Chapter VII

Soft Aid Policy: Development, Shortcomings and Role of Japanese Non Governmental Organisations

The main objective of this chapter is to understand the historical development of civil society and Non Governmental Organisations (NGOs) in Japan, their strengths and weaknesses, NGO advocacy and activism, mobilising public opinion, influencing government decisions, and their role in "soft aid" policy formulation and implementation.

One of the most significant developments in the world today is the rise of civil society and its influence on state policy. NGOs are one such source of the power of citizens. Scholars view the expansion of NGOs as a global phenomenon.

Japan has seen the emergence of civil society activism characterised by transnational NGOs working on international development and foreign aid issues. There has been an explosion of such groups in the last two decades. Although such development is relatively new in comparison to Western and other developing societies, it undoubtedly has important implications for world politics. After its defeat and destruction in World War II, Japan experienced huge economic development and prosperity in the 1950s-1970s and emerged as the world's second largest economy. However, its economic might began to disintegrate due to collapse of the bubble economy in the early 1990s. It is precisely since then that NGOs have increasingly become prominent in the political and economic sphere. The growing NGO movement reflects changing relations between the state and civil society in Japan. Japanese people are no longer inhibited from protesting against state policies or demanding social justice as is evident from many examples. They are setting-up NGOs to press their demands and the state is also showing greater respect to their views.

Political, economic and cultural crises taking place inside and outside Japan, caused the state authority to crumble. Societal dissatisfaction with the state reached an unprecedented level in the 1990s. As a result, the once subordinate civil society became defiant and started challenging the state authority. NGO activists, once marginalised in Japanese society as political radicals, got an opportunity to increase their profile on the political front. At the same time, civil society-state relations
evolved from mere confrontation, to a combination of confrontation and cooperation. Civil society actors found shared goals with state officials and began to cooperate with the state, and on equal terms when necessary,

ODA is not only an important policy arena for the state but also for Japanese NGOs. Many of these provide financial and technical assistance to developing countries. They also work to change state ODA policies to respond to the needs of aid recipient countries. They not only educate the Japanese people through community activities and educational programmes, but also play an important link between Japan and the developing world. Japanese NGOs are more involved in ODA policy issues than in any other foreign policy issue in Japan.¹

**Civil Society and NGOs in Japan:**

The term 'civil society' has been defined differently by different scholars. Diamond (1999:221) defines it as follows: *Civil society is the realm of organised social life that is voluntary, self-generating, (largely) self-supporting, and 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.*

In addition to these features of being voluntary, self-generating, rule abiding and distinct from parochial (i.e., individual and family life and inward-looking activities such as entertainment, recreation, and religious worships), economic (i.e., profit-making individual business firms), and political societies (i.e., the party system) - 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).

Despite these exclusions, civil society encompasses a great range of citizens' organisations. Diamond (1994) lists various types of civil society organisations. These are generalised categories but are also relevant to Japanese civil society:

1. Economic Associations (productive and commercial organisations and networks);
2. Cultural Groups that promote collective rights, values, faiths, and beliefs (religious, ethnic, and communal organisations);
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 organisations 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 organisations);
7. Civic groups designed to improve in nonpartisan fashion the political system through human rights monitoring and voter education; and
8. Organisations and institutions that promote autonomous, cultural and intellectual activities ("the ideological market place") (Diamond 1999:223), including independent mass media and publishing houses, universities and think tanks, and artistic associations and networks such as theatres and film production groups.

Japanese NGOs engaged in efforts to improve Japanese ODA belong to some of these categories as listed in 3, 5 and 6 above.

Defining Japanese NGOs:

It is important to clarify the definition of NGOs in Japanese context and distinguish among the different categories of Japanese civil society organisations. The term NGOs is conceptually vague, but is generally used to refer to almost any non-profit making non-governmental group. In Japan, however, this term has a much narrower definition. NGOs refer to nonprofit organisations in Japan engaged in overseas aid programmes, such as development aid and emergency relief. They are
voluntary, nonprofit, self-governing, nonpolitical (i.e., whose primary goal is not promoting candidates for electoral office), and no proselytising organisations engaged in international affairs. By a standard Political Science definition, these groups are International NGOs (INGOs) but this term is rarely used in Japan.

