to local products by following an international
120 strategy of low integration and low responsiveness. MYK aims to promote local food production

121 and consumption while also exporting organic products. They will encourage homestays and rural
122 accommodations to offer tourists an authentic local experience. Additionally, MYK will adopt
123 fully renewable energy sources, such as wind and solar power. As a result, MYK will achieve an
124 eco-friendly society with a low carbon footprint, reduced virtual water use, carbon neutrality, and
125 a lifestyle with low food miles.

126 **2.4 Social value orientation**

127 Social value orientation (SVO) is designed to categorize subjects based on their social prefer-
128 ences into altruistic, prosocial, individualistic or competitive (Van Lange et al., 1997, 2007, Brosig
129 et al., 2011, Carlsson et al., 2014, Sutters et al., 2018). This study employs the “slider method” to
130 assess how subjects prioritize their benefits compared to others, which is crucial for understanding
131 cooperative behaviors (Borghans et al., 2008). Figure 2 presents this method, showing that sub-
132 jects responding to six items, each offering nine options for distributing points between themselves
133 and an anonymous partner. These options gradually shift benefits from the partner to the subject.
134 For example, in the first item, choices range from both receiving an equal 85 points to the sub-
135 ject receiving 85 points while the partner’s share reduces to 15 points. Mean allocations for the
136 subject \bar{A}_s and the partner \bar{A}_p are computed from all six items. Then, 50 is subtracted from \bar{A}_s
137 and \bar{A}_p to shift the base of the resulting angle to the center of the circle (50, 50). The index of a
138 subject’s SVO is determined as $SVO = \arctan \frac{(\bar{A}_p) - 50}{(\bar{A}_s) - 50}$. Based on SVO indices, social preferences
139 are categorized as altruist ($SVO > 57.15^\circ$), prosocial ($22.45^\circ < SVO < 57.15^\circ$), individualist
140 ($-12.04^\circ < SVO < 22.45^\circ$), and competitive ($SVO < -12.04^\circ$) (Murphy et al., 2011).

141 **2.5 Statistical analysis**

142 This study applies logit regression to model the preferences for future development scenarios
143 across economic growth and conservation in related to SVO, experiences and socioeconomic fac-
144 tors. People’s preference for future developments is expressed as a binary choice model of logit
145 regression, assuming that the preferences depends on observable factors. Let Y_i^K ’s are the depen-

Figure 2: Instructions to measure social value orientation (SVO) by the slider method

Instructions

In this task you have been randomly paired with another person, whom we will refer to as the **other**. This other person is someone you do not know and will remain mutually anonymous. All of your choices are completely confidential. You will be making a series of decisions about allocating resources between you and this other person. For each of the following questions, please indicate the distribution you prefer most by **marking the respective position along the midline**. You can only make one mark for each question.

Your decisions will yield money for both yourself and the other person. In the example below, a person has chosen to distribute money so that he/she receives 50 dollars, while the anonymous other person receives 40 dollars.

There are no right or wrong answers, this is all about personal preferences. After you have made your decision, **write the resulting distribution of money on the spaces on the right**. As you can see, your choices will influence both the amount of money you receive as well as the amount of money the other receives.

Example:

You receive	30	35	40	45	50	55	60	65	70	You	50
Other receives	80	70	60	50	40	30	20	10	0	Other	40

a

1 

You receive	85	85	85	85	85	85	85	85	85	You	_____
Other receives	85	76	68	59	50	41	33	24	15	Other	_____

2 

You receive	85	87	89	91	93	94	96	98	100	You	_____
Other receives	15	19	24	28	33	37	41	46	50	Other	_____

3 

You receive	50	54	59	63	68	72	76	81	85	You	_____
Other receives	100	98	96	94	93	91	89	87	85	Other	_____

4 

You receive	50	54	59	63	68	72	76	81	85	You	_____
Other receives	100	89	79	68	58	47	36	26	15	Other	_____

5 

You receive	100	94	88	81	75	69	63	56	50	You	_____
Other receives	50	56	63	69	75	81	88	94	100	Other	_____

6 

You receive	100	98	96	94	93	91	89	87	85	You	_____
Other receives	50	54	59	63	68	72	76	81	85	Other	_____

