Chapter 1

Civil Society and NGOs in Japan

Japan is typically viewed as a docile society, with its people subservient to their corporations and the government. Even Makido Noda, chief program officer at the leading research institute on Japan's grassroots organization, says, "Japan didn't have a civil society until recently. And our civil society remains weak."[1]

Of course, Japan has always had some level of social activism, as witnessed for example, by the small community groups in the seventeenth - nineteenth centuries known *gonin-gumi* ("group of five families," Yamamoto, 1998), by farmers' protests (*hyakushô ikki*) during the same era, and by environmental and antiwar protest movements in the 1960s and 1970s. But almost every knowledgeable observer would agree that throughout Japanese history civil society has remained extremely weak vis-à-vis the state.

Most observers also would agree that Japanese civil society has finally emerged on the scene. Although disagreement exists as to its current size and prominence, it is widely assumed that it will continue to grow and play a more prominent role in the future.

Why civil society activism has recently spurted is puzzling to many. Japan experienced unprecedented economic growth in the 1950s - 1970s and eventually became the world's second largest economy. During this period of rapid economic growth, Japanese civil society was largely reticent. Only since the 1980s, and especially since the

early 1990s, have Japanese grassroots groups such as nongovernmental organizations (NGOs) emerged to play an ongoing active role in political life in Japan. Given this background, we are thus faced with several important questions. Why has Japan had a weak civil society historically? Why did a more active civil society not emerge until the 1980s? What accounts for the recent growth of grassroots activism? How is the grassroots movement reflected in policy making, particularly in relationship to overseas aid and development policy, which is a main concentration of NGO activity? And what are the implications of changing state-civil society relations for Japan?

This chapter broadly addresses these questions of changing civil society-state relations. I analyze Japan's postwar development to argue that the changing relations have been brought about by broad economic, cultural, and political transformations of Japanese society in the age of globalization and postindustrialism. No single factor or incident can explain the changing state-Japanese civil society relations; they involve processes of complex, incremental social transformation. To understand the growth of Japanese civil society, it is necessary to take into account a variety of factors related to economic, cultural, and political changes in Japan and around the world.

This chapter first defines both civil society and NGOs; the latter term has a particular meaning in the Japanese context. Next, the chapter discusses why Japanese civil society has been traditionally weak and how it has recently grown. I identify political, economic, and cultural factors that have either hindered or helped the growth of Japanese NGOs. (This chapter, however, does not provide a detailed explanation of the reasons for the recent growth of Japanese NGOs; that appears in chapters 2 and 3.) Next, this chapter examines the history of Japanese NGOs and the evolution of Japanese ODA.

The involvement of NGOs in ODA is a recent phenomenon, but it is in the area of ODA

that Japanese NGOs have interacted with state officials most frequently and closely.

Finally, the chapter concludes with an analysis on the Japanese NGOs and their

contribution to the democratization of Japan.

Civil Society

The term civil society is used with great ambiguity. Sometimes it means a society based

on private property and individual rights. For example, Marx considered civil society as

the sphere of market relations. To Marx, civil society was bourgeois and deserved to be

abolished (Arato, 1990). At other times, the term refers to the sum of all institutions

between the family--the basic unit of social organization--and the state, including not

only NGOs but also any other organizations such as political parties and armed groups

(Foley & Edwards, 1996). By some, the term is used even more broadly, encompassing

not only the market and the public sphere, but also the family (Cohen & Arato, 1992;

Wapner, 1994, 1996).

In contrast, this study takes a much narrower definition of civil society, adopting

Diamond's (1999) definition:

> *Civil society is the realm of organized social life that is voluntary, self-generating, (largely) self-supporting, autonomous from the state, and bound by a legal order or set of shared rules.* It is distinct from "society" in general in that *it involves citizens acting collectively in a public sphere* to express their interests, passions, preferences, and ideas to exchange information, to achieve collective goals, to make demands on the state, to improve the structure and functioning of the state, and to hold state officials accountable. (p. 221, italic and parenthesis original)

Since civil society is an intermediary realm between the private sphere and the state, it excludes parochial society (i.e., individual and family life and inward-looking activities such as entertainment, recreation, and religious worship) [2] and economic society (i.e., profit-making individual business firms). Both parochial society and economic society are primarily concerned with private ends, not civic life or public ends. [3] Likewise, civil society is distinguished from political society (i.e., the party system). While civil society organizations may form alliances with political parties, their primary activity is not party politics (Cohen & Arato, 1992; Diamond 1999). As Diamond (1999) asserts, "If they [civil society organizations] become captured by parties, or hegemonic within them, they move their primary locus of activity to political society and lose much of their ability to perform certain unique mediating and democracy-building functions" (p. 221).

In addition to these characteristics--being voluntary, self-generating, rule-abiding, and distinct from parochial, economic, and political societies--civil society entails another important characteristic: it promotes pluralism and diversity. Thus, civil society excludes narrowly focused, intolerant, ethnic chauvinist groups, hate groups, religious fundamentalist groups, and militia groups that claim, often through violence, that they are the only legitimate representation in society (Diamond, 1999). Although it is commonly assumed that civil society is equivalent to everything that entails nonstate activities, civil society does not consist of groups that deny pluralism and diversity even though they are nonstate actors. In the context of Japan, groups such as the Aum Shinrikyo (renamed "Aleph"), the Japanese Red Army, or various extreme right-wing groups (*uyoku*) are not part of civil society, primarily because they either propagate the use of violence to

achieve their goals or glorify Japan's violent military past. In 1995, it was found that the Aum Shinrikyo, for example, tried to destabilize Japanese society through chemical weapons attacks as part of the group's strategy to eventually overthrow the government. The Red Army's main goal was to bring about radical revolution throughout the world, including the destruction of the state of Israel through terrorist attack. Japanese extreme right-wing organizations promote wartime militarism and racism through propagated public campaigns. These groups are by no means part of Japanese civil society.

Despite these exclusions, civil society encompasses a great range of citizens' organizations. Diamond (1994) lists various types of civil society organizations. These are generalized categories but are also pertinent to Japanese civil society: (1) economic associations (productive and commercial organizations and networks); (2) cultural groups that promote collective rights, values, faiths, and beliefs (religious, ethnic, and communal organizations); (3) informational and educational groups that promote dissemination of information and knowledge; (4) interest groups designed to advance the mutual interests of their members (e.g., groups representing veterans, workers, pensioners, or professionals); (5) developmental organizations that pool individual resources to improve the infrastructure and quality of life of the community; (6) issue-oriented movements (e.g., environmental protection groups, women's rights organizations); (7) civic groups designed to improve in nonpartisan fashion the political system through human rights monitoring and voter education; and (8) organizations and institutions that promote autonomous, cultural and intellectual activities ("the ideological market place," Diamond 1999, p. 223), including independent mass media and publishing houses, universities and think tanks, and artistic associations and networks such as theaters and film production

groups. Japanese NGOs engaged in efforts to improve Japanese ODA belong to some of these categories, such as informational and educational groups (listed as 3), developmental groups (5), and issue-based movements (6). However, not all these types are relevant to Japanese NGOs, as the following section demonstrates.

Defining Japanese NGOs

It is important to clarify the definition of nongovernmental organization in the Japanese context and distinguish among the different categories of Japanese civil society organizations. The term *nongovernmental organization* is conceptually vague, but is used in some countries or contexts to refer to almost any not-for-profit group not directly affiliated with the government. In Japan, however, the term NGO has a much narrower definition. NGOs refer to nonprofit organizations in Japan engaged in overseas aid programs, such as development assistance and emergency relief. They are voluntary, nonprofit, self-governing, nonpolitical (i.e., whose primary goal is not promoting candidates for electoral office), and nonproselytizing organizations engaged in international affairs. By a standard Political Science definition, these groups are International NGOs (INGOs). But I use the term NGOs rather than INGOs, as the latter is rarely used in Japan.

The term nonprofit organization (NPO or *enupîô*), in contrast, usually refers only to nonprofit organizations that are engaged in domestic activities in Japan (Japan Center for International Exchange, 1996). Sometimes people use the term more broadly as an umbrella term referring to both domestic groups and NGOs doing international work. I use the term in its narrower sense. Distinguishing between NGOs and NPOs is important in this study because the former is involved in ODA while the latter is not. Of course

some organizations involve themselves in *both* international and domestic affairs. This study examines organizations engaged only in overseas assistance as well as groups primarily engaged in international aid and development while secondarily involved in domestic activity.

While the distinction between NGOs and NPOs is not very difficult to make, there is still a confusing array of legal categories in Japan. Legally, Japanese NGOs consist of two distinct groups: incorporated associations (*hôjin*) and unincorporated associations (*nin'i dantai*, commonly called "civic groups," *shimin dantai*). The majority of Japanese NGOs are unincorporated associations that have no legal status and are not registered with the state. While severely hampered by a lack of legal protection and tax breaks, these organizations are free from state supervision and intervention due to their unincorporated status. The number of unincorporated associations has rapidly increased since the 1980s.

In contrast are the incorporated associations, many of which are highly regulated and supervised by the state, specifically by relevant state agencies, based on the Uniform Civil Code of 1896. Some incorporated associations were established at the state's initiative and are even staffed by retired bureaucrats through the practice of *amakudari*, whereby retiring civil servants "descend from heaven" to important posts in the incorporated associations. As Amenomori and Yamamoto (1998) argue, these organizations are "in reality part of the public sector, although legally they are in the private, nonprofit sector" (p. 15). The majority of incorporated associations do not fully meet the commonly accepted definition of an NGO as being voluntary and self governing (Salamon & Anheier, 1996). According to Baron (1997), approximately 20 percent of

incorporated organizations in Japan were established by state agencies to carry out state-initiated activities. Many incorporated organizations not only receive state funding, but also receive corporate funding intended to be used for state-related activities.

Examples of incorporated associations strongly influenced by the state are agricultural and vocational training organizations such as the Institute for the Development of Agricultural Cooperation in Asia (IDACA) and the Japan Productivity Center (JPC, in 1994 renamed the Japan Productivity Center for Socioeconomic Development). IDACA was established in 1963 by Japanese agricultural cooperatives to train agricultural specialists and to conduct research on agricultural development. Managed by the Central Union of Agricultural Cooperatives ("Zenchu"), IDACA is supervised by the Ministry of Agriculture, Forestry, and Fisheries (MAFF) (Institute for the Development of Agricultural Cooperation in Asia, 1995). JPC, established in 1955 by Japanese business leaders to promote industrial productivity in Asia, has been supervised by the Ministry of International Trade and Industry or MITI, and has maintained strong connection to business groups (Japan Productivity Center for Socioeconomic Development, 1997; see M. Haas, 1989). IDACA and JPC are both highly influenced by the state and have strong ties to business and agricultural groups. Therefore, neither these nor similar organizations will be considered in this study.

However, there are different types of incorporated associations, some of which are more independent of the state. Two specific types of incorporated associations commonly referred to and treated as NGOs by the Japanese ODA administration and the Japanese NGO community are (1) public interest corporations (*kôeki hôjin*) and (2) specified nonprofit activity associations (*tokutei hi-eiri katsudô hôjin*). Public interest

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corporations are private-public hybrid NGOs established under Article 34 of the Uniform

Civil Code of 1896. On the one hand, they are under the supervision of government

agencies that have jurisdiction in their particular area. On the other hand, a number of

them are relatively autonomous from the state and are engaged in international aid at the

grassroots level and are included in NGO coordinating bodies by the Japanese

government. Like unincorporated associations, these public interest corporations are

eligible for the government's ODA subsidies and participate in ODA implementation

contracts. In many respects (e.g., in terms of financial conditions and relationship with

the state), these incorporate associations are often privileged and elite organizations, as

opposed to mass organizations represented by unincorporated associations, but they are

nevertheless a recognized part of the NGO movement. This study therefore includes in its

analysis public interest associations that (a) are normally treated as NGOs by the state

and other NGOs, (b) are self-governing and relatively independent of the state, and (c)

are engaged in international aid at a grassroots level or have influence over the course of

Japanese ODA.