The term nonprofit organisation (NPO), in contrast, usually refers only to nonprofit organisations that are engaged in domestic activities in Japan (Japan Centre for International Exchange 1996). NGOs are involved with ODA activities while NPOs are not. Japanese NGOs consist of two distinct groups: incorporated associations (hojin) 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.2

**Historical Development of Japanese NGOs:**

The history of Japanese NGOs is a recent phenomenon. While many Western NGOs emerged in the 1940s and 1950s in order to assist European rehabilitation after World War II, most Japanese NGOs, especially unincorporated associations, were started in the 1980s and 1990s, almost half a century later. One of the main reasons of this late development is believed to be the Confucian doctrine by many experts, which penetrated deep into the psyche of Japanese people and society until 1980s when the country experienced huge economic prosperity and there was no place for the emergence of civil society. 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 the 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-centredness. Minority views were usually not tolerated in the conformity-centred 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. Similarly, the Confucian

2 Ibid, pp.11-12.
value of 'order and stability' also seemed 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 organisations. In the developmental era, Japanese workers represented an extremely disciplined, selfless labour force. They worked diligently and willingly spent much longer hours at work than their counterparts in other industrialised countries. Devotion to one's work and self-sacrifice became a social norm. An individual 'salary man' became a selfless kigyo senshi ("corporate warrior") or moretsu-shain ("zealous employee") who completely sacrificed his private life—i.e., his family, hobbies, and leisure—and made work the priority in his life. In the developmental culture, a notion of civil society, based on the concept of individual rights and liberty, was not on people's minds. Some other Japanese cultural—but non Confucian-aspects strengthened the developmental state by discouraging citizen activism while encouraging people's dependence on the government. The uchi (inside)-soto (outside) concept discourages the Japanese from giving assistance to those who do not belong to their groups (usually the family or immediate neighborhood). Ideologies like ie ("familyism") and filial piety also reinforced the traditional belief. Unlike Western and some developing countries, Japan does not have Christian evangelical tradition based on volunteerism and charity. Although Japan has three percent Christian population, these values 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.

The developmental state which brought about enormous economic success in Japan was eventually eroded by two mighty forces. One internal, a 'maturation of industrialisation' that weakened the need for a developmental system and the second force was a 'process of globalisation'. These two forces have together brought about profound structural changes in Japan, contributing to the rise of Japanese civil society.

A) Impact of Globalization:

In Japan, globalisation has challenged the structure of corporate-state cooperation as well as the traditional values that buttressed the developmental state. First, Japan's economic rise and integration into the world economy placed the Japanese state in a position of greater accountability to global norms and demands.
Globalisation also led to liberalisation of the Japanese economy. Global pressure to open up the Japanese market weakened state support for Japanese businesses and eroded the close state-corporate relationship. Japanese bureaucracy was forced to gradually lift its grips on the private sector and to retreat from the market. **Second**, forces of globalisation have been influencing cultural values and norms throughout the world, including Japan. As the world has become more interconnected in terms of global information, technologies, media, transnational migration, tourism, overseas education, services etc., new values and norms have been embraced. Realising the interconnectedness of societies beyond national boundaries, people converge around shared values and norms across diverse cultures and think of their behaviour in aggregate terms (Rosenau 1997). **Third**, globalisation also weakened traditional values and belief systems. For example, the Confucian cultural values of social hierarchy and conformity are losing their grip on increasing numbers of globally influenced, independent minded people in Japan (Larimer 1999). **Fourth**, globalisation also influenced the way state leaders perceive the world. In the case of ODA, MOFA officials acquired new ideas and approaches to development from the international community. Since 1980s, NGOs have increasingly been considered as the core of government aid programmes to provide small-scale assistance to the needy in the developing world (OECD 1992). MOFA gradually understood the importance of integrating NGOs into Japan’s aid programmes and started working with Japanese NGOs.

**B) Maturation of Industrialisation:**

It has contributed to a new tendency among Japanese people. ‘Catching up with the West’ is no longer the national goal today. Many believe that Japan’s new generation is searching for non-material aspects, in their everyday existence. While the older generations of war-time Japan were more concerned about economic advancement, social security and law and order, the priorities of the younger generations appear to be somewhat different. Having grown up in prosperity, the younger generation, is paying more attention to post material goals of social equality, self-expression, personal freedom, and the quality of life. They do not value self sacrifice in the same way their parents’ generation did for the sake of their firms and the nation. The younger generation does not want to work more than eight hours a day because they are equally concerned about their freedom, hobbies and travel. Some
choose to become *friita* (freelancers) with flexible work hours, even though they have to compromise their income for this freedom. Moreover, the exclusiveness of the developmental alliance among 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 came to know about a series of corruption cases involving the nexus between politicians-businessmen-bureaucrats.

Thus, the weakening of the state and corporate sector opened a broader involvement of NGOs. NGOs are seen not only as less corrupt but more legitimate and trustworthy too. The reduction of aid budget due to recession, created a demand for the deployment of cost-effective grassroots organisations in aid. This has created important political space for NGOs, which are seen as more capable of implementing community-based aid.