9

146 dent variables of cultural and environmental conservation and development by rural tourism such
 147 that $Y_i^K = 1$ if people i prefer cultural and environmental conservation and development by rural
 148 tourism, respectively, otherwise $Y_i^K = 0$. The probability for respondent i to prefer cultural and
 149 environmental conservation and development by rural tourism denoted by $\text{Prob}(Y_i^K = 1)$, is as-
 150 sumed to follow the distribution function F evaluated at $X_i\beta^K$ where X_i is a $1 \times (m + 1)$ vector of
 151 explanatory variables for respondent i ($X_i = (1, x_{i1}, \dots, x_{im})$) and β^K is a $(m + 1) \times 1$ vector of
 152 parameters ($\beta = (\beta_0^k, \beta_1^k, \dots, \beta_m^k)'$). The logit regression takes the following form of a distribution
 153 function.

$$154 \quad \text{Prob}(Y_i^K = 1) = \frac{\exp(X_i\beta^K)}{1 + \exp(X_i\beta^K)} \quad (1)$$

155 A specification of equation (1) enables us to estimate parameters β via maximum likelihood and
 156 the probability for a respondent to prefer cultural and environmental conservation and development
 157 by rural tourism in relation to explanatory variables (Wooldridge, 2010, 2019). The explanatory
 158 variables of this research include SVO, years of residence, identity of MYK, age, employed, ed-
 159 ucation, income, environmental perception. The definitions of the variables are summarized in
 160 table 1. This research identifies a marginal effect of each explanatory variable on the probability
 161 of $\text{Prob}(Y_i^K = 1)$ along with the statistical significance, holding all other variables fixed. Specif-
 162 ically, the estimated marginal effect is a change in the probability for a respondent to desire the
 163 future developments when one explanatory (dummy) variable increases by one unit (or from zero
 164 to one) via equation (1).

165 **3 Results**

166 **3.1 Data summary and set of models**

167 Table 2 represents the summary statistics of dependent variables and independent variables
 168 from the 251 subjects which have experience or background in Miyako Island (MYK). We apply

Table 1: Definitions of the variables

Variables	Definitions of the variables included in regressions
Dependent variables	
Cultural and environmental conservation (CEC)	A dummy variable that takes 1 if a subject choose conservation, otherwise, 0.
Development by rural tourism (DBR)	A dummy variable that takes 1 if a subject choose rural tourism, otherwise, 0.
Independent variables	
Social value orientation	The prosociality for the subject ranges between 1-4 Competitive = 1; Individualistic = 2; Prosocial = 3, Altruistic = 4
Years of residence	The level of years of residence for the subject ranges between 0-4, Less than 5 years (0) to More than 20 years (4)
Identity of MYK	A dummy variable that takes 1 if a subject choose Myakpit; otherwise, 0.
Age	Age of subject.
Environmental perception	Strong disagree (1) to Strongly agree (5)
Employed	A dummy variable that takes 1 if a subject is employed; otherwise, 0.
Education	The level of education for the subject ranges between 0-6, No education (0) to postgraduate (6)
Income	The level of income for the subject ranges between 0-11, No income (0) to More than 10 million JPY per year (11)

169 the Pearson chi-square test to determine whether or not there is any association between future
 170 development goals and channels. According to table 3, the chi-square statistics are 8.743 and the
 171 *P*-value is 0.003, which represents that the two dummy variables are not independent (there is
 172 an association). Additionally, people are not likely to prefer economic growth by urban tourism.
 173 Regarding dependent variables, the mean of both dependent variables, the conservation for future
 174 development and development by rural tourism, are 0.586 and 0.630, respectively. This data iden-
 175 tifies majority choose a future development scenario prioritizing the conservation by rural tourism.
 176 The average age of people is 37 years, identifying the data was collected variety generation. The
 177 mean of identity of MYK and employed are 0.526 and 0.637, respectively, evaluating more than
 178 half people recognize their identity in MYK and engage in occupation. The median of years of
 179 residence, education and income are 3, 4 and 3, respectively, representing 13 years living in MYK,
 180 16 years schooling and approximately 3.50 million JPY per year. National Tax Agency (2023)
 181 reports that average income in Japan is 4.61 million JPY per year. The mean values of people's
 182 environmental perception is 3.6, recognizing a high level of concern for environment. The average
 183 value of local people's SVO is 2.9, indicating they have high prosociality.