These public interest corporations mainly consist of two subgroups: incorporated

foundations (*zaidan hôjin*) and incorporated associations (*shadan hôjin*). The former, for

example, includes the Cooperative for Assistance and Relief Everywhere (CARE) Japan;

the Organization for Industrial, Spiritual and Cultural Advancement (OISCA); the

Japanese Organization for International Cooperation in Family Planning (JOICEF); and

Plan International Japan. Among the latter are Save the Children Japan and Japan

Overseas Christian Medical Cooperative Service (JOCS). Application for a status of

public interest incorporation is complex and thus prevents many NGOs from obtaining

incoporated status. To apply, NGOs are required to have an endowment of ¥300 million

and an annual budget exceeding ¥30 million, an impossible amount for many small

NGOs (Menju & Aoki, 1995, p. 150). In addition, public interest corporations have to be

authorized by relevant agencies of the central government or local governments, which

can be a lengthy and complex process taking several years. Because of the nature of

NGO activities (overseas development and aid), most NGOs in this category have

registered with the Ministry of Foreign Affairs (MOFA) (Japanese NGO Center for

International Cooperation, 1998a), which serves to draw them closer to the ministry.

The other type of incorporated associations that are included in this analysis,

specified nonprofit activity associations, are former unincorporated associations that

changed their status with the enforcement of the NPO Law of 1998, an amendment to the

1896 Civil Code (see Wanner, 1998; Pekkanen, 2000). The 1998 law, formally known as

the Law to Promote Specified Nonprofit Activity, enables unincorporated associations

through application to gain the status of specified nonprofit activity associations, thereby

helping them gain social trust and more access to public and private funding. Specified

nonprofit activity associations are private organizations highly independent of the state

(e.g., Japan International Volunteer Center [JVC], which became incorporated in 1999

under the new NPO law). The number of specified nonprofit activity associations is

expected to grow in the future, as the process of application is less cumbersome than that

for public interest corporations. According to JVC director Michiya Kumaoka, it was

essential for his group to become incorporated in Japan in order to conduct overseas

projects effectively. Kumaoka explains that some governments, such as that of Vietnam,

allow only incorporated NGOs to implement projects in their countries and that having

no legal status thus severely hampers NGO activities abroad (Nikkei Weekly, 1999d).

However, though incorporated under the new law, NGOs in this category still do not

receive tax exemptions or tax deductibility privileges by the central government, at least

for now. This shortcoming is partially compensated by many local governments that

provide tax privileges to newly incorporated NGOs under the NPO Law.

Finally, this study does not treat as NGOs the remaining types of incorporated

associations: "social welfare corporations" (*shakai fukushi hôjin*), "private school

corporations" (*gakkô hôjin*), "religious corporations" (*shûkyô hôjin*), "medical

corporations" (*iryô hôjin*), and "special public corporations" (*tokushu hôjin*). Although

legally nonprofit, the first two types of organizations are under strict control of the state.

In addition, they are primarily domestic organizations and rarely take part in issues on

ODA. The third, religious corporations, are not NGOs, as their main goal is

proselytizing. The fourth type, special public corporations, is also legally nonprofit and

was created by specific legislation through a government-appointed committee. It

includes the Japan International Cooperation Agency (JICA) and the Bank of Japan

(Amenomori and Yamamoto, 1998). For the purpose of this study, they will be treated as

governmental agencies rather than NGOs.[4]

The complex legal status of Japanese NGOs is indicative of the great diversity

within the NGO community as well as of the great control that the developmental state

imposes on different types of citizens' activities.

Marginalization of Civil Society and the Developmental State

Perhaps the most important question related to Japanese civil society is why until recently

were Japanese civil society organizations such as NGOs kept so weak vis-à-vis the state?

And if NGOs have recently begun to gain influence in Japanese politics, what factors have contributed to the change?

The recent Japanese NGO movement is by no means the first citizens' movement in postwar Japan.[5] In particular, the late 1960s witnessed two important citizens' movements in Japan: environmental movement to address local pollution problems (so-called *jumin undo*, or local movement) and anti-Vietnam War movement (so-called *shimin undo*, citizens' movement) led by Beheiren (*"Betonamu ni heiwa o!" Shimin rengo* or the League for Peace in Vietnam).[6] However, these movements, although significant in their own capacity, did not last beyond their particular campaigns and their long-term impact on Japanese civil society was limited. First, in the 1960s, citizens' groups began to organize around environmental problems in heavily polluted regions of Japan (e.g., Minamata disease in Kumamoto prefecture, caused by methylmercury poisoning, and Itai-itai disease, or "ouch-ouch disease" in Toyama prefecture, caused by cadmium poisoning). These environmental groups adopted various strategies, including litigation, media campaigning, and lobbying of local governments, to bring about change in Japan's environmental policy (Kuroda, 1972; McKean, 1981). These groups succeeded in changing not only local policies but also national policies by winning litigations and making the central government responsible for the environmental problems in question (Pempel, 1982). There is no doubt that the environment movement had a significant impact on Japanese politics at that time; it altered local and national policies, highlighted the importance of individuals' rights over the profits of large polluting firms, and enlarged citizen participation in local politics. Yet, unfortunately, these positive impacts were temporary. The movement did not result in long-lasting

environmental movements throughout Japan. The movement's major concerns were fundamentally parochial, such as pollution problems of the groups' own neighborhood, town, or city. The movement was mostly restricted to local issues and did not coalesce into a lasting national force. Once the local environmental problems were solved, the groups were disbanded, without attempting to address other environmental issues beyond their own regions (See for example, McKean, 1981; Steinhoff, 1989).

Similarly, while Beheiren's anti-Vietnam War movement made a significant contribution to citizen participation in politics in 1965-1974, the movement failed to develop into a larger antiwar movement to address issues other than the Vietnam War. Unlike the environmental movement, Beheiren was primarily concerned with Japanese foreign policy (e.g., U.S. - Japan relations). The group was formed by a group of Japanese leftist intellectuals such as Makoto Oda and Takeshi Kaiko to oppose U.S. involvement in Indochina and the Japanese support for that involvement. Beheiren leaders argued that despite the Japanese Constitution that prohibits Japan from getting involved in overseas wars, the country was collaborating with the United States by allowing the U.S. military bases in Japan to be used for launching attacks on Vietnam. In its near ten-year existence, Beheiren organized antiwar rallies throughout Japan, published numerous opinion papers, attended U.S. antiwar demonstrations, invited U.S. activists, published antiwar advertisements in major U.S. newspapers (e.g., *the New York Times*), and even protected U.S. military defectors (Oda, 1968). In their rallies and publications, Beheiren leaders urged Japanese people to learn and practice civil disobedience and cooperate with antiwar activists around the world. Yet, while Beheiren's main concern was foreign policy, the group was motivated mainly by

nationalism (hostility to the U.S. use of Japanese soil for the prosecution of the war and the U.S. - Japan Security Treaty that allowed the U.S. military station in Japan) and pan-Asianism (opposition to Western colonialism in Asia). Thus, Beheiren's primary goals were removing Japan from the U.S. war effort, preserving Japan's national security that seemed endangered by the war, and terminating Washington's involvement in Vietnam. As a result, once these goals were met after the 1973 Paris peace accords, which resulted in the withdrawal of U.S. troops from Indochina, the antiwar movement faded away. Like the environmental movement, the antiwar movement was relatively short-lived and failed to develop into a larger peace movement to address other related issues (that may or may not directly involve Japan).

Why didn't these citizens' movements lead to a vibrant civil society in Japan in the 1960s and 1970s? At the individual or organizational levels, various factors may account for their failure. For example, these movements were focused on single issues that lacked long-lasting relations to other broader questions. As soon as a given problem that citizens' groups focused on was solved, the movement disappeared. Also, a lack of strong or charismatic leadership may be one of the reasons that these movements eventually fizzled. In addition, at the societal and state levels, the then-strong Japanese developmental state imposed structural constraints on citizens' activism and fostered passivity, thus hindering the growth of long-lasting, national movements or coalitions.

My use of the term developmental state is in line with Castells's (1997), referring to a development-oriented state that concentrates its entire energy on the country's industrialization and rapid economic development, while making noneconomic, political, or civic issues, such as expansion of citizens' rights, almost irrelevant. The

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developmental state enjoyed strong public support for development-oriented policies; having gone through the devastating World War II and subsequent poverty and social chaos, the majority of the Japanese people shared the government's view that economic growth was the foremost important national goal.

The developmental state model adopted in this study differs from Johnson's (1982) model of a "capitalist developmental state" on three accounts. First, unlike Johnson's model that focuses on bureaucracy-business relations and ignores state-civil society relations, the developmental state model here focuses on state-civil society relations, taking into account Japan's broad political economy. The model analyzes not only state-civil society relations but also close collaboration between major actors of the developmental state: that is, a developmental coalition of the bureaucracy, politicians, and the private sector. Although often filled with tensions and conflicts, with each group attempting to maximize its own benefits and power, the coalition was overall united on one particular point: support for Japan's rapid growth through export-led industrialization. As will be discussed later in the chapter, the leading actor of the coalition was the bureaucracy that planned and implemented economic policy in collaboration with politicians and the private sector. Japan's state-civil society relations cannot be understood without scrutinizing the role of the coalition, especially that of the bureaucracy.

Second, the developmental state in this study addresses not only the state's leadership in economic policy making but also the role of the Japanese people, who wholeheartedly supported regime-sponsored development policies. In particular, it is important to examine cultural and psychological aspects of the Japanese who, together

with state leaders, became integrated into developmental corporate culture (see Castells, 1997). Third, unlike Johnson's model that stresses a unitary state (especially a united bureaucracy) in imposing its preferences on the private sector, the developmental state in this study is more pluralistic, filled with intrabureaucratic rivalries. My analysis of the Japanese state does not reject Johnson's notion that the bureaucracy was strong and that it unanimously promoted Japan's economic development as a national goal in the early decades of the postwar era (especially in the field of ODA). But I disagree with his analysis over the degree to which different ministries maintained coordination among themselves to promote Japan's economic interests. Although each ministry perceived economic growth as Japan's ultimate national goal, the bureaucracy was not united as to the best *means* to pursue Japan's economic growth; intraministerial rivalries occurred regularly over how Japan should pursue its economic objectives. Each ministry promoted strategies for economic development best suited to the ministry's own organizational interests.

How did the Japanese developmental state inhibit a vibrant civil society? This leads to two further sets of questions, one focusing on the state and the other on civil society. First, what became the driving force of the developmental state? How did the state successfully promote industrialization and economic growth while at the same time marginalizing and subordinating civil society? To answer these first questions, it is necessary to examine the historical tradition of Japanese bureaucratic power and what role the bureaucracy played in promoting industrialization in the developmental era, as the bureaucracy served as the central actor in Japan's economic development. And second, how and why did the Japanese public accept the "iron triangle" of

bureaucracy/ruling political party/corporate leadership? Where, in the public's eye, did

the state's legitimacy lie? Why didn't civil society emerge to challenge state authority?

To answer the questions, we need to analyze the cultural and psychological aspects of the

Japanese people, who single-mindedly pursued economic development as a national goal.

The prominence of the Japanese bureaucracy is not a recent phenomenon. The

bureaucratic tradition traces back to the feudal Japan of the Tokugawa era (1603-1868).