At the same time, two important incidents directly stimulated the expansion of NGOs. The first incident was the "Indochinese Refugee Crisis" in the late 1970s and early 1980s and the second incident was the "1995 Hanshin (Kobe) Earthquake". While the first incident had a limited impact on Japanese society, as the Japanese population was not yet fully prepared for social activism, the second crisis had a tremendous impact on Japanese civil society.

Due to the Indochinese Refugee Crisis, the first rapid expansion of Japanese NGOs began in the late 1970s and early 1980s. The mass media, particularly television, appealed to the Japanese people 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 youths to take action to provide assistance. These youths were concerned about the impact of the Vietnam War on the people of Indochina and wanted to do something to help the refugees. Many travelled to Southeast Asia. It was said to be a 'historical experience' (Matsui 1990:215) of ordinary citizens - students, doctors and nurses - to cross the national border for the first time, to offer volunteer assistance to other people. Pioneer Japanese NGOs like the Japan International Volunteer Centre (JVC) and the Japan Sotoshu Relief Committee (JSRC) emerged from the Thai border camps. Japan Red Cross Society (JRCS) and the Association to Aid Refugees (AAR, 1979) also helped the refugees. These NGOs now provide assistance in areas such as environmental...
protection, agricultural development, social welfare, primary education, poverty alleviation and natural disasters.

NGO activities were gradually becoming more globalised although Asia was still the favourite region for them. Aid to Africa increased in 1990s and a number of NGOs expanded their agricultural, educational and social welfare projects in that continent. Latin America (e.g., Bolivia) and the Middle East (e.g., Palestine) also received their attention and JVC in particular, launched its projects. In addition to the diversification of Japanese NGO activities, the composition also changed over the years. During the Indochinese Refugee Crisis in 1970s-80s, NGOs activists were university and college students but after 1990s housewives and retirees, along with students began to participate as volunteers and full-time workers. Some dissatisfied company employees after quitting their jobs also joined them. The opening of international NGOs (INGOs) in Japan reflected the growing interest and support of Japanese people for international aid, development and environment protection. Among these, Save the Children Japan (established in 1986), Care Japan (1987), World Vision Japan (1987), Greenpeace Japan (1989), Medecins sans Frontieres Japan (MSFJ; 1992), Oxfam Japan (1999) have been important in this context. 3

Apart from the Indochinese Refugee Crisis of 1970s-80s, Japanese civil society was tremendously mobilised in the mid 1990s, due to the Great Hanshin (Kobe) Earthquake of 1995. This tragedy killed more than six thousand people and made 30,000 homeless. The Japanese government could not react to this tragedy swiftly and failed to mobilise resources quickly. The international governments and organisations also failed in delivering emergency assistance. But more than 1.3 million individuals and volunteers immediately rushed to help the victims with much-needed food, medicines, and supplies. The earthquake became "a watershed event for the development of a civil society in Japan" (Japan Centre for International Exchange 1996), fuelling intensive discussion on the role of civil society and creating a broader awareness of the need to foster citizens' groups. This tragedy became a catalyst for both the growth of pre-existing citizens' groups and the launching of many new groups. Since then, many NPOs, engaged in earthquake relief operations, have expanded to other projects such as international aid, development, education, and environment protection.

3 Ibid, p.33.
Finally, increasing global environmental issues have also encouraged Japanese NGO activities. Approximately 350 Japanese individuals participated in the NGO meetings in the United Nations Conference on the Environment and Development (UNCED) held in Rio de Janeiro in 1992. For the first time, so many Japanese NGOs participated in any international conference outside Tokyo.

In the last two decades, the NGOs, devoted to international aid and development, have expanded enormously. In 1980, only 59 NGOs were enlisted in the directory of Japanese NGOs engaged in international cooperation, which was compiled by a Japanese NGO network. In 1993, the number reached 290 and in 1996, 368. (Japanese NGO Centre for International Cooperation 1994; Saotome 1999). As most Japanese NGOs were unincorporated (undocumented) and not registered with the government, the exact number was subject to pure speculation and there were many more beyond those listed in the directory.

NGOs have acquired global norms (e.g., human rights, sustainable development), skills, knowledge and information and they became more assertive in demanding aid reform also. Furthermore, MOFA 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. Moreover, fiscal deficits after 1990 forced the government to cut-down aid budget and to shift emphasis from 'hard aid' to "soft aid". "Soft aid" is labour intensive and considered to be more cost-efficient than hard aid. Implementation of the "soft aid" policy has made it necessary for MOFA to reach-out to NGOs because the Ministry and JICA lack enough personnel for its aid implementation. Furthermore, MOFA has faced one more problem related to infrastructure aid programmes. A number of corruption cases involving the nexus between politicians-bureaucrats-corporate came into the limelight in the 1990s. Seen as the breeding ground of corruption, infrastructure projects have been the target of domestic and international criticism. Thus, MOFA has found it necessary to emphasize "soft aid" with the involvement of NGOs to win public approval of Japanese ODA (Hirata 2002:36-38).