184 Logit model in table 4 reports the regression results on cultural and environmental conservation
 185 for future development. We apply different regression model specificaion to check the robustness
 186 in our analyses, and confirm that the main results in table 4 remain the same in all models. Model

Table 2: Summary statistics

Variables	Obs	Mean	Median	SD	Min	Max
Dependent variables						
<i>Cultural and environmental conservation</i>	251	0.586	1	0.494	0	1
<i>Development by rural tourism</i>	251	0.630	1	0.483	0	1
Independent variables						
<i>Social values orientation (SVO)</i>	251	2.932	3	0.399	1	4
<i>Years of residence</i>	251	2.809	3	1.188	0	4
<i>Identity of MYK</i>	251	0.526	1	0.500	0	1
<i>Age</i>	251	36.538	29	17.637	15	88
<i>Environmental perception</i>	251	3.550	3	1.000	1	5
<i>Employed</i>	251	0.637	1	0.482	0	1
<i>Education</i>	251	3.749	4	0.642	0	6
<i>Income</i>	251	2.996	3	3.053	0	11

Table 3: Contingency table

	Channels		
	Urban tourism	Rural tourism	Total
Future development goals			
<i>Economic growth</i>	27	77	104 (0.41)
<i>Cultural and Environmental Conservation</i>	65	82	147 (0.59)
<i>Total</i>	92 (0.37)	159 (0.63)	251
Pearson chi(1) = 8.743, Pr = 0.003			

187 1 contains prosociality, years of residence, identity of MYK and age as independent variables
188 in our regression. Next, we include cognitive and socio-demographic variables in model 2. In
189 model 2, the coefficient of SVO, years of residence and age are 5 %, 1 % and 1 % significant
190 levels, respectively. Based on the marginal effect in Model 2, people are 7 % points likely to
191 prioritize the conservation as a development target with each 10-year increase in age. An increase
192 in years of residence by one category improves the probability of preferring economic growth as
193 a development target by 10 % points. These findings suggest that respondents who have spent a
194 relatively larger proportion of their lives residing in MYK tend to favor economic growth as well as
195 the conservation on a desired outcome for future development. Moreover, people exhibiting high
196 prosociality are 21 % points likely to prioritize the conservation. In summary, prosocial people
197 tend to prefer the conservation, while those who have spent a relatively long proportion of their
198 lives in MYK are likely to prioritize the growth as a development goal.

199 Table 5 represents regression the coefficients and marginal effects of the independent variables
200 on the rural tourism in logit regressions. Similar to table 4, we also follow the same procedure and
201 find that the results remain the same in all models. Independent variables in both models are the
202 same as table 4. In model 1, the coefficients of SVO and age are significant at 10 % level, while
203 in model 2, both are insignificant. The marginal effect associated with SVO is 0.139 in model 1,
204 implying that people are likely to prefer rural tourism to urban one by 14 % points. In model 2, the
205 coefficient of environmental perception is 5 % significant level, and an increase in environmental
206 perception by one unit enhances the probability to prefer rural tourism as a development channel
207 by 6 % points.

208 Overall, the main results in this research are summarized as follows: (i) people who have spent
209 a relatively long period of their lives in (outside) MYK prefer the growth (conservation), (ii) a ma-
210 jority of MYK people are prosocial and do not prefer economic growth by urban tourism and (iii)
211 prosocial and/or environmentally concerned people support conservation by rural tourism. More-
212 over, the results can be interpreted that how people have been associated with MYK as residents
213 or outsiders causes their preference gap, however, the gap is expected to get resolved towards

Table 4: Regression coefficients and marginal effects of the independent variables on the cultural and environmental conservation in logit regressions

Variables	Model 1		Model 2	
	Coefficient	ME	Coefficient	ME
Social values orientation (SVO)	0.862** (0.383)	0.208** (0.092)	0.866** (0.374)	0.209** (0.090)
Years of residence	-0.375*** (0.139)	-0.092*** (0.033)	-0.403*** (0.145)	-0.097*** (0.035)
Identity of MYK	0.222 (0.285)	0.054 (0.069)	0.263 (0.295)	0.063 (0.071)
Age	0.025*** (0.008)	0.006*** (0.002)	0.030*** (0.010)	0.007*** (0.002)
Environmental perception			0.125 (0.136)	0.030 (0.033)
Employed			-0.154 (0.415)	-0.037 (0.100)
Education			-0.246 (0.216)	-0.059 (0.052)
Income			-0.026 (0.065)	-0.006 (0.016)
Constant	-2.104** (1.146)		-1.605 (1.370)	
Sample size	251		251	
Wald chi2	15.160		17.710	
Log-likelihood	-160.490		-158.740	