During this time the *samurai* class (warriors)--ranked highest in the social hierarchy of

the time--began to take on the administrative functions of the government. Although the

samurai were not yet professional bureaucrats (for example, they did not receive a salary

based on their bureaucratic work but instead received a modest government stipend for

their *samurai* status), they paved the way for the emergence of modern Japanese

bureaucracy. During the Meiji period (1868-1912), the feudal system was abolished and

a modern imperial system emerged. The former *samurai* administrators took

bureaucratic posts and officially became "servants" of the emperor under the new edicts

of the 1880s.[7] The bureaucrats became politically responsible to the emperor, not to the

parliament, and were virtually free of pressure from politicians. This emperor-centered

bureaucracy was consolidated during the following Taisho (1912-1926) and Showa

(1926-1989) periods. The bureaucracy became central in economic and military

developments during the 1920s. Eventually, however, the military bureaucracy

overpowered the civilian bureaucracy and exercised uncontrolled power by virtue of its

independent access to the emperor.

In the post-World War II era, the Supreme Commander for the Allied Powers

(SCAP) completely abolished the prewar military but decided to keep intact the economic

bureaucracy. SCAP's decision was based on its view that Japan urgently needed to reconstruct its wartorn economy and that the economic bureaucracy was the only viable institution to carry out that task. The economic ministries thus regained power during the U.S. Occupation era (1945-52), filling in the power vacuum left by the military. Even though the Japanese military forces were reestablished and renamed the Self Defense Forces (SDF) in 1954 (formerly known as the National Police Reserve, established in 1950), the SDF gained far less influence and status than either its wartime predecessor or the postwar civilian bureaucracy.

Throughout the 1950s and 1960s, the economic bureaucracy further consolidated its power through successful industrialization strategies that focused on key industries. The bureaucracy promoted Japanese strategic industries through assistance from various administrative mechanisms. In particular, the Ministry of International Trade and Industry (MITI), which was established out of the former Ministry of Commerce and Industry after war, played the leading role in orchestrating the direction of economic change. MITI helped transform the Japanese economy from labor-intensive light industry to capital-intensive heavy industry. MITI's mercantilist policies included the imposition of high tariffs on imported goods from international competition to protect domestic industries and the provision of subsidies and other assistance to Japanese key industries. At the same time, MITI was not alone in promoting Japanese mercantilism in the developmental state. Each ministry--though bureaucratic turf battles existed between ministries (see Rix, 1980, 1989-1990, 1993)--attempted to accelerate industrialization in its own way. The Ministry of Finance (MOF), another key player in Japan's industrialization, designed financial and fiscal policies, including privileged finance and

tax arrangements and infrastructure investment schemes to key industries. The core of the MOF policies was to provide Japanese firms with enough capital to accelerate industrialization. Similarly, the Ministry MOFA, although not directly involved in formulating domestic economic strategies, also took part in the industrialization effort through mercantilist foreign aid and overseas direct investment policies. As discussed later, MOFA promoted foreign aid and investment to increase Japanese business opportunities in the 1950s - 1970s. MOFA also worked to ensure the acceptance of Japan by the international community as a member of the world's most advanced industrial countries. For example, MOFA succeeded in achieving Japan's entrance to the Organization for Economic Cooperation and Development (OECD) in the early 1960s. Each of these ministries maintained close communications with Japanese businesses under their jurisdiction, often through mutual participation in advisory councils and a practice called *amakudari* (descent from heaven), through which former officials took top positions in private corporations after retirement. In the end, these bureaucratic efforts--strategic planning, lucrative financial arrangements, increasing foreign aid and overseas investment, and close government-business communications--created massive production innovation and internationally competitive industries.

The success of the Japanese bureaucracy in contributing to successful economic transitions and economic growth was in large part due to the talent and dedication that individual civil servants brought to the Japanese bureaucratic system. Civil servants in Japan are highly skilled individuals who are the graduates of the nation's most prestigious universities. These bureaucrats are recruited through a competitive national examination system administered by the National Personnel Authority. Once employed,

career bureaucrats usually go through extensive training in their respective ministries to acquire skills and knowledge. In Japan, it is possible to recruit and retain talented individuals in the bureaucracy despite the below-market salary they receive, because bureaucratic posts are considered prestigious and desirable. The bureaucratic prestige is reminiscent of that of the samurai administrators in the Tokugawa era, who also enjoyed social prestige despite the limited stipend they received from the government.

It goes without saying that the bureaucracy in the Japanese developmental state was in effect an unelected policy making power. The bureaucrats not only implemented policies but also developed them. They controlled important information and possessed expertise on specific issues. Since politicians were generalists, the bureaucrats provided them with expertise and knowledge in certain issue areas. The bureaucrats worked closely with politicians in policy making, especially with those in the Liberal Democratic Party (LDP), which ruled Japan uninterruptedly from 1955 through 1993. The bureaucracy became literally the LDP's "think tank" (Curtis, 1999b) and often wrote legislation on behalf of the party.

In addition, the bureaucracy fully supported key prime ministerial initiatives for economic development, such as Prime Minister Shigeru Yoshida's economic development doctrine of the 1950s (policy of economic rehabilitation within the framework of security protection from the United States), Prime Minister Hayato Ikeda's Income Doubling Plan of the 1960s, and Prime Minister Kakuei Tanaka's Plan for Restructuring the Japanese Archipelago of the 1970s (to industrialize Japan's rural areas by providing economic infrastructure). It was in the interest of the ministries to promote these political initiatives. For example, to pursue Tanaka's plan, the Ministry of

Construction approved during the developmental era huge public work projects and doled out contracts to construction firms with close ties to the ministry and the LDP. To this day the public works are the concern of the ministry and LDP *zoku* (policy "tribes"), policy makers with expertise on specific issues such as construction.

The bureaucracy maintained close communications with the LDP through personnel transfers. Many former civil servants became politicians, mostly in the LDP (e.g., prime ministers Yoshida, Nobusuke Kishi, Ikeda, and Eisaku Sato) and became conduits between the bureaucratic and political worlds. Thus, the relationship between Kasumigaseki (synonymous with Japanese bureaucracy, whose offices are located in the Kasumigaseki district in Tokyo) and Nagatacho (the Tokyo district in which the parliament is located) was, in general, close, even though conflict occasionally occurred between them, especially when politicians tried to gain more influence in policy making vis-à-vis the bureaucracy.[8]

Coexisting with the developmental state was a civil society that was marginalized, subordinate to, and dependent on the state. Several factors account for these characteristics. First, the developmental state paid little attention to noneconomic affairs in the realm of civil society, such as respect for individuals' rights, since the state's primary goal was rapid economic development. The type of close collaboration that took place between the state and the private sector or between the bureaucracy and politicians never occurred between the state and civil society. Except for state-initiated, incorporated organizations under the paternal protection of the state, citizens' groups remained practically out of the developmental coalition of the state and the corporate sector.

Second, to maintain state control to promote economic growth, the developmental state regulated civil society activities by imposing strict legal restrictions on citizens' associations. In particular, the state exerted strong influence over citizens' activities through the maintenance of the aforementioned Uniform Civil Code promulgated in 1896. Article 34 of the code reads:

> An association or foundation relating to rites, religion, charity, academic activities, arts and crafts, or otherwise relating to the public interest and not having for its object the acquisition of profit may be made a legal person subject to the permission of the competent authorities. (Yamaoka, 1998, p. 24)

Under this code, incorporated associations were established only after gaining permission from the responsible bureaucratic agencies. In other words, their establishment depended solely on the judgment of the agencies with jurisdiction. In addition, as mentioned above, the state required each incorporated association to have starting capital of at least ¥300 million. Many citizens' organizations found it impossible to meet this target, thus giving up acquiring incorporated status under the law and falling into an incorporated (nonlegal) status that prevented them from gaining any type of tax exemption. Furthermore, even after the establishment of incorporated associations, the agencies maintained tight control over civic associations under their jurisdiction and were able to terminate the operations of these associations if they did not meet the standards set by the agencies. Incorporated associations functioned mainly as an arm of the state's welfare policy and had little basis for purely private activities, let alone any significant political role in changing state policy or curtailing state power (Yamaoka, 1998).

Performance legitimacy is another important factor that strengthened state authority vis-à-vis civil society. The state not only achieved its primary goal of catching up and surpassing many Western industrialized countries (at least in terms of GNP),[9] but also succeeded in distributing wealth relatively evenly among the people. During the developmental era, the majority of the Japanese felt they belonged to a vast middle class and viewed the state's performance highly, giving the bureaucracy--especially the economic ministries--further prestige and power. Many Japanese, who had never been wealthy, became satisfied with and accepted bureaucratic leadership in navigating Japanese economy and society.

Japan's weak civil society also derived from cultural aspects of Japan. In particular, three aspects of Confucian tradition deserve special attention: (1) respect for hierarchy and authority, (2) emphasis on conformity to group interests rather than individual needs, and (3) emphasis on order and stability. These values legitimized social hierarchy and state authority in Japan, emphasized citizens' obligations and responsibilities rather than their individual rights, and deterred challenges from citizens' organizations.

First, as explained by Nakane (1961), Japanese society emphasizes social hierarchy. In Japan, one's social status is not based on personal wealth per se, but rather on multiple factors including education, occupation, age, and gender. At the top of the social hierarchy is the bureaucracy often referred to *okami* ("the above"; those above people). From the Meiji era through the developmental era, the people followed bureaucratic leadership believing that bureaucrats could best decide for society because they were the best and the brightest in Japan. Decision making was considered a domain

of the state. An individual's attempt to infringe the boundaries of their social status and socially assigned roles and to break in the realm of an activity deemed to belong to the state was considered disrespectful and disgraceful toward the authorities (see Yamamoto, 1999). The citizens' deference to the bureaucracy is most aptly summarized by a traditional Japanese phrase, *kansonminpi* ("respectful bureaucracy, despiteful common people"; bureaucrats exalted, common people despised), which implies that the public, due to its ignorance, should follow bureaucratic leadership (see De Vos, 1973).

Also, the social conformity of Confucian ideology helped the state subordinate Japanese civil society. Like many other East Asian societies, Japanese society stresses group conformity and consensus-building, as well as the importance of individual responsibilities for the welfare of community vis-à-vis individual rights. The individual is subordinate to the community. Social pressure to conformity helped to silence dissent and discourage individualism. Traditionally, the term "individualism" (*kojin-shugi*) has a negative connotation in Japanese, because it stresses selfishness and self-centeredness. Minority views were usually not tolerated in the conformity-emphasized society, and it required unusual courage and determination for individuals to deviate from social norms. As a result, the Japanese shied away from political participation. They had a keen sense of citizen duty but less of a sense that they possessed the right to make demands to authorities. And they were willing to follow state leadership that determined the goals of their community or nation.

Similarly, the Confucian value of order and stability also seem to silence dissent in Japan. Individuals and NGOs critical of the government were viewed by many Japanese as antigovernment and prone to cause social disturbance and instability. This

view was reinforced especially during the Cold War era when many activist NGOs were regarded as communist or radical left-wing organizations.

While these Confucian values did not originate in Japan and are shared by many other Asians, the Japanese case is unique in that these values were fully incorporated into the state ideology of developmentalism; individuals were encouraged to support the hierarchical structure of the developmental state, in which they were obliged to follow state leadership by fulfilling their duties and sacrificing their rights for the welfare of their community and nation. In the developmental era, Japanese workers represented an extremely disciplined, selfless labor force. They worked diligently and willingly spent much longer hours at work than their counterparts in other industrialized countries, often exceeding 12 hours per day, six days a week, without any extra financial compensation for overtime. Their devotion to work can be explained by the belief that if they followed the state-corporate leadership, they would make Japan wealthy and eventually raise their own living standards. Devotion to one's work and self-sacrifice became a social norm. An individual "salaryman" became a selfless *kigyo senshi* ("corporate warrior") or *moretsu-shain* ("zealous employee") who completely sacrificed his private life--family, hobbies, and leisure--and made work the priority in his life. In this developmental culture, a notion of civil society, based on the concept of individual rights and liberty, was not on people's minds. Most people lacked either the time to concentrate on matters unrelated to their work, or the frame of mind, but also were deprived of the ability to think critically about state performance and the incredible sacrifices that they were making.