This outstanding growth of NGOs brought forth a new, potentially powerful and vibrant civil society in Japan which was beginning to influence the decision making of Japanese ODA. They became one of the main engines in Japan’s ODA
reform movement. Many of them 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 sphere, they advocate aid programmes that address human, environmental, and social concerns in the developing world. The growing influence of these NGOs bears significant implications for the state-NGO relationship and ODA policy. State officials now take the NGO movement more seriously. It has provided a place for the state-NGO dialogue and a new role for Japanese NGOs in helping shape its ODA policy. As the Japanese NGOs have become more diversified and fragmented, they have also become more influential and dynamic. They represent a wide range of interests, activities, and perspectives on international aid and development.

Since the end of the cold war in 1989, bilateral and multilateral donor agencies have pursued a "New Policy Agenda". This agenda gives renewed prominence to the roles of NGOs and grassroots organisations (GROs) in poverty alleviation, social welfare and the development of civil society. 4

**Limited Role of Japanese NGOs in Japan’s ODA Programme:**

Japanese NGOs have limited access to Japan’s ODA activities. Compared to Western aid donors’ ODA, the greater part of Japan’s foreign aid is distributed through governmental agencies. In 1993, Japan disbursed only 1.2 percent of the total foreign aid through Japanese NGOs, while major Western aid donors allocated NGOs from 20 percent to 25 percent of their total foreign aid funds (Fujisaki et. al 1996/1997: 531). Hirata (1998: 329) argues that Japanese NGOs are still small in size and mainly work on small-scale development projects, such as agriculture, health and education projects. 5 Only two Japanese NGOs – the Japan International Volunteer Centre (JVC) and the Organisation for Industrial, Spiritual and Cultural Advancement (OISCA-International) -are engaged in social development and welfare activities in developing countries.

Despite these facts, there have been two notable cases when Japanese NGOs were able to influence Japan’s foreign aid policy. Two NGOs, *The Japan Negros*
Campaign Committee and the Reconsider Aid Citizen’s League, advocated the cause of recipient countries through the mass media. The Japan Negros Campaign Committee was organised in 1986 by the Waseda University Professor Nishikawa Jun at the time of the Marcos scandal in the Philippines. This NGO drew attention to and criticised the fact that no direct assistance was actually extended to the people of the Philippines. Professor Nishikawa told the Philippines press that his objective was to redress the imbalance of Japan’s ODA (Arase 1995: 116). The Reconsider Aid Citizen’s League (REAL) was established by the Sophia University Professor Yoshinori Murai in 1986. Arase (1995: 116-117) points out that REAL was the first grassroots organisation in Japan dedicated exclusively to the cause of changing Japan’s ODA policy orientation. Professor Murai repeatedly exposed cases of ODA failure and corrupt practices and called for ODA reform. He often appeared in the mass media to hold debates with government officials.

The effort of only two Japanese NGOs, however commendable, is not enough to change Japan’s ODA policy. As Arase (1995: 117) commented, “The activities of the abovementioned NGOs have been significant in terms of spreading the awareness of Japan’s ODA shortcomings, but they have been unsuccessful in doing more than eliciting government pledges to improve policies.”

Cooperation between Japanese NGOs and the Japanese Government:

A veteran NGO activist, Michiya Kumaoka, notes that the MOFA is becoming increasingly aware of the Japanese NGOs’ potential. The ministry’s position in charge of foreign affairs allows it to be well informed about ODA projects of other countries, which to a large extent, are carried out by local and international NGOs. However, Kumaoka recognises that the MOFA is an exceptional case within Japanese bureaucracy; other ministries have not reached this level of awareness (Nikitina and Furuoka 2008).

Collaboration with NGOs includes a collaborative dimension involving the utilisation of NGO personnel, know-how and other resources for ODA project implementation purposes. The Japanese government has stepped-up its ODA policy and implementation related dialogues with NGOs in a variety of forums, including the

---

6 There are two important policy initiatives to reform the Japanese aid policy. The first one is to engage the NGOs into the government-dominated aid implementation process. The other one is to implement aid sanctions against foreign aid recipient countries. Overall evaluation of Japan’s aid sanction policy, see Nikitina and Furuoka (2008b)
NGO-MOFA Regular Meeting, NGO-JICA Meeting, and dialogues with NGOs on the Global Issues Initiative on Population and AIDS (GII). Joint evaluations by NGO and MOFA personnel (Bangladesh in 1997, and Cambodia in 1999) are among the accomplishments of such dialogues.

