

KEIKO HIRATA



The Growing
Role of NGOs
in Tokyo's Aid
Development
Policy

JAPAN

# Civil Society in Japan

The Growing Role of NGOs in Tokyo's Aid and Development Policy





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#### LIST OF ACRONYMS

AAR Association to Aid Refugees
ADB Asian Development Bank
AHI Asian Health Institute

AlJ Amnesty International Japan

AMDA Association of Medical Doctors of Asia ASEAN Association of South East Asian Nations

BHN basic human needs

CARE Cooperative for Assistance and Relief Everywhere

CCC Cooperation Committee for Cambodia

CCWA Christian Child Welfare Association International

Sponsorship Program

CMAC Cambodian Mine Action Center

CPP Cambodian People's Party

DAC Development Assistance Committee

E/N exchange of notes

EBRD European Bank for Reconstruction and Development

ECFA Engineering Consulting Firms Association

EPA Economic Planning Agency
Ex-Im Bank Export-Import Bank

Ex-Im Bank Export-Import Bank
FASID Foundation for Advanced Studies on International

Development

FILP Fiscal Investment and Loan Program

FTC Fair Trade Commission

FY fiscal year

G-7 Group of Seven Industrialized Countries

GDP gross domestic products GII global issues initiative

**GNP** gross national products HIPC heavily indebted poor countries International Bank for Reconstruction and Development IBRD International Campaign to Ban Landmines **ICBL** IDA International Development Association IDACA Institute for the Development of Agricultural Cooperation in Asia IFI international financial institution **IGO** intergovernmental organization **IMF** International Monetary Fund Japan Association of NGOs and NPOs JANAN **JANIC** Japanese NGO Center for International Cooperation **IATAN** Japan Tropical Network Japan Bank for International Cooperation **IBIC JCBL** Japan Campaign to Ban Landmines Japan International Cooperation Agency IICA Japan International Food for the Hungry IIFH **JOCS** Japan Overseas Christian Medical Cooperative Service **JOCV** Japan Overseas Cooperation Volunteers **JOICEF** Japanese Organization for International Cooperation in Family Planning **JPC** Japan Productivity Center **JRCS** Japan Red Cross Society **ISDP** Japan Socialist Democratic Party **ISF** Japan Special Fund JSID Japan Society for International Development Japan Sotoshu Relief Committee (= Shanti Volunteer **ISRC** Association [SVA]) JSV Japan Silver Volunteers **IVC** Japan International Volunteer Center LARA Licensed Agencies for Relief in Asia LDP Liberal Democratic Party LIC low-income countries LLDC least less-developed country, or least among less developed countries **LMIC** lower-middle-income countries **MAFF** Ministry of Agriculture, Forestry, and Fisheries MDB multilateral development bank

Ministry of International Trade and Industry

MIA

MITI

MOC

missing in action

Ministry of Construction

MOF Ministry of Finance

MOFA Ministry of Foreign Affairs
MOHW Ministry of Health and Welfare

MOPT Ministry of Posts and Telecommunications

MOT Ministry of Transport

MSFF Médecins sans Frontières, France MSFJ Médecins sans Frontières, Japan MsLA Kanagawa Women's Space

NFUAJ National Federation of UNESCO Association in Japan

NGO nongovernmental organization

NPO nonprofit organization

ODA official development assistance

OECD Organization for Economic Cooperation and

Development

OECF Overseas Economic Cooperation Fund

OISCA Organization for Industrial, Spiritual and Cultural

Associations

OOF other official flow

OPEC Organization of Petroleum Exporting Countries

OTCA Overseas Technical Cooperation Agency

PARC Pacific Asia Resource Center

PARinAC Partnership in Action
PIJ Plan International Japan
PKO peace-keeping operations

POW prisoner of war

PRK People's Republic of Kampuchea
PVO private voluntary organization
REAL Reconsider Aid Citizens' League
SAL structural adjustment loan

SCJ Save the Children, Japan SDF Self-Defense Forces

SHAR Services for Health in Asian and African Regions
SVA Shanti Volunteer Association (=Japan Sotoshu Relief

Committee [JSRC])

TICAD Tokyo International Conference on African Development

UNCED United Nations Conference on the Environment and

Development

UNDP United Nations Development Program

UNESCO United Nations Educational, Scientific, and Cultural

Organization

UNHCR United Nations High Commissioner for Refugees

## LIST OF ACRONYMS

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#### INTRODUCTION

One of the most important political issues in the world today is the rise of civil society and its influence on state policy. Nongovernmental organizations (NGOs) are one such source of citizens' power. As Rosenau (1997) and others point out, the expansion of NGOs is a global phenomenon. An "associational revolution" (Salamon, 1994, p. 109) has spread throughout the world, reflecting the decentralization and fragmentation of power once dominated by state actors.