Other Japanese cultural--but nonConfucian--aspects are also worth noting. These aspects strengthened the developmental state by discouraging citizen activism while encouraging people's dependence on the government. The first is the concept of the *uchi* (inside) and *soto* (outside). The Japanese are generally group-oriented and traditionally tended to see sharp differences between in-group members and those outside the group. This *uchi-soto* concept discourages the Japanese from giving assistance to those who do not belong to their own groups (usually the family or immediate neighborhood). This traditional tendency was reinforced by the Japanese governments from the Meiji Restoration through World War II, all of which emphasized an ideology of *ie* ("familyism") and filial piety. Families were legally required to take care of their own needy relatives. This tradition was maintained even after World War II and thus, until recently, Japan did not have many formal private associations to mobilize ordinary citizens to extend voluntary assistance to the needy on an indiscriminate basis. And when the Japanese found that they could not rely on their own family, they turned to the state for assistance, rather than organizing grassroots groups themselves.

Another cultural aspect is Japan's lack of Christian evangelical tradition. Unlike Western and some developing countries, Japan does not have a Christian Evangelical tradition based on volunteerism and charity. Although some Japanese converted to Christianity and became engaged in charitable work in the past hundred years, their influence was limited (only about 3 percent of the Japanese population is Christian) and values of Christian voluntarism and charity did not take deep root in Japan (Yamaoka, 1998). Thus social welfare was traditionally provided by *uchi* members and/or the state, not by Christian churches. Because of the lack of voluntarism to provide assistance

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indiscriminately, the Japanese people relied on the state at times of difficulty. Mainly through incorporated associations under strict control of the state, social welfare, although limited, was provided to the needy, albeit in a limited fashion.

Erosion of the Developmental State

The developmental state, which brought about spectacular economic success in Japan, was eventually eroded by two very powerful forces. One of these was internal, a maturation of industrialization that weakened the need for a developmental system. The second was external, a process of globalization that brought powerful new external forces to bear on Japan's political economy, society, and culture. Together, these factors have brought about contributed to profound structural and normative changes in Japan, contributing to the rise of Japanese civil society.

Globalization

Two aspects of globalization need to be examined: the acceleration of Japanese integration into the global economy and the acquisition of global norms and values. Globalization is a multifaceted phenomenon, which leads to economic, political, and cultural change. In Japan, globalization has challenged the structure of corporate-state cooperation as well as the traditional values that buttressed the developmental state.

First, Japan's economic rise of the last several decades and more thorough integration into the world economy have placed the Japanese state in a position of greater accountability to global norms and demands. In the processes of globalization, the state has come under great pressure to liberalize Japanese economy. Since the 1980s, other governments have been urging Tokyo to shift its focus from export-led industrialization to domestic consumption-based development. Liberalization of the Japanese economy

and the abandonment of export-led growth are against the ethos of Japanese developmentalism. In the 1950s and 1960s, Japan still had a "catch-up economy," and Tokyo was not pressured by other governments to abandon its protectionist policies and change the pattern of development. Even though a trade dispute with the United States occurred in the 1960s over Japanese textile exports, the conflict never developed into a comprehensive bilateral trade war. Yet, in the 1980s, the situation dramatically changed. By then Japan had become one of the largest economies in the world and *gaiatsu* (external pressure) on Japan to open up its market for foreign goods intensified. Intense global criticism force Tokyo to search for a solution. One result was the Maekawa Report, written in 1986 by a governmental study group chaired by former President of the Bank of Japan Haruo Maekawa (Study Group on Economic Structural Adjustment for International Cooperation). The report recommended that Japan promote economic development by cultivating the domestic market and that it abolish a tax exemption system previously designed to encourage domestic savings. The group argued that the Japanese should not excessively save, but should instead consume more so that more Japanese goods would be purchased at home. This would in turn make the Japanese economy into more consumer-based, and lessen the threat of Japanese products on the world market (Nikkan Kogyo Shinbun Tokubetsu Shuzaihan, 1989). In the 1990s, *gaiatsu* further intensified, leading Japanese bureaucrats to believe that, if Tokyo failed to take action, it would face retaliation for Japanese goods abroad, especially from the United States where Congress adopted the "Super 301," retaliatory measures against countries with large trade surpluses.

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Global pressure to open up Japanese market weakened state support for Japanese businesses and eroded the close state-corporate relationship. The Japanese bureaucracy was forced to gradually lift its grips on the private sector and to retreat from the market. Today, the Japanese private sector can no longer count on protection and provision of special privileges from the state at all times, but instead must compete with foreign firms. As Pemple (1998) explains, in the processes of globalization, the Japanese private sector has become polarized into highly efficient, truly global firms (such as Sony and Toyota) and inefficient, domestic-based firms (often small-scale to mid-size firms). Without state protection, the latter group can no longer compete with foreign firms. In ODA, for example, the high cost of labor in Japan has placed Japanese firms in an unfavorable position to win competitive aid contracts from the Japanese government. As a result, the participation of Japanese firms in ODA has been reduced dramatically.

Second, forces of globalization have been influencing cultural values and norms throughout the world, including in Japan. As the world has become more interconnected--with more access to global information via new technologies and more transnational travel for migration, tourism, and overseas education--new values and norms have been embraced. Indeed, the impacts of globalization have gone beyond changing lifestyles or "McDonaldization," but have affected people's values, belief systems, and normative orientations. Due to globalization of the media, individuals can actually see more international events through television and the Internet. Throughout the world, people realize there are other people in other parts of the globe who are working for the same cause. Realizing the interconnectedness of societies beyond national boundaries, they converge around shared norms across diverse cultures and think of their behavior in

aggregate terms. With the help of new communications technologies, they may begin to work on shared issues with their counterparts throughout the world. The spread of new norms can (1) move people from narrow, self-serving, private orientation to engage in new forms of behavior and (2) create networks of like-minded individuals working on shared problems on a global scale (Rosenau, 1997).

This growing consciousness of global affairs and norms is matched by the acquisition of new organizing skills. The spread of global technology has helped citizens become more proficient at collecting and utilizing information. This "skill revolution," together with the acquisition of global norms, has changed the nature of political authority. Citizens are becoming more knowledgeable of issues they are concerned about and less deferential to traditional sources of authority (Rosenau, 1990; Rosenau & Fagen, 1997; Rosenau, 1997).

In parallel to this change in normative orientations, globalization also has weakened traditional values and belief systems. For example, the Confucian cultural values of social hierarchy and conformism are losing their grip on increasing numbers of globally-influenced, independent-minded people in Japan (Larimer, 1999). Today, many Japanese do not have as much respect for social authority, such as that of the bureaucracy, as in the past. Global means of communications have accelerated this trend, creating horizontal relations among people who have begun to break away from established social norms and to communicate with each other as equals (see Rosenau, 1997; Castells, 1998).

Globalization also has influenced the way state leaders perceive the world. In the case of ODA, MOFA officials have acquired new ideas and approaches to development

from the international community. As Japan has become the world's prominent

economic actor, these officials have begun to heed the norms and values of a paradigm of

sustainable human development, promoted by the international aid regime. In this

paradigm, which emerged in the late 1980s, NGOs are considered the core of government

aid programs to provide small-scale assistance to the needy in the developing world

(Organization for Economic Cooperation and Development, 1992). MOFA has learned,

though gradually, the importance of integrating NGOs into Japan's aid programs and has

started working with Japanese NGOs.

Maturation of Industrialization

The other factor that has contributed to the weakening the developmental state and

strengthening the civil society is the maturation of Japan's industrialization. As Japan

became wealthy, it entered an era of postmaterialism. Having achieved the goal of

becoming part of the industrialized world, people have begun to search for a new identity

in the post-industrial age. Catching up with the West is no longer the national goal.

Japanese people, especially the youth, have begun to look for nonmaterial or spiritual

meaning in life. Postmaterial value transformations that Inglehart (1990) observed in

Western industrial societies have been also taking place in Japan. While older

generations who grew up in wartime Japan have been concerned with traditional societal

and material goals in the past, such as economic well-being, social security, and law and

order, younger generations in Japan, having grown up in an environment in which these

goals were relatively assured, are paying more attention to postmaterial goals of social

equality, self-expression, personal freedom, and the quality of life. Today, many youth

reject the self-sacrifice associated with developmentalism and developmental corporate

culture characterized by *kaisha shijo-shugi* (company-firstism). Many young Japanese

find it unthinkable to sacrifice in the same way as their parents' generation did for the

sake of their firms and nation. These individuals would rather work no more than eight

hours a day and spend their free time on hobbies and travel. Some choose to become

frîtâ (freelancer) with flexible work hours, even though they have to compromise their

income for this freedom.

In addition, the advance of Japanese industrial society has brought about and

made evident the negative effects of developmentalism. Ironically, the developmental

state has begun to crumble by the very source of power that drove the Japanese growth.

The exclusiveness of the developmental alliance of the bureaucracy, politicians, and the

private sector cultivated close working relations between them and fostered an

environment where parochialism and corruption prevailed. In the 1990s, the public

learned about a series of corruption cases involving not only politicians and business

representatives but also elite bureaucrats who had previously been considered

trustworthy. Some bureaucratic corruption cases were egregiously harmful (e.g., the HIV

blood containment scandal in 1996), while others involved petty embezzlement. Large or

small, the corruption scandals involving the bureaucracy enraged the public, reducing

trust of the government and respect for state authority.

At the same time, the developmental alliance tried to maintain mercantilist trade

policies to protect its own existing interests, running against the global trend of

liberalization. Some bureaucrats (especially those in the former Ministry of

Construction), LDP *zoku giin* (policy "tribes"), and construction firms attempted to

provide the maximum level of public works, even when Japan's fiscal situation did not

allow it. By passing large construction budgets, they sought to maintain and enhance their own power and financial advantages (through kickbacks and bribes). These self-interested and irresponsible actions aggravated the countrie's fiscal balance, angered the populace, and further weakened support for state authority. Together then, these widely publicized corruption scandals and ill-conceived economic and fiscal policies ended the performance legitimacy that the developmental state had enjoyed during the 1950s and 1970s.

In summary, the weakening of the state and corporate sector have created openings for a broader involvement of NGOs, both because NGOs are seen as less corrupt and thus more legitimate, and also because the tightening of budgets due to economic recession creates a demand for the deployment of cost-effective grassroots organizations in aid. This has created important political space for NGOs, which are seen as more capable of implementing community-based aid public achieving goal of rapid industrialization. In this situation, the pursuit of national economic development is no longer the sole goal of the Japanese people, especially the younger generation.

Historical Development of Japanese NGOs

Given the wide array of factors that have contributed to the decline of the developmental state and the rise of civil society, we can conclude that these changes are due to long-term, incremental transformations of Japanese society. No single incident or factor can account for the changes in the developmental state and civil society, or a shift in the power balance between the two.

At the same time, when we examine the historical development of Japanese NGOs, we can identify two important incidents that directly triggered the expansion of

NGOs. These incidents are not isolated from the political, economic, and cultural

changes that Japanese society has gone through, but instead they served to spark people--

who were gradually becoming ready for citizen activism as a result of social

transformations--to organize grassroots groups and take action. These triggering

incidents are the Indochinese refugee crisis in the late 1970s and early 1980s and the

1995 Hanshin (or Kobe) Earthquake. While the first incident had a limited impact on

Japanese society, as the population was not yet fully prepared for social activism, the

second crisis had a tremendous impact on Japanese civil society. By the time the second

crisis hit Japan, the developmental state was widely discredited, and large sectors of

society were ready for social action. To understand the impact of these incidents on

Japan's NGO growth, it is necessary to first examine the early stage of NGO

development prior to the refugee crisis.