The NGO subsidy framework is one of the mechanisms through which the government supports NGO undertakings in the aid field. It was inaugurated with a budget of 110 million JPY in FY 1989. The Japanese government, in FY 1998, disbursed 788 million JPY in subsidy funding to 111 NGOs for a total of 185 projects in 46 countries and regions. It was disbursed in the fields of human resource development, environmental conservation, healthcare and sanitation and other fields. Several Japanese NGOs took the initiative in providing emergency humanitarian aid to thousands of Kosovo war refugees in March 1999. The Japanese government, in order to support their efforts, later decided to allow the NGO subsidy framework to be utilised on a more flexible basis. Further, the government also offered financial support to help Japanese NGOs.

In 1989, in order to fortify the financial base of a wide range of Japanese NGOs, the MOFA introduced the “Subsidy System for NGO Projects (SSNP)”. According to the Basic Facts on Japan’s ODA, this scheme was primarily designed to support humanitarian development projects in developing countries and small-scale projects that are more difficult for ODA to reach (MOFA 1994b: 32-33). The MOFA constantly expanded the budget for the SSNP. In FY 1989, the budget amounted to ¥ 112 million (US$ 0.81 million), in FY 1993 it increased three-fold to ¥ 340 million (US$ 3.06 million), and reached ¥ 1.2 billion (US$ 11.08 million) in FY 1997 (Saotome 1997). MOFA’s Project Subsidy Scheme (SSNP) is available to NGOs without legal status but they must

- Have the aim of giving development assistance to developing countries as their main purpose;
- Have an office in Japan;
- Implement projects by sending Japanese staff to the recipient countries;
- Have more than 2 years experience in project work;
- Have an annual budget of more than 1 million JPY (in 1997) for project provision; and
Have management capacity.

These subsidies are for small-scale NGO projects that cannot be assisted through government ODA and those that contribute to humanitarian objectives or socio-economic development, or both. The projects cannot be supported through other official funding, such as GAGCP (Grant Assistance for Grassroots Cooperation Projects [MOFA]) or POSIVA (Postal Savings for International Voluntary Aid [MOPT]). The subsidy is for one year projects and must be implemented by Japanese staff. The NGO must re-apply if it desires funding for a second year. This stipulation, combined with a lack of support to NGOs for multiyear projects, often means that the NGO can only use the subsidy for short, simple projects because the programme gives too little time to develop human resources and institutions. This is because the disbursement must be completed in the year it has been approved. The actual approval of the subsidy may occur several months after the NGO has applied for it, leaving about 6 months for the NGO to spend the money. The areas covered include agricultural and fishing-village development, human resource development, women’s self reliance, health and hygiene, medical care, local industry improvement, environmental conservation, transportation of private aid goods, integrated local development, seminars and workshops on development cooperation techniques and the dispatch of volunteers.

To receive the subsidy, the NGOs have to submit application to MOFA and the request is usually approved within a few months. After this procedure, the NGOs can make a request for advance payment, or it can pay for the project first and request reimbursement later. In either case, after the completion of the project, the NGOs have to submit a project-completion report to MOFA, which then decides the exact amount of the subsidy. If the NGOs have received an advance greater than that amount, they are required to return the excess. As with project completion itself, the settlement of all related accounts must be completed by the end of the fiscal year. The subsidy is provided and managed by MOFA, which established the NGO Assistance Division in 1994.

Through funding from MOFA, GAGCP of as much as 10 million JPY per project can go directly to organisations operating in a developing country, including local governments, research institutes, hospitals and NGOs operating in a country. Grant aid is provided only to organisations with staff or an office in the recipient
country. The aid must be used for 1-year projects. The projects must effectively reach the grass-roots level. BHNs should be implemented with the participation of local people, and not be funded by any other of the Japanese government’s financing schemes. The aid is used mainly for the construction of facilities or the provision of equipment procured locally. According to Ms Shizawa (1998), Japanese NGOs with or without legal status are eligible, but their participation has been limited. In 1993, Japanese NGOs received only 1.2 percent of the total, whereas local NGOs received 49 percent and international NGOs 11 percent. Asia and Africa were the major recipients and the funding scheme has been very popular locally in the recipient countries. The emphasis has been on being small and being responsive to local needs. The Japanese embassy in the recipient countries administers the scheme.