Japan has recently witnessed a surge of civil society activism, especially by transnational NGOs working on international development and foreign aid issues. There has been an explosion of such groups in the last two decades in Japan, as seen in their rapid growth in number and size and their increased interaction with and influence over state policy. Although the expansion of NGOs has occurred relatively late compared to Western and some developing societies, the NGO growth in Japan has important implications for world politics. Japan is a highly developed country, integrated into the global economy, but it is neither geographically nor culturally part of the "West." Japan experienced dramatic economic development in the 1950s-1970s, transforming from a devastated, wartorn nation into the world's second largest economy. However, Tokyo's mighty economy began to disintegrate in the early 1990s, and, it is precisely since then that NGOs have increasingly become prominent on the Japanese political scene. Thus, Japan represents an extremely interesting case of the intersection of non-Western culture, rapid industrialization, subsequent economic recession, and the rise of civil society.

This growing NGO movement reflects changing relations between the state and civil society in Japan. As the authority of the Japanese developmental state has begun to crumble, the relationship between the state and the populace has changed. Japanese citizens are no longer inhibited from protesting state policies or demanding social justice. They are forming and joining NGOs to press their demands, and the state in turn has started paying more attention to the views of NGOs. The dual phenomena of the erosion of the developmental state and the rise of civil society mark the beginning of a new era of a more horizontal relationship between the state and civil society in Japan.

The developmental state has been directed by Japan's bureaucratic elite, especially during the 1950s-1970s era of rapid economic growth. Although my use of the term, "developmental state," is not identical to Johnson's (1982) "capitalist developmental state," I borrow some of his key concepts. As Johnson argues, the Japanese developmental state played a pivotal role in promoting a unique pattern of industrialization during the developmental era of the 1950s-1970s, combining free enterprise and state-led development. In this system, the state, in particular the bureaucracy, actively intervened in the economy, determining the nation's strategic industries, providing these industries with subsidies and administrative guidance to enhance their international competitiveness, controlling foreign exchange and trade, and limiting foreign imports to protect domestic industries. The developmental state depended on the nationalist objectives of the bureaucracy, which included mercantilistic export-led industrialization (through effective state guidance and planning) and rapid economic development. These features are correctly pointed to by Johnson (1982) as the key ingredients of Japan's rapid economic growth.

In the developmental state system, the bureaucracy maintained an alliance with business and the ruling party (the Liberal Democratic Party or LDP). The bureaucracy maintained extremely close relations with the private sector through supervision, guidance, and assistance, as well as through a system called *amakudari* (descent from heaven) in which retired bureaucrats from the bureaucracy obtained top management positions in the private sector. The bureaucracy also was able to maintain close ties to the LDP, the permanent ruling party, as many bureaucrats became LDP politicians after retirement. In this system, business, the bureaucracy, and the LDP formed an alliance, often referred to as the "iron triangle," to protect and further each other's interests.

Civil society was excluded from this iron triangle. During the developmental era, rapid economic growth became the central goal of the alliance, while things viewed as unrelated or detrimental to economic growth, such as workers' rights, social justice, and human rights, were downplayed. The majority of citizens, though excluded from the developmental alliance,

accepted the role of the iron triangle in economic development, believing that the trilateral arrangement produced sound economic policy and

growth.

However, public sentiment toward the developmental alliance has changed greatly since the late 1980s. Due to political, economic, and cultural crises taking place domestically and globally, state authority has crumbled. Societal dissatisfaction with the state has reached an unprecedented level. Accordingly, the once subordinate civil society has become defiant, challenging state authority. NGO activists, once marginalized in Japanese society as political radicals, have increased their profile on the political scene. At the same time, civil society—state relations have evolved from mere confrontation to a combination of confrontation and cooperation. Civil society actors have found shared goals with state officials and have begun to cooperate with the state, when necessary, on equal terms.

Japan's Official Development Assistance (ODA) policy reflects most clearly the demise of the developmental state and the changing relations between the state and NGOs. Unlike the United States—where foreign aid is a peripheral political issue—in Japan, ODA is the central foreign policy issue facing the government and the public. Since 1991, Japan has been the largest single aid donor in the entire world, in spite of having an economy only 60 percent as large as that of the United States. With no military bases abroad and without having sent soldiers to war since 1945, Japan has used overseas aid as its principal mechanism for gaining economic and political influence around the world.

ODA is an important policy arena not only for the state but also for Japanese NGOs, many of which provide financial and technical assistance to the developing world. Japanese NGOs also work to change state ODA policies to respond to the needs of the poor in aid recipient countries, as well as to educate the Japanese people, through community activities and educational programs, or the interconnectedness between Japan and the developing world. Japanese NGOs are more involved in ODA policy issues than in any other foreign policy issue in Japan.