While many Western NGOs emerged in the 1940s and 1950s in order to assist to

European rehabilitation after World War II, most Japanese NGOs, especially

unincorporated associations, were started in the 1980s and 1990s, almost half a century

later. The majority of the Japanese NGOs established prior to the 1980s were either

Christian in origin (e.g., the Japan Overseas Christian Medical Cooperative Service

[JOCS], established in 1960; the Asian Rural Institute, established in 1973; the Christian

Child Welfare Association International Sponsorship Program, established in 1975) or

incorporated associations with strong ties to the government (e.g., OISCA, established in

1961 and incorporated in 1969 under the authority of MOFA, MAFF, MITI, and the

Ministry of Labor; JOICEF, established and incorporated in 1968 under the authority of

MOFA and the Ministry of Health and Welfare [MOHW]) (Japanese NGO Center for

International Cooperation, 1998b). Most early NGOs providing international assistance remained within Japan and invited people from the developing world, primarily from Asia, to Japan to receive technical training (Sugishita, 1998d).

An exception to this rule--a nonreligious, unincorporated NGO that implemented projects overseas--was Shapla Neer Citizens' Committee for Overseas Support (hereafter Shapla Neer). Shapla Neer was established in 1972 to assist the rural poor in newly independent Bangladesh. Other early NGOs that were unincorporated and nonreligions include the Pacific Asia Resource Center (PARC), established in 1973, and Amnesty International Japan, established in 1970. Unlike Shapla Neer, PARC and Amnesty International Japan concentrated their activities on domestic advocacy. PARC supports minorities' rights and environmental protection and publishes an English journal called *Ampo* (Japanese NGO Center for International Cooperation, 1998b). Amnesty International Japan promotes human rights internationally. Shapla Neer, PARC, and Amnesty International Japan were all critical of Japan's ODA and foreign policy. These three, while prominent, were among only a handful of nonreligious, unincorporated NGOs of their era.

However, as discussed earlier, several new factors contributed to the rise of Japanese NGOs, beginning in the late 1970s, including globalized communications, Japan's own economic development, and people's desire for a purpose beyond the accumulation of wealth. The first rapid expansion of Japanese NGOs began in the late 1970s and the early 1980s as a response to the Indochinese refugee crisis. The mass media, particularly television, appealed to Japanese with vivid images of Vietnamese, Cambodian, and Laotian refugees desperately trying to escape their countries. The

images of their suffering were so powerful that they moved Japanese individuals--mostly youth in their twenties--to take action to provide assistance. These youth were concerned about the impact of the Vietnam War on the people in Indochina and wanted to do something to help the Indochinese refugees. Many traveled to Southeast Asia to do so. It was a "historical experience" (Matsui, 1990, p. 215) of ordinary citizens--students, doctors and nurses--to cross the national border for the first time to offer volunteer assistance to another people. From the Thai border camps emerged pioneer Japanese NGOs such as the Japan International Volunteer Center (JVC) and the Japan Sotoshu Relief Committee (JSRC).[10] At the same time, some Japanese volunteered in their home communities to give assistance to Indochinese refugees coming to Japan. While most of the early work with Indochinese refugees in Japan fell on international NGOs (INGOs) such as Caritas Japan and the Salvation Army Japan, some Japanese NGOs, such as the Japan Red Cross Society (JRCS), also provided refugee assistance (Havens, 1987). Also, the Association to Aid Refugees (AAR), the first Japanese relief organization specializing in assistance to refugees, was established in 1979 to help Indochinese refugees in Japan.

The impact of the Indochinese crisis on Japanese civil society was limited but significant. Although the number of newly established NGOs as a result of the Indochinese crisis was small (approximately 20 NGOs), these new groups carried out nationwide campaigns to address to the general public on the importance of assisting the needy outside Japan. These NGOs maintained high visibility and stimulated people either join them or organize similar groups. The Indochina crisis did not lead to a fullscale NGO movement in Japan, but it did serve as a catalyst for later NGO activism.

Since the Indochina crisis, the organizations engaged in assistance to Indochinese refugees have gradually started addressing other issues related to development and poverty. For example, early NGOs such as JVC, JSRC, and AAR first worked on emergency relief activities for Indochinese refugees on the Thai-Cambodian border camps or in Japan. They have since expanded their scope of activities to address root causes of poverty and vulnerability to natural disasters. These NGOs now provide developmental assistance in areas such as environmental protection, agricultural development, social welfare, and primary education.

Since the early Japanese NGOs launched their activities in Southeast Asia, this region has remained important for both old and new NGOs. Like the first-wave NGOs, such as JSRC and JVC, which concentrated their activities in Thailand (especially the refugee camps at the Thai-Cambodia border), many of the newly established NGOs have focused on Southeast Asia, especially Thailand, the Philippines, and Indonesia. Indochina, particularly Cambodia, also has attracted many Japanese NGOs since the early 1990s. In contrast to the 1980s, when very few of them operated inside Cambodia, the 1990s witnessed a surge of interest as Japanese NGOs opened regional offices and began relief and development work in Cambodia. Their sudden increase in activities was due to the peace settlement of Cambodia in the early 1990s and the easing of restrictions on foreign NGOs by the Cambodian government. Outside Southeast Asia, Japanese NGOs also focused their efforts on South Asian countries such as Nepal, India, and Bangladesh in the 1980s and 1990s (Japanese NGO Center for International Cooperation, 1998a).

Although Asia remains the area of greatest Japanese NGO involvement, NGO activities are becoming more globalized. In particular, aid to Africa rapidly increased in

the 1990s, with a growing number of NGOs launching agricultural, educational and social welfare projects in that continent. Latin America (e.g., Bolivia) and the Middle East (e.g., Palestine) also have received increased attention from the NGO community, with some NGOs such as JVC launching projects in these regions.

In addition to the diversification of Japanese NGO activities, the composition of NGOs has changed. When the Indochinese refugee crisis emerged in the 1970s and 1980s, the overwhelming majority of Japanese NGO members were university students and other college-age activists. In the 1990s, while young people remained the majority, housewives and retirees began to participate as volunteers or full-time workers, joined by some dissatisfied company employees who quit their jobs to devote themselves to NGO work.

Another important phenomenon, especially since the mid-1980s, is the expansion in Japan of local branches of international organizations headquartered abroad. For example, in 1986, Save the Children Japan was established, and in the following year CARE Japan and World Vision Japan were initiated. In 1989, Greenpeace Japan followed suit. In 1992, Médecins sans Frontières Japan (MSFJ) was launched and in 1999 Oxfam Japan was initiated. The opening of these INGO offices in Japan reflected the Japanese public's growing support for international aid, development, and environmental protection.

While the Indochina refugee crisis had an important impact on the growth of Japanese NGOs in the late 1970s and early 1980s, Japanese civil society was further mobilized in the mid-1990s by another tragedy, this time within Japan itself: the Great Hanshin Earthquake of 1995, which killed more than six thousand people and made
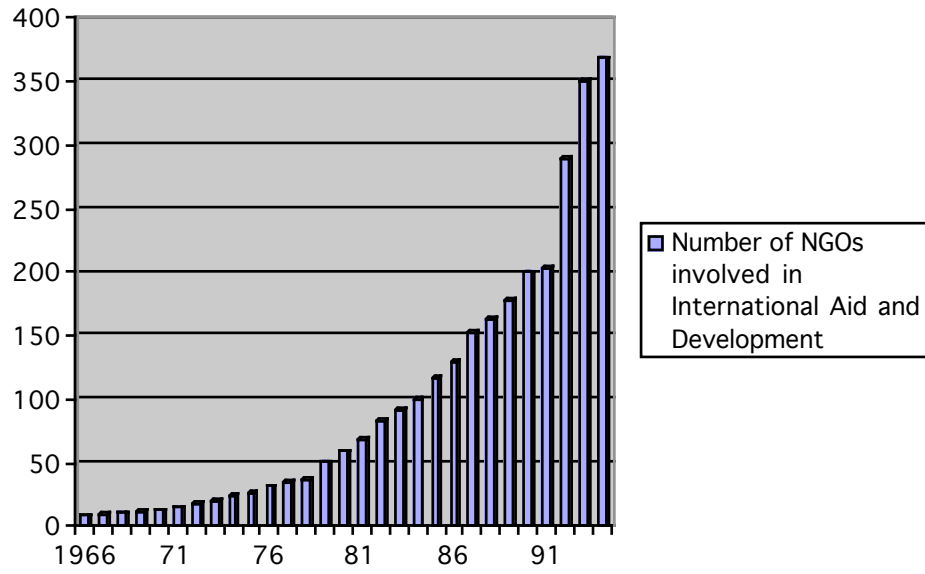
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30,000 people in the Kobe region homeless.   The Japanese government dithered in its

response to the earthquake and failed to mobilize domestic resources quickly enough or

even to allow international governments and organizations to deliver emergency

assistance.[11] In response, a great number of individuals--estimated at more than 1.3

million--rushed to help the victims with much-needed food, medicine, and supplies. The

earthquake became "a watershed event for the development of a civil society in Japan"

(Japan Center for International Exchange, 1996), fueling intensive discussion on the role

of civil society and creating a broader awareness of the need to foster citizens' groups.

The Great Hanshin Earthquake became a catalyst for both the growth of preexisting

citizens' groups and the launching of many new groups. And since then, many NPOs

engaged in earthquake relief operations have extended to other project areas such as

international aid, development, education, and environmental protection.

Finally, a growing worldwide awareness of environmental issues has also

encouraged Japanese NGO activities. For example, approximately 350 Japanese

individuals participated in the NGO meetings held concurrently with the United Nations

Conference on the Environment and Development (UNCED) in Rio de Janeiro 1992.

This marked the first time that so many Japanese NGOs had participated in an

international conference outside of Tokyo.

In the last two decades, the growth of NGOs devoted to international aid and

development has been dramatic (see Figure 1.1). In 1980, only 59 NGOs were listed in a

directory of Japanese NGOs engaged in international cooperation complied by a Japanese

NGO network. In 1993, the number reached 290 and, in 1996, 368[12] (Japanese NGO

Center for International Cooperation, 1994; Saotome, 1999). As most Japanese NGOs

are unincorporated and not registered with the government, the exact number of them is

difficult to determine and there are likely many more beyond those listed in the directory.

Figure 1.1
Growth of Japanese NGOs Involved in
International Aid and Development

(Japanese NGO Center for International Cooperation, 1998a; Saotome, 1999)

Table 1.1
Year of Establishment of NGO in International Aid
from Pre-World War II to 1996

Year of Establishment	Number of NGOs Established	%
Before World War II	2	0.5
1945 - the 1950s	4	1.1
1960-1964	3	0.8
1965-1969	4	1.1
1970-1974	11	3.0
1975-1979	22	6.0
1980-1984	46	12.5
1985-1989	86	23.4
1990-1993	143	38.9
1994-1996	*47	12.8
Total	368	**100.1

*The number of new NGOs fell in 1994-1996, due to the recession in Japan.
(Japanese NGO Center for International Cooperation, 1998a)
**Total varies from 100, due to rounding.

This prolific and unprecedented growth among NGOs has brought forth a new, potentially powerful civil society, which for the first time is beginning to influence the decision making of Japanese ODA. Japanese citizens' groups have become a main engine in Japan's ODA reform movement. Many Japanese NGOs share the concept of sustainable human development promoted in the international aid community. They value grassroots-based development in the social sector. In the domestic political scene, they are the main proponent advocating aid programs that addresses human, environmental, and social concerns in the developing world.