Financial support given to NGOs for small-scale projects has been rapidly increasing. The Grant Assistance for Grassroots Projects, which is given to Japanese and non-Japanese NGOs and local governments, has grown from 300 million yen in 1989 to 1.5 billion yen in 1994. Three billion yen was budgeted for the fiscal year 1995, and 5 billion yen was requested for 1996. The NGO subsidies, which are only available to Japanese NGOs, have also increased from 110 million yen in 1989 to 540 million yen in 1994. However, some NGOs complain that the rigid regulations for grant administration are not meeting real needs. For example, funds can be used only for capital costs such as construction and equipment, but not for personnel and other recurrent costs. An NGO cannot use grant funds to cover the costs of social workers, who play key roles in community development projects. In addition, if a project involves both men and women, the project cannot be qualified as a WID project, even if its objective is to promote women's status in the community. In fiscal year 1997, GAGCP accounted for 1.9 percent (5 billion JPY) of Japan’s total grant aid budget.

The example MOFA set in the establishment of subsidies for NGOs has been followed by other ministries. MOPT (Ministry of Posts and Telecommunications) created POSIVA (Postal Savings for International Voluntary Aid) in 1991; MAFF (Ministry of Agriculture, Forestry and Fisheries) started its subsidy scheme in 1989; MOC (Ministry of Construction) in 1992; and MOHW (Ministry of Health and Welfare) in 1995.

---

Subsidy Schemes of MAFF, MOC and MOHW:

In her thesis, Ms Shizawa (1998) referred to the subsidy schemes of three other ministries, MAFF, MOC, and MOHW, as mainly aimed at the dispatch of experts and manpower development of Japanese NGOs and are available for the NGOs that do not have legal status. The three schemes are administered by public interest corporations established by each ministry. In the MAFF and MOC programmes, NGOs have to pay a portion of the subsidies received, one fourth or one third of the total subsidy per project respectively, to these administrative corporations as administrative fees. Ms Shizawa indicated that in 1993, the Environment Agency initiated the Global Environment Fund. The Fund provides financial and technical assistance to environment conservation projects by Japanese or foreign NGOs. In the 1995 fiscal year, 650 million yen was disbursed to 164 projects. Among them, a total of 440 million yen was disbursed for 94 projects in developing countries.8

The above analysis presents a mixed picture of the current situation of Japan's ODA policy. The strengthened government support to NGOs is certainly a new and a positive change. Since most of the projects carried out by NGOs are “soft aid”, nurturing them will result in the promotion of “soft aid” along the policy line that the government is pursuing. However, a mere increase in financial resources spent on new categories of aid, such as the environment and AIDS, does not mean “soft aid” promotion in each area. In fact, when high targets are set, large-scale projects are often favoured by ODA administrators because of their large contribution to the targets, leaving small-scale, “soft aid” type projects ignored. In the following section, constraints which prevent these emerging ODA policy directives from being implemented are discussed in brief.

New Forms of Assistance for NGOs:

Although the subsidy framework for NGO activities has taken root, there have been increasing demands for measures to satisfy the various needs of NGOs for assistance, especially in terms of reinforcing their organisational structure and preparing for aid operations. The Japanese government, in FY 1999, responded by introducing a number of measures with the objective of helping NGOs to establish the

8 M. Shizawa, “Japanese Official Development Assistance: Role of Non-governmental Organizations”, (Norman Paterson School of International Affairs, Carleton University, Ottawa, ON, Canada, 1998) p.52.
infrastructure required for their activities. One of these measures is a new “consultant framework”. This framework assigns consultants to NGOs in Japan and enables the provision of various consulting services with a bearing on NGO activities. Consultants provide their services both to NGOs and the general public. They also discuss a wide range of topics related to NGO operations. The government also provides aid for study seminars organised by NGO personnel for the purpose of discussing and finding solutions to problems in NGO management and operations. Another undertaking is a research scheme that involves recruiting postgraduates from development-related graduate school programmes, as well as, young professionals who aspire to the field of international cooperation. The young professionals are not only recruited but also engaged in actual NGO projects and they provide suggestions and recommendations on future NGO formats or modalities.

Grant Assistance for Grassroots Projects:

Furthermore, in 1989, the MOFA introduced the “Small-Scale Grant Assistance (SSGA)” to support local NGOs in aid recipient countries. The amount of aid per project was set at ¥ 5 million (US$ 36.23 thousand). The ministry explained that the SSGA was designed to support projects that were difficult to reach within the existing frame of bilateral grants given by the Japanese government. A special characteristic of the SSGA was that Japanese overseas missions (embassies and consulates) were in charge of screening the feasibility of the proposed projects since the overseas missions were well informed about the situation in foreign countries and were aware of the needs of local communities. Also, they were capable of processing requests for assistance more rapidly (MOFA 1994b: 34).