This study focuses on Japanese NGOs involved in ODA reform efforts, to examine how political, economic, and cultural change has led to increased influence of NGOs, fragmentation of power, and changed state—civil society relations in Japan. Specifically, the study address the following questions:

1. What are the political, economic, and cultural or social factors—both within Japan and globally—that have contributed to the demise of the developmental state and the rise of NGOs?

- 2. How do NGOs exercise their influence, in contention and cooperation with the state, on foreign aid and international development issues?
- 3. How have state—NGO relations been changing? What are the implications of NGO involvement for understanding the nature of state—civil society relations in Japan? How has this changing relationship been exemplified in Japan's ODA policy?
- 4. What do the two concurrent phenomena—increased NGO involvement and the decline of the developmental state—mean for Japanese politics? Do NGOs contribute to or hamper the consolidation of Japanese democracy?
- 5. What are the implications of the demise of the Japanese developmental state for Japan and the world, especially East Asia?

The changing state-civil society relations in Japan reflects economic, political, and sociocultural changes brought about by globalization and industrialization. Both phenomena have dramatically influenced every aspect of Japan's political economy. The impact of globalization is ubiquitous in Japan's political, economic, and cultural spheres, and in each of these spheres the fundamental crisis of the Japanese developmental state is visible. The Japanese economy has become more integrated into the global economy, a process that has weakened the developmental alliance of the bureaucracy, the business, and the LDP. As Japanese firms have become more global, they no longer need state protection. Politically, the end of the Cold War has weakened the power of the LDP, forcing the party out of power in 1993-1995. And, through increased global contact, Japanese NGOs have been influenced by international movements for human rights and sustainable development and have developed new organizational and political skills. Globalization has thus provided political space to citizens' groups that were previously marginalized from the developmental state system.

Meanwhile, on the domestic front, Japan's rapid industrialization similarly brought about dramatic social changes. On the one hand, improved living standards led the Japanese to think not only of their daily survival but also about the welfare of the disadvantaged within Japan and throughout the world. On the other hand, overly close ties between the state and private sector eventually resulted in corruption and economic downturn. Public frustration over these problems prompted citizens to organize against the dominance of the political and economic elite in policymaking processes. The legitimacy of the developmental state—which had primarily rested on economic growth and accumulation of national wealth—crumbled.

This book analyzes the nature of state—civil society relations in Japan as exemplified by the cooperation and contention between NGOs and the bureaucracy, especially the Ministry of Foreign Affairs (MOFA), the key ministry in charge of ODA and the main contact agency for NGOs interested in ODA. In the book, I challenge the Western scholarly and journalistic focus on the oppositional role of NGOs against a resistant state. By demonstrating both the cooperation and contention between the state and NGOs, in the context of broader international factors and forces, I attempt to convey a more nuanced understanding of how the role and authority of the state has evolved in the global era.

The growing influence of NGOs in Japanese policy making can be analyzed in the framework of pluralization. Pluralism is not a new concept for describing Japanese politics, but I use the term more broadly than others do. Since the 1980s, an increasing number of scholars have pointed out growing pluralism on the Japanese political scene, refuting a once popular but outdated notion of Japan as a unitary state, that is, the notion that Japan is exclusively ruled by the bureaucratic elite in close collaboration with the allegedly subservient business actor. However, almost all of the attention to nonstate actors has been devoted either to businesses or "special interest groups" organized around economic interests (e.g., farmers' associations; see, for example, discussion in George, 1988; Mulgan, 2000). This book seeks to move beyond simplistic notions of Japanese politics focusing exclusively on the role of bureaucrats and businesses. By focusing specifically on the impact of NGOs and their role in policy making, I hope to contribute to a better understanding of pluralism in Japan today.

This study also attempts to unravel the myth of Asian civil society and democracy. Many influential writers such as Samuel Huntington (1993) argue that civil society is a Western phenomenon and ill-suited to Confucianist East Asia. However, as this book demonstrates, it is misleading to think that East Asians remain deferential to state authority and will not develop a vibrant civil society critical of state power. On the contrary, civil society and democracy are influenced by both globalization and industrial maturity, rather than being based on supposedly unchanging civilizational values (see Cumings, 1999). People in the region have become increasingly defiant against state authority, despite the myth of Asian cultural deference to hierarchy. Indeed, the concept of "Asian values" is conveniently used today by a few regional leaders who wish to hold on to power by discouraging citizen activism in their countries.

The erosion of the Japanese developmental state has important implications for other East Asian countries in which leaders often perceive the