The growing number and influence of Japanese NGOs has significant implications for state-NGO relationship as well as for Japan's ODA policy. With the rise and growth of Japanese NGOs, state officials now take the NGO movement more seriously. This has created more active dialogue between the state and NGOs and a new

role for Japanese NGOs in helping shape Japan's ODA policy. At the same time that the NGO movement has become larger and more influential, it also has become more diversified and fragmented. Japanese NGOs now represent a diverse range of interests, activities, and perspectives on development and aid and vary greatly in their relations with the state.

In summary, over the 25 years since the beginning of the Indochina refugee crisis, hundreds of new NGOs have been established, NGO activities have expanded, and NGOs have become more globalized, reaching out to many regions in the developing world. While the Japanese NGO movement is still relatively young, it has acquired a growing public profile and greater public trust in its activities. The movement is starting to exercise its influence in the area of foreign aid.

NGOs and ODA

Until the end of the 1980s, NGOs had little cooperation or even contact with state aid officials. For decades, Japanese civil society had virtually no room to participate in either decision making or project implementation in Japanese ODA. Foreign aid served as a diplomatic instrument of the developmental state to promote economic development at home. Aid was used to help Japanese firms acquire overseas markets: aid contracts were given primarily to Japanese firms, and aid projects were created in areas with the greatest economic potential for Japanese businesses. This landscape began to change in the late 1980s. Parallel to the weakening of the developmental state, the legitimacy of economic-centered Japanese aid programs has become the subject of intense public scrutiny (Inman, 1998).

Japanese bilateral aid began in the 1950s with war reparations programs in former colonies in Southeast Asia, based on the San Francisco Peace Treaty of 1952, which stipulated that Japan fulfill its international obligations to war indemnities (see Appendix for the history of Japanese aid). The developmental state turned the reparations obligations to opportunities, by utilizing the reparations to promote the country's export led industrialization. The state required procurement of reparations to be tied to Japanese goods and services in order to help Tokyo's own economy recovery and expand Japanese exports. As a result, Japanese firms benefited tremendously from the reparations. And even after the reparations, Japanese aid remained highly business-centered. With the advent of the oil crises in the 1970s, Japan used aid to secure oil supplies. Japan's aid to the Middle Eastern region suddenly increased. Thus, in the 1950s - 1970s, Japanese ODA served to promote Japan's own postwar reconstruction, exports of Japanese goods and services, and resource acquisition, through tied aid schemes.

Japanese aid primarily consists of two types of programs and projects: those based on grant aid and those based on loan aid. As in many other countries, Japan's grant aid is usually tied. Japanese loan aid was almost all tied until the 1980s, when a partially untied system called LDC-untied aid was introduced in response to international criticism that Japanese aid was primarily benefiting Japanese businesses rather than people in recipient countries. Yet, this new scheme continued to greatly benefit Japanese firms, because it excluded participation of firms from advanced economies in aid bidding. The system restricted the competition for bids to only Japanese firms and firms from less developed countries (LDCs). Since LDC firms lacked advanced technologies to carry out Japanese aid projects--usually large-scale economic infrastructure construction--they

were unable to win bids. By concentrating on infrastructure and business-centered "hard" aid (or *hardware aid*) through loans, the Japanese state showed almost no interest in incorporating people-centered "soft" aid (or *software aid*)[13] during the peak of the developmental era.

Change came gradually in the 1980s. To meet international norm to increase "grant element" in each country's aid program, the state adopted untied loans, opening the door to Western companies to participate in Japanese aid. Then, in the second half of the 1980s, Japanese NGOs grew in number and began high profile campaigns against certain infrastructure-based ODA by mobilizing public opinion through media appearance, publications, seminars, workshops, and symposiums (Nakauchi, 1996; see Chapter 4).

To respond to criticism at home and outside Japan, MOFA began to reform Japanese aid by increasing soft aid (see Ministry of Foreign Affairs, 2000b). The reform involved a shift in target sector of aid (e.g., from economic institutions to health care); a shift in emphasis within particular target sectors (e.g., from building hospitals to training community health practitioners); and a new emphasis on the Least Less Developed Countries (LLDCs). These shifts in emphasis ultimately required MOFA to reach out to NGOs to take part in Japanese ODA.

The state developed various systems to incorporate NGOs in aid. As discussed in detail in Chapter 5, the state started a couple of grant programs in 1989 to assist NGOs with small-scale grassroots projects in the developing world. Then, in the early 1990s, the MOFA established a division within the ministry to specialize in MOFA-NGO relations. In the mid-1990s, the bureaucracy started inviting NGO representatives to take

part in policy dialogues with bureaucratic leaders. Many NGOs, in hopes of influencing aid policy and improving the state grant programs, welcomed the opportunities to exchange opinions with officials. As a result, NGOs now meet regularly officials from MOFA, JICA, and MOF.[14] In addition, NGOs have begun to take part in project evaluation and implementation of Japanese aid.

The changing relations between the bureaucracy, in particular MOFA, and NGOs in ODA reflect broader changes occurring inside and outside of Japan, primarily due to the forces of globalization and the industrial maturation of Japanese economy. On the one hand, NGOs have acquired global norms (e.g., human rights, sustainable development), skills, and knowledge and information, and they have become more assertive in demanding aid reform. Japanese firms, once fully integrated into the aid system, drifted away from it, since they cannot win aid bids in international competition. Furthermore, MOFA officials themselves have learned about global norms of aid through multilateral donor conferences and meetings, which have impacted the way they perceive development. They have learned that the international aid regime has moved toward sustainable human development, with an emphasis on human development, social welfare, sustainability, and ecological protection, rather than economic infrastructure and trickle-down economic effects.

On the other hand, negative effects of Japan's industrialization have come to the surface. Fiscal deficits have reached a record high, thus forcing the bureaucracy to cut down aid expenditures and to shift emphasis from hard aid to soft aid; the latter is labor intensive and is considered more cost-efficient than the former. Implementation of soft aid has made it necessary for MOFA to reach out to NGOs, because the ministry and

JICA lack enough personnel for aid implementation. Furthermore, MOFA has faced

another problem with infrastructure aid programs. The 1990s has witnessed a surge of

corruption cases involving the developmental coalition of the bureaucracy, the corporate

sector, and politicians. Seen as the hotbed of corruption, infrastructure projects at home

and abroad have become the target of public criticism. Thus, MOFA has found it

necessary to emphasize soft aid with the involvement of NGOs to win public approval of

Japanese ODA.

Table 1.2
Contrast of Hard vs. Soft Aid

Hard aid	Soft aid
Emphasis on industrialization	Emphasis on human resources
Infrastructure-oriented	People-oriented
Top-down (trickle down)	Bottom-up
One-shot	Long-term and sustainable
Large-scale	Small-scale
Capital-intensive	Labor-intensive
Costly	Cost-effective
Carried out by firms (e.g., construction and trading firms)	Carried out by NGOs

Characteristics of Japanese NGOs

Strengths and Weaknesses of Japanese NGOs

Today, Japanese NGOs enjoy more latitude and influence in ODA policy making than

ever before.   Several special strengths of Japanese NGOs have won them the support of

the public and MOFA. First, their small size and flexible administration allow them to

avoid the complex procedures and politics that slow government decisions. While the

state bureaucracy takes several years to launch a new program, Japanese NGOs can initiate an operation with greater speed and ease.

A second strength of Japanese NGOs is their good reputation. Most NGO members are highly dedicated to their work, despite low salaries. The public has a dramatically different attitude toward NGO members, who are seen as selfless and sincere, than they do toward politicians and bureaucrats, who have been tainted with corruption scandals. This positive reputation often extends abroad as well. In many Asian nations, Japan is still held in suspicion due to Tokyo's expansionist policies of the first half of the twentieth century, especially during World War II. Japanese NGOs are seen as "Japan-lite," representing Japan but causing less suspicion than might official Japanese political representatives or businesses. Due to their independence from the government, Japanese NGOs can even work in countries that lack diplomatic relations with Tokyo. And almost all NGOs in Japan are either nonreligious or, in a few cases, are affiliated to Buddhist groups (such as Shanti Volunteer Association [SVA], established by Soto Zen Buddhists) or nonmissionary Christian groups. The fact that virtually no NGOs in Japan are affiliated to proselytizing religious groups also eases people's fears in recipient countries.

A third strength, related to the above, are the excellent grassroots ties and involvement of many Japanese NGOs. This stems in part from the people-centered nature of NGO activity. Through hands-on assistance projects, NGOs often work side by side with local people to transfer knowledge, skills, and expertise to the local community. The grassroots approach gives Japanese NGOs a familiarity with the people, their customs, language, and conditions that is unavailable to state officials. The grassroots

connections of Japanese NGOs are enhanced by the particular values that permeate many Japanese aid and development organizations, compared for example, to more established, wealthier NGOs in the United States or Europe. Unlike Japanese business or government representatives or Western NGO executives, most of whom wear suits and ties and live in large homes in expensive neighborhoods while on overseas assignment, many Japanese NGO workers prefer an ascetic lifestyle that keeps them close to the poor in developing countries. These Japanese NGO workers tend to wear jeans and t-shirts, eschew their own cars or drivers, and live in modest housing, all of which strengthens their ability to work closely on grassroots projects with the rural poor.

Due to these strengths, the public and the government have come to realize that NGOs have the potential to play a constructive international role in addressing important issues that the government itself cannot adequately address. Yet, Japanese NGOs also have a number of weaknesses that hinder them from fully achieving their goals. First, most of the NGOs have no legal status but instead operate as informal associations or clubs. This lack of legal status prevents them from renting offices in Japan or borrowing money from financial institutions. Individuals in the organizations have to use their own names to rent offices or borrow money, which creates obstacles to establishing and maintaining efficient operations.

A second serious problem faced by many Japanese NGOs is a lack of funds. Government funding totals less than 10 percent of the revenue of most NGO budgets (Japanese NGO Center for International Cooperation, 1998a), and there is very little private sector funding, especially for unincorporated associations. The majority of NGO income necessarily depends on individual donations, membership fees, and sales of

publications and other goods. However, these sources of revenue are hampered by the

small size of Japanese NGOs, which average 1,560 members, according to a 1998 survey

(Japanese NGO Center for International Cooperation, 1998a).[15] Also, since most NGOs

are unincorporated, they lack a tax deductibility privilege for contributions they receive

(Coalition for Legislation to Support Citizens' Organizations, 1998). Even those recently

registered with the state as specified nonprofit activity associations under the 1998 NPO

law have not yet been granted any special tax status. Finally, the fact that most Japanese

NGOs are relatively young means that they have not had time to build up their

operations, staff, and assets.

Consequently, Japanese NGOs are poor. According to a 1998 survey by JANIC,

72 percent of 217 NGO respondents have annual budgets between ¥3 million and ¥50

million (US$25,000 - US$416,600), with an average of ¥23.88 million (US$199,000)

(Japanese NGO Center for International Cooperation, 1998a).[16] Maintaining an office in

Tokyo--much less conducting overseas operations--is difficult on such a small budget.

Even the richest Japanese NGOs are much smaller in scale than Western NGOs. For

example, in 1996, SVA, the fifth richest Japanese NGO in JANIC's study (see Table 1.3),

had only ¥887.67 million (US$7.4 million)[17] (Japanese NGO Center for International

Cooperation, 1998a), still miniscule compared to non-Japanese NGOs such as CARE

USA (US$340 million in FY1998) (CARE International, 1999) or Oxfam UK

(US$150.49 million in FY1996)[18] (Oxfam, 1997). Only 32 of 217 Japanese NGOs in the

JANIC survey had annual budgets exceeding ¥100 million ($833,000)[19] (Japanese NGO

Center for International Cooperation, 1998b).