*** significant at 1 % level

** significant at 5 % level

* significant at 10 % level

Standard errors are in parentheses

Table 5: Regression coefficients and marginal effects of the independent variables on the rural tourism in logit regressions

Variables	Model 1		Model 2	
	Coefficient	ME	Coefficient	ME
Social values orientation (SVO)	0.600*	0.139*	0.446	0.107
	(0.349)	(0.080)	(0.353)	(0.081)
Years of residence	-0.001	-0.001	0.045	0.010
	(0.120)	(0.028)	(0.124)	(0.028)
Identity of MYK	0.011	0.003	0.015	0.003
	(0.267)	(0.062)	(0.276)	(0.064)
Age	0.014*	0.002*	0.013	0.003
	(0.06)	(0.76)	(0.09)	(0.02)
Environmental perception			0.261**	0.060**
			(0.132)	(0.030)
Employed			0.258	0.059
			(0.434)	(0.100)
Education			0.329	0.076
			(0.235)	(0.054)
Income			-0.066	-0.015
			(0.072)	(0.017)
Constant	-1.710*		-3.528***	
	(0.40)		(1.377)	
Sample size	251		251	
Wald chi2	6.970		12.020	
Log-likelihood	-161.488		-158.409	

*** significant at 1 % level

** significant at 5 % level

* significant at 10 % level

Standard errors are in parentheses

214 the “conservation” and “rural tourism” scenario as people become prosocial and environmentally-
215 concerned. Another point to note is that a majority of MYK people are prosocial and do not
216 demand economic growth and urban tourism scenario for their future, i.e., EU scenario. How-
217 ever, an ongoing MYK development is exactly following the EU scenario, that is, inviting and
218 bringing casinos and hotels along with development of transportation and urban infrastructures in
219 MYK. Unfortunately, it is concluded that the current development process in MYK is unlikely to
220 contribute to MYK people’s wellbeing on the basis of our results.

221 **4 Conclusion**

222 This study addresses how MYK people prefer future development scenarios. We pose a re-
223 search question of how MYK people in Japan prefer a future development scenario over the growth
224 vs. the conservation as well as rural tourism vs. urban one. It is hypothesized that (i) prosocial
225 people and/or with an identity “I am a MYK person” prefer the conservation and rural tourism
226 and (ii) people with long residential time in MYK prefer the growth and urban tourism. We con-
227 ducted online choice experiments with permanent and temporary residents, collecting the data over
228 their preferences for the scenarios, prosociality, experiences and socioeconomic factors. The re-
229 sults show that (i) people who have spent a relatively long period of their lives in (outside) MYK
230 prefer the growth (conservation), (ii) a majority of MYK people are prosocial and do not prefer
231 economic growth by urban tourism and (iii) prosocial and/or environmentally concerned people
232 support conservation by rural tourism. Overall, we interpret that how people have been associated
233 with MYK as residents or outsiders causes their preference gap, however, the gap will get resolved
234 to conservation by rural tourism as people become prosocial and environmentally-concerned. In
235 addition, it is concluded that the current development process that follows economic growth by
236 urban tourism in MYK is unlikely to contribute to the residents’ wellbeing due to discrepancy with
237 what the residents prefer on the basis of our results.

238 We finally acknowledge several limitations to our study and suggest future directions for re-

239 searches. First, our data indicates that prosocial people are dominant and the nature of our data
240 may limit the generalizability of the main findings. Therefore, future studies should be able to
241 focus on some other island regions, such as Maldives, investigating the same research questions
242 and hypotheses. Second, our research collects the data only from MYK people, i.e., permanent
243 and temporary residents, without including outsiders who consider MYK as a potential destination
244 of their travels. It shall be important for us to analyze the samples of outsiders along with insiders,
245 examining how they wish to MYK future development. By doing so, we may be able to clarify
246 and integrate insiders' and outsiders' points of views for supply and demand sides in MYK econ-
247 omy. Despite these limitations, it is our belief that this study becomes an important first step for
248 understanding preferences for future development scenarios in island regions.

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