These projects are implemented by NGOs, local governments, and research and healthcare institutions active in developing countries. Japanese overseas diplomatic missions take the responsibility of its supervision and it has contributed to promotion of national involvement in and visibility of Japanese aid. The largest amount of funding goes to primary education and research fields followed by projects in the areas of health and medical care, social infrastructure and environmental conservation. The demand for grassroots grant aid has diversified over the years. The government needs to strengthen its frameworks for implementation through
collaboration with local NGOs. Grant assistance for grassroots projects have been appreciated inside and outside Japan. In FY 1998, Japan extended 700 million JPY (12% of the total for grassroots project grant assistance) for 132 environmental projects. Moreover, 60 million JPY was also disbursed to subsidise 15 NGO-led projects in reforestation, assignment of experts and other environmental protection related areas. One of Japan’s efforts under the Japan-US Common Agenda has been to provide grant assistance for grassroots projects for US NGO-led projects in environmental conservation (e.g., the “Parks in Peril” programme). In Panama, Japan has helped in a project to establish an international centre for environmental education. This area has been afflicted by chronic water shortages attributable to local forest depletion and a subsequent deterioration in the water retention capacity of the soil. The centre takes the responsibility of promoting sustainable forms of development near the Panama Canal. It is believed that ownership would be significant to the solution of environmental problems. Therefore, providing assistance for voluntary activities by NGOs and local citizens can be expected to have benefits in the direction of fostering a heightened awareness of environmental issues. It is also considered to be essential for boosting local capacity to address and counter environmental strains.10

The SSGA is a very significant innovation in Japan’s ODA programme. As Orr (1993b: 52-53) points out, in Japan, contrary to the US practice, screening of ODA projects is conducted only by the Tokyo-based ministries. However, the MOFA’s idea to give part of this authority to overseas missions was well accepted by the MOF that approved funds for this scheme. Orr also notes that the Japanese government introduced the SSGA scheme in response to criticisms that Japan’s ODA benefited only Japanese companies.

In 1994, in order to allow a more active participation of Japanese NGOs in aid activities, a special “NGOs Assistance Division” was set up within the MOFA under the Economic Cooperation Bureau. Japan’s ODA 1994 offers the following rational for the creation of the division, “A new division in-charge of NGOs and other private aid activities, NGOs Assistance Division, was created in the recognition that the need for greater consistency and coherence in the planning, formulation and

---

implementation of the government-NGO cooperation policies and government support measures for NGOs has increased in view of the increasing attention that the NGOs have come to receive from Japanese people in recent years” (MOFA 1994a: 225-226). Saotome (1997) suggests that the lack of officers in the MOFA in charge of NGOs-related issues could be another reason why the new division came into being.

Hirata (1998: 329) observes that since 1996, the government and Japanese NGOs have held regular meetings to discuss government funding for NGOs and some other related issues. According to Japan’s ODA 1996, “In April 1996, NGOs-MOFA Quarterly Meeting was established for the purpose of exchanging views on ways to promote government-NGOs collaboration. Through such an exchange of opinions with NGOs, the Ministry is ready to further improve its NGO support mechanisms” (MOFA 1996: 78).

Postal Savings for International Voluntary Aid (POSIVA):

Banking services are provided at more than 24,000 postal offices and banking at the post office is a normal practice throughout Japan. MOPT in 1991 started the Voluntary Deposit for International Aid, which is now named POSIVA. The programme is based on the interest paid on ordinary deposit savings accounts at the post offices. Under the scheme, account holders could donate 20 percent of their after-tax interest earnings to POSIVA. As of November 1997, 23.76 million depositors had joined the programme, and in the fiscal year 1997, this programme generated US$ 8.5 million, distributed among 209 organisations for 239 projects (MOPT 1997). Based on advice from MOFA and JANIC, MOPT distributes the funds to citizen-led NGOs engaged in overseas assistance projects. It is recommended that NGOs raise 20 percent of the required funds for the project, but this requirement is not strictly enforced. MOPT solicits grant applications annually. The grant is provided in installments and if it is not implemented completely within one year, an NGO can get funding for multiyear projects, based on year by year approvals. The grants are used for such purposes as literacy programmes, informal education, women’s income-generation projects, construction of wells, medical and health projects, and environmental programmes. Ms Shizawa (1998) says that POSIVA has attracted more NGOs, especially small ones, than other government funding schemes. In 1997, applicant NGOs in POSIVA totalled 334, whereas those in MOFA’s NGO project-
subsidy programme amounted to 125. MOPT uses posters in post offices to inform the public of how the money is spent.\textsuperscript{11}