The same JANIC survey identified the richest 20 NGOs in Japan and found that 11 of the richest NGOs in the survey were incorporated, six were Japanese branches of INGOs (i.e., PIJ, WVJ, JIFH, WWF Japan, AIJ, SCJ), and four were Christian organizations (i.e., WVJ, JIFH, CCWA, JOCS) (see Table 1.3). This indicates how difficult it is for the majority of Japanese NGOs--which are indigenous, nonreligious, and unincorporated--to grow in size and budget. The richest ten NGOs accounted for approximately ¥10 billion, approximately 52 percent of the total of the budget of the 217 NGOs in the survey (Japanese NGO Center for International Cooperation, 1998b).

Table 1.3
Top 20 NGOs with Largest Annual Budget, 1996
(¥ million)

Name of NGO	Budget
1. Plan International Japan (PIJ)[I]	3,903.58
2. OISCA [I]	1,248.47
3. Japanese Organization for International Cooperation in Family Planning (JOICEF) [I]	934.29
4. World Vision Japan (WVJ) [U]	887.67
5. Shanti Volunteer Association (SVA) [U]	715.44
6. Japan International Food for the Hungry (JIFH) [U]	540.16
7. World Wide Fund for Nature Japan (WWF Japan) [I]	504.32
8. Association to Aid Refugees (AAR) [U]	498.86
9. Japan International Volunteer Center (JVC) [I]	407.76
10. National Federation of UNESCO Association in Japan (NFUAJ) [I]	395.88
11. Association of Medical Doctors of Asia (AMDA) [U]	341.16
12. Christian Child Welfare Association International Sponsorship Program (CCWA) [I]	301.62
13. Asian Health Institute (AHI) [I]	291.01
14. Médecins sans Frontières Japan (MSFJ)[U]	243.34
15. Amnesty International Japan (AIJ)[U]	235.79
16. Save the Children Japan (SCJ) [I]	234.90
17. Japan Overseas Christian Medical Cooperative Service (JOCS) [I]	229.19
18. Japan Silver Volunteers (JSV) [I]	223.36
19. Kanagawa Women's Space (MsLA) [U]	206.33
20. Minsai Center [U]	199.78

[I]: Incorporated association. [U]: Unincorporated association.
(Japanese NGO Center for International Cooperation, 1998b)

A third problem confronting Japanese NGOs is a lack of qualified personnel. Although the situation is slowly improving, Japanese NGOs have had difficulty recruiting qualified individuals with managerial and technical skills and knowledge of development and economics. The difficulty in recruiting such individuals stems from the low salaries that NGOs provide and the lack of prestige in working for NGOs. Many Japanese admire NGOs--from afar--but they wouldn't want their own relatives to work for them.

Qualified individuals tend to seek employment in the more prestigious, better paid corporate or government sectors or intergovernmental organizations (IGOs) such as the United Nations. This situation contrasts sharply with that of many developing countries, such as Cambodia, Indonesia, Egypt, and Palestine, where INGOs may offer salaries and prestige that far surpass that of government posts. Well-established NGOs in Europe and the United States can also offer competitive salaries to highly qualified technical personnel.

The inability of Japanese NGOs to attract and hire qualified personnel hinders their professional development and expansion. Most hire only a handful of paid staff, usually fewer than ten people (Japanese NGO Center for International Cooperation, 1998a), and rely on unpaid volunteers who have no special skills. While necessary for NGO work, volunteers with little knowledge and expertise do not typically provide professional leadership. The majority of Japanese NGOs do not even hire professional accountants but rely on untrained staff to manage finances. Because of the shortage of professional staff, most NGOs lack the ability to get beyond their own projects and microlevel issues. Preoccupied with managing their own work or lacking expertise on broad economic and political issues, many NGOs fail to pursue broader policy issues. They concentrate on small-scale projects but often fail to comprehend the linkage between micro projects and macro policies in target countries or regions. Influencing policy requires careful data collection and analysis, broad knowledge of political and economic development, and mass public relations and campaigning, all of which require skilled professional staff.

NGO Coalitions

One way that Japanese NGOs are trying to overcome their weaknesses is through mutual cooperation and collaboration. The large number of NGO coalitions that have emerged since the late 1980s indicates both the increased activism of Japanese NGOs, which necessitates NGO networking, and also the emerging diversity within the NGO community, which requires a variety of network groups.

In 1987, several Japanese NGOs, mainly unincorporated associations active in international development and aid, established the Japanese NGO Center for International Cooperation (JANIC). The center's main purposes are: (1) to promote networking and collaborative activities among NGOs, (2) to strengthen the institutional capacity of NGOs, (3) to educate Japanese public about the role of NGOs, and (4) to encourage citizens' participation in international aid and development (JANIC, 1997b). To attain these goals, JANIC disseminates information on aid and development, hosts public lectures and symposia, and conducts training sessions for NGO staff and volunteers. JANIC also represents the Japanese NGO community in NGO-MOFA council meetings and in other negotiations with MOFA and ministry officials (see below).

In addition, JANIC works with domestic-oriented NPOs to expand the legal rights of unincorporated associations as a whole. In the mid-1990s, JANIC took a leadership role in forming the Coalition for Legislation to Support Citizens' Organizations (known as "C's") for the establishment of an NPO law to give unincorporated associations an incorporated status and tax exemption. The coalition became active in reviewing diverse legislative proposals for such a law, lobbying politicians and bureaucrats, organizing media briefings, publishing reports on the legislative process, and presenting the

coalition's own proposal for the NPO law (Coalition for Legislation to Support Citizens'

Organizations, 1998).

As of September 1997, JANIC consisted of more than 50 NGOs and was

governed by a board of trustees and a secretary general (Japanese NGO Center for

International Cooperation, 1997b; see Table 1.4). JANIC tries to include a wide range of

Japanese leftist, centrist, and progovernment NGOs. Independent NGOs in JANIC

include JVC, Shapla Neer, and the Services for the Health in Asian and African Regions

(SHARE). A well-known moderate NGO in the organization is Shanti Volunteer

Association (SVA). NGOs with strong ties to the government include the Association of

Medical Doctors of Asia (AMDA) and JOICEF. JANIC promotes coordination and unity

among diverse NGOs to present the broadest possible front in negotiating with state

officials. Its diversity is seen as a strength by some and as a threat by others, especially

by some leaders of progovernment NGOs who dislike the strong leftist influence in

JANIC.

Table 1.4
Key Representatives in JANIC, 1997

Managing Director/ Secretary-General	Michio Ito (JANIC)
Trustees	Terumasa Akio (OISCA), Koyu Furusawa (Japan Center for a Sustainable Environment and Society), Tsutomu Hotta (Sawayaka Welfare Foundation), Chanthason Inthavong (Association to Send Picture Books to Lao Children), Sukesada Ito (International Labor Organization)*, Yoshiyuki Kawaguchi (Shapla Neer), Michiya Kumaoka (JVC), Keizo Shibata (Seikatsu Club Kanagawa), Taiji Yamaguchi (CARE Japan), Mikiko Yamazaki (Tokyo Volunteer Center Auditors)

* ILO is not an NGO but is involved in JANIC.
(Japanese NGO Center for International Cooperation, 1997a)

To complement JANIC, which oversees NGOs all over Japan, regional NGO

coalition groups have emerged in several major Japanese cities. In 1987, the Osaka based

Kansai NGO Council was established. The main objectives of this council are to

accelerate coordination among NGOs in the Osaka region, conduct advocacy activities to

reform ODA policy, educate the public about the importance of NGO activities, and

encourage public participation in NGOs. The Kansai NGO Council has nearly 30

member NGOs and its activities include offering courses on development and aid

(through a program they call "Kansai NGO University"), facilitating information

exchange among NGO members, providing training sessions for NGO personnel, and

conducting research and investigation (Kansai NGO Council, 1999). Similarly, a Nagoya

NGO Center was established in 1995 to promote networking among NGOs in the Nagoya

region and advocacy for NGO development. Besides these major regional NGO

councils, there are several small-scale regional NGO network groups (with about ten

NGO members per group) located in large other cities, including the Kyoto NGO Council, the Kobe NGO Council, and Fukuoka NGO Network (Japanese NGO Center for International Cooperation, 1998a). These regional councils cooperate with each other and with JANIC.

A decade after the creation of JANIC and the Kansai NGO Council, another NGO network group, the Japan Association of NGOs and NPOs (JANAN), was established to facilitate the exchange of ideas, knowledge, and human resources among not only NGOs but also NPOs. JANAN especially encourages the networking of NGOs/NPOs in rural Japan, as many NGOs outside the major cities are isolated and lack sufficient opportunities to exchange information. While JANIC, the Kansai NGO Council, and the Nagoya NGO Center promote coordination among NGOs and advocacy to reform ODA, JANAN, in contrast, attempts to forge friendly relations and promote collaboration on a wider basis among NGOs, the state, the corporate sector, and academia (Sugishita, 1998c). Some conservative NGOs who find JANIC too leftist are active members of JANAN.

Like-minded NGOs have also formed networking groups in relationship to activities in certain countries or sectors. For example, Japanese NGOs working in Cambodia established in 1992 a People's Forum on Cambodia Japan. This network facilitates communication and cooperation among NGOs engaged in humanitarian aid to Cambodia. Also, NGOs concerned with environmental deterioration in the Mekong River Basin in Indochina formed a Mekong Watch Network Japan (hereafter Mekong Watch) in 1994. The group consists of independent NGOs and NGO coalitions such as Japan International Volunteer Center (JVC), the Pacific Asia Resource Center (PARC),

and the People's Forum on Cambodia Japan. Other region-based NGO network groups

include the Africa Japan Forum, the Japan NGO Network on Indonesia, the Nippon NGO

Network for Nepal, and Burma People's Forum. Many issue-based NGO network groups

are engaged in environmental protection. For example, People's Forum 2001 Japan was

established in 1993 to follow up on issues raised at the 1992 UNCED. Another

environmental NGO coalition group is the Japan Tropical Forest Action Network,

established in 1987 to promote antideforestation campaigns through documentation,

rallies, and press conferences (Honnoki USA, 1992; Japanese NGO Center for

International Cooperation, 1998b).

Relations with Foreign NGOs

Japanese NGOs also forge links with their Western and developing country counterparts

to address transnational problems related to refugees, the environment, sustainable

development, and landmines. In Cambodia, JVC joined forces with Oxfam UK,

supporting the latter's rural water supply program in the early 1990s (Cooperation

Committee for Cambodia, 1994). In Vietnam, JVC again collaborated closely with

Oxfam UK, sending its members to the British NGO for training. JVC has also taken a

leadership role in forming and running the Cooperation Committee for Cambodia (CCC),

which brings together a wide range of NGOs from developed and developing countries to

work toward rehabilitation and reconstruction of Cambodia.

The transnational linkages between Japanese NGOs and non-Japanese NGOs are

further exemplified by NGOs from other countries with regional offices in Japan, such as

Save the Children, Greenpeace, and Friends of the Earth. These regional offices in Japan

maintain close communication channels with their counterparts overseas, acquire

necessary skills and information from overseas counterparts, and plan joint programs

with other regional chapters throughout the world. For example, Save the Children Japan

(SCJ) has a joint project with its American counterpart in northern Vietnam. This project

began in 1995 to improve the health of young children in the region and SCJ and Save

the Children USA work in partnership to teach basic concepts of nutrition and health to

children and their parents (Sugishita, 1998b). Likewise, Médecins sans Frontières Japan

(MSFJ) work closely with Médecins sans Frontières France (MSFF). When MSFJ sends

Japanese doctors abroad, they usually join in the French organization's operations

(Sugishita, 1998a).

Working with Western NGOs is advantageous to Japanese NGOs, which still lag

far behind their Western counterparts in organizational skills and resources. Many

Western NGOs maintain large professional staffs and produce extensive, well-researched

policy proposals. Due to the shortage of personnel, Japanese NGOs find it beneficial to

cooperate with Western NGOs, from which they can acquire necessary information and

learn organizational skills.

Many Japanese NGOs also establish partnerships with developing country NGOs,

often providing financial and material assistance. Some invite developing country

counterparts to Japan for training. Others transfer their own projects in developing

countries to local NGOs after the projects are launched and stabilized. Considering local

NGOs indispensable to implement projects, many Japanese NGOs work closely with

local counterparts through regular meetings or joint projects. Such cooperation is most

prominent in Cambodia, where Japanese NGOs interact with Cambodian as well as

Western NGOs to promote grassroots development through the aforementioned

Cooperation Committee for Cambodia (CCC). Local NGOs are valued for their knowledge of local culture, customs, politics, and contacts, and are helpful for project identification, design, and implementation.

At the same time, some Japanese NGOs (e.g., AMDA), for competitive reasons, are adverse to working with Western NGOs.[20] These Japanese NGOs aim at winning as many contracts as possible from international organizations such as U.N. agencies, and thus see Western NGOs as competitors rather than partners.[21]

NGOs and Democracy

NGOs have increased in size and strength, formed new coalitions and networks, and redefined their roles and purposes. The emergence of an NGO movement as a player in national policy making thus forces a reconsideration of previous notions of civil society and pluralism within Japanese politics.

A central question regarding Japanese NGOs in this study involves issues of democracy. Do NGOs promote democracy? Does the retreat of the developmental state give political space for NGO activism and essentially help consolidate Japanese democracy? Democracy requires an active civil society, because it is through public discussion and involvement in politics that societal goals are defined. Without wide public involvement in the process, democratic consolidation cannot be achieved. Yet, what is crucial is not only the level of civil society participation in the political process but also the quality of that participation. To scrutinize this point, it is necessary to examine the key functions and features of civil society and NGOs in regard to democracy.

One of the most crucial functions of civil society organizations including NGOs is to act as a counterweight to the state. By checking, monitoring, and publicizing the state's abuses of power or violations of law and mobilizing the general public to protest against the state, civil society organizations can restrain the state's exercise of power and contain corruption. This "checking and limiting" (Diamond, 1999, p. 241) function of civil society is important for consolidating and maintaining democracy in Japan, where the state has generally enjoyed public deference and has been largely free from public scrutiny of its abuses of power. By subjecting state officials to public scrutiny, civil society can control abuses of power, make the state accountable to the public, promote institutional reform, and sustain democracy.

The state and civil society, however, are not locked in to an antagonistic, zero-sum struggle. While civil society organizations criticize state mismanagement or demand the state be accountable to the general public, cooperation between civil society and the state is also possible. As seen in MOFA - NGO relations, such cooperation is increasingly common in Japan. But working with the state requires a balancing act on the part of civil society organizations, between maintaining autonomy and promoting cooperation with the state to pursue shared goals. The danger of cooptation looms large for organizations that move too quickly toward cooperation while failing to guard their independence.

Another important function of civil society is creating channels other than political parties for the articulation and aggregation of interests for political reform. This function is important in Japan, where many people support neither the dominant party LDP nor opposition parties and are thus excluded from formal party channels. By

generating opportunities to express popular opinion through informal, nonpartisan mechanisms, civil society can promote broader political participation--an important foundation for democracy. But it is important to remember that civil society does not necessarily pose a threat to political society. Civil society organizations do not replace or substitute for political parties. Rather, they supplement political parties and promote democracy by "stimulating political participation, increasing the political efficacy and skill of democratic citizens, and promoting and appreciation of the obligations as well as the rights of democratic citizenship" (Diamond, 1994, pp. 7-8).

While civil society groups can promote democratic governance, by checking and limiting state power, demanding state accountability, and improving interest articulation, not all civil society organizations necessarily foster democracy. An important concept of democratic civil society concerns autonomy (Brysk, 2000). First, if civil society organizations are not fully autonomous from the state--especially if they become dependent on state subsidies for their operations--they run the risk of being subverted or hijacked by the state to its own agenda. Many Japanese organizations suffer a serious shortage of financial resources and thus seek state funding. If they overzealously pursue financial resources from the state, they are likely to be coopted or become instruments of state propaganda. This will not only hurt their institutional effectiveness but also do serious harm to the development of civil society. These organizations can aggravate existing patterns of political contestation between the state and civil society (by further strengthening the state) and within civil society itself (by empowering coopted NGOs and by marginalizing independent NGOs that challenge state authority).

Second, to promote democracy a civil society organization needs to maintain autonomy from an individual leader, founder, or ruling faction as well. If a civil society group is run by a personalized ruler and is subordinate to the whims of his/her own narrow interest, its ability to develop a democratic culture is seriously undermined (Diamond, 1999; Brysk, 2000). Some Japanese organizations are run by personalistic individuals who tend to dominate decision-making processes (Wong, 2001). Although strong leadership is necessary for effective promotion of group interests and goals, this should not be mixed up with undemocratic, particularistic, domineering behavior. To promote democracy, a civil society organization needs to be internally democratic and promote goals and methods broadly shared by its equally treated members.

Another important factor for the promotion of democracy is accountability. Unlike legislators, civil society actors are not elected by popular votes. Thus, a question arises as to whom they represent and to whom they are accountable. Moreover, even if a civic organization can clearly identify its constituents, it still needs to address various issues of accountability, especially as related to organizational funding. For example, many Japanese NGOs are small in scale and lack professional accountants and other professional technical staff to carry out projects. Yet, they have recently started receiving state funding to carry out projects to alleviate poverty in the developing world. With a sudden inflow of state funding, they have become overburdened with new responsibility to monitor an increasing number of projects. As a result, instances of financial mismanagement are on the rise.[22]

Related to accountability is the issue of transparency, another important requirement for deepening democracy. Civic organizations need to provide the general

public with information about themselves, including the sources and amounts of organizational funding, types of activities, and internal and external assessments of their programs and projects. While Japanese NGOs often make demands for state transparency regarding Japanese ODA projects, these same NGOs are often secretive about their own activities or funding sources. They are neither subject to outside audits nor do they openly publicize their annual reports. This double standard undermines the legitimacy of NGOs and prevents them from effectively confronting the state for its abuses of power. Democracy requires transparency; civic organizations that refuse to share information do not contribute to democratic consolidation.

As Brysk (2000) argues, democracy depends on democratic civil society. Clearly, if a civil society organization does not value democratic principles or has undemocratic methods to carry out its agenda, it can undermine efforts at democracy. Thus, building an active civil society is not enough. It is also necessary to create a democratic civil society for democratic consolidation.

The following chapters will examine how NGOs interact with state leaders, especially MOFA, and how these NGOs participate in Japanese ODA. By examining their participation in aid within a framework of the broad political economy of Japan-- with a focus on changing economic structures, new forces of cultural change, and a new relationship between the state and citizenry--I will address the question of democratic consolidation in Japan.

Notes

[1] Personal communication with a researcher at the Japan Center for International Exchange, Tokyo, July 12, 2001.

[2] When religious groups are engaged in public ends, such as efforts to fight poverty or crime or to improve educational institutions in the community, they are participating in civil society. Thus, this type of organizations is simultaneously involved in both parochial and civil society.

[3] The exclusion of parochial society, particularly recreational and entertainment groups, from civil society differs from Putnam's (2000) treatment of civic community. In his examination of American civic community, Putnam focuses on horizontal networks of apolitical civil associations (e.g., choral societies, bird watching clubs, bowling leagues) that are generating norms of reciprocity, interpersonal trust, and voluntary cooperation--essential ingredients of social capital necessary for community development. Putnam does not consider policy-oriented social movements and nonprofit organizations in the United States (e.g., the Sierra Club, the National Organization for Women or NOW) as critical segments of civic community, on the grounds that most of them are membership organizations merely collecting checks from their members without promoting civic engagement.

[4] An exception to this is the Japan Red Cross Society (JRCS). In legal terms, JRCS is a special public corporation (*tokushu hôjin*). However, JRCS can be considered an NGO, since it is a membership organization with a large number of volunteer groups and works relatively independently of the state (Amenomori & Yamamoto, 1998). JRCS is treated as a Japanese NGO by the UN High Commissioners for Refugees (UNHCR) and became an active member the Partnership in Action (PARinAC), a scheme designed to promote UNHCR-NGO cooperation.

[5] Perhaps the first important social movement in postwar Japan was the anti-U.S. Security Treaty movement in the late 1950s and early 1960s, which involved massive demonstrations among left-wing college students. This movement, however, was hardly peaceful, and violent protest led to many injuries. Thus, this study does not consider it a civil society movement.

[6] While the term *shimin undo* has a political connotation of the expansion of citizens' rights, *jumin undo* has a narrower, less political connotation of community movement.

[7] The Meiji government began a campaign, largely through education, to promote familism (*kokutai*), by which it meant the importance of obedience and loyalty to authority, in particular, the emperor. The idea

was that as citizens, the Japanese people should respect and follow the leadership of the Emperor as father of the nation.

[8] This does not necessarily mean that the bureaucracy enjoyed unchecked power during the developmental state era. As Pempel (1989) notes, the bureaucracy was "technically and practically subject to the policy-making controls of parliament and the LDP" (p. 31). When the bureaucracy was powerful, for example in ODA policy making, its power and policy were approved or supported by the political world.

[9] In my view, Japan's goal of surpassing the Western industrialized countries was achieved only in terms of GNP rates. Living conditions, symbolized by the "rabbit hutch" phenomenon, lag far behind those of other industrialized countries, largely because of scarcity of land in large cities and the exclusion of foreign firms to compete in Japanese real estate market--the legacy of the developmental policies.

[10] JSRC renamed itself Sotoshu Volunteer Association in 1981 and then Shanti Volunteer Association (SVA) in 1999.

[11] For example, Japanese government agencies prevented European body-searching dogs from entering the Kobe region for rescue efforts because the dogs had not undergone quarantine for six months. The bureaucracy also denied an offer of free mobile telephones for use in rescue work by a corporation because the phones lacked appropriate certification labels for the Kobe area. Furthermore, the bureaucracy kept the emergency Self-Defense Forces officers outside Kobe because of real or imagined antimilitary sentiments by local people (Pempel, 1998). In the first ten days following the earthquake, the government received offers of assistance from 57 countries but accepted only 15 (Ministry of Foreign Affairs, 1995a).

[12] These numbers refers only to NGOs specializing in international aid and development. It excludes those engaged in international cultural exchanges.

[13] Fujisaki et al. (1996-1997) actually use the term *software aid* and *hardware aid*. They define it as assistance to promote "human resource development and institutional building in economic and social development" (p. 519).

[14] However, NGO meetings with MOF representatives usually involve Japan's multilateral aid, rather than its bilateral aid, via the Asian Development Bank (ADB) and the World Bank.

[15] Most NGOs are membership organizations.

[16] These figures are based on the US$1=¥120 conversion.

[17] The figure is based on the US$1=¥120 conversion.

[18] The figure is based on the US$1=£ 0.61conversion.

[19] Based on the US$1=¥120 conversion.

[20] Interview with Secretary General of AMDA, on March 3, 1997, in Tokyo.

[21] AMDA also disapproves a "Western" approach to development and democracy. The General Director of AMDA claims that the concept of human rights is based on Christian thought and lacks a universal appeal (Suganami, 1995).

[22] In one case, a Japanese refugee organization received state funding for a nonexistent project it created on the paper. According to a representative of this group, a lack of personnel to carry out the project for which the group received funds accounted for this mismanagement (*International Development Journal*, 2000).