**Assistance through JICA:**

According to Ms Shizawa (1998), JICA's cooperation with NGOs can be traced to the 1980s. In 1983, JICA contracted OISCA (Organisation for Industrial, Spiritual and Cultural Advancement International) to train experts from developing countries. In the 1990s, JICA established its Joint Co-operation Promotion Office, with a mandate that includes collaboration with NGOs. JICA trains development project administrators in international cooperation skills and in co-operation with Japanese NGOs, accepts participants from developing countries for training. JICA dispatches experts from NGOs to participate in projects for which the participation of local residents is important (for e.g., primary healthcare, family planning, mother and child health). In some instances, the NGOs are responsible for training local people. NGOs are also increasingly playing roles in project formulation. An example of a joint project between JICA and an NGO is the Women's Vocational Training Centre in Bangladesh. JICA provides and maintains the training facility, and OISCA runs the training programme. All the NGOs involved in collaboration with JICA have legal status. As a government agency, JICA cannot contract with organisations without legal status.\textsuperscript{12}

**Issues for the Reinforcement of the Japanese NGOs' Role in Japan's ODA Programme: NGOs as Important Actors**

Throughout the 1990s, the contributions of NGOs had been highly valued in the international community. NGOs started playing a larger role in the global community when disputes transformed from international to intra-national. Governments were reluctant to interfere with the civil wars unless required, for the fear of breaching UN charters on domestic interference. NGOs, however, were able to work through their own networks without that fear (Donowaki 1999:27-28).

\textsuperscript{11} Micheline Beaudry Somcynsky and Chris M. Cook, "Japan's System of Official Development Assistance", Profiles in Partnership, Number One, (International Development Research Centre, Ottawa, ON, Canada, 1999), pp. 127-130.

\textsuperscript{12} Ibid, p.132.
Today, Japanese NGOs enjoy greater influence in ODA policy making than even before. Several special strengths have won them domestic support and international recognition. The main strengths of Japanese NGOs are:

1. Their small size and flexible administration allow them to avoid the complex procedures and politics that slow government decisions. While the state machinery takes several years to launch a new programme, Japanese NGOs can initiate any project with greater speed and ease.

2. They enjoy good reputations. They are highly dedicated despite their low salaries. Therefore in the public eye, they enjoy a selfless and sincere image more than politicians and bureaucrats do. Even in many Asian countries where the Japanese government does not have a positive image due to its war time expansionist policies, these NGOs are seen as the human face of Japan. The fact that virtually no Japanese NGOs are affiliated to proselytising religious groups, also eases fears in recipient countries.

3. They have excellent grassroots ties and networks. It provides them a familiarity with people, their customs, language, and conditions that are not available to state officials.

4. NGOs can take flexible and quick actions in case of emergencies such as disasters and famines.

5. NGOs can implement experimental aid programmes, which could facilitate introducing new approach for development.

6. NGOs can participate in small-scale development projects, respond efficiently to various needs, and implement cooperation activities with high cost effectiveness.

7. The activities of NGOs can enhance people's understanding of economic cooperation through the involvement of people in aid activities.

8. Some NGOs possess accumulated experience and ability in certain fields and regions and have better knowledge of local conditions. (MOFA 1989)

Due to the above strengths, the Japanese people and the government have come to realise their potential to play a constructive international role in addressing important issues that the government itself cannot adequately address. The Japanese government has made some progress in engaging Japanese NGOs in its aid
programmes. However, there remain obstacles that prevent Japanese NGOs from active participation in Japan’s ODA policy.

1. Government schemes for NGOs need to be improved. Wakisaka (1996: 78-79) observes that the process of funds allocation to Japanese NGOs is not based on any system of measurement or any consistent standards. Instead, the decision as to which group gets funds and the amount of money granted, depends upon the discretion of an individual bureaucrat. In a similar vein, Ikegami (1996: 46) maintains that the implementation process of the SSNP (Subsidy Systems for NGO Projects) lacks transparency. Moreover, the screening process and choice of projects for SSGA (Small Scale Grant Assistance) funds, which is conducted by foreign missions, is also left to the individual’s discretion. Though the NGOs supporting schemes were designed to support aid projects implemented by Japanese NGOs all over the world, geographical distribution of funds is distorted. Thus, sixty percent of the projects subsidised under the scheme were carried out in Asia, while only five percent of funds were given to projects in Latin America (Ikegami 1996: 45). This distortion reflects Japan’s ODA distribution, which is heavily concentrated in Asian countries.

2. Lack of funds: A survey revealed that 80 percent of Japanese NGOs had an annual budget of less than US$1 million and experienced financial difficulties (Fujisaki et. al 1996/1997: 532). This lack of funds is another obstacle for the NGOs’ involvement in ODA programmes. Saotome (1997: 39) points out that as ordinary people and private companies in Japan have not yet come to realize the potential of NGOs, it is difficult for Japanese NGOs’ to collect donations or subscriptions. It has been suggested that Japanese NGOs do not get enough institutional support because of their short history (Ikegami 1996: 44). According to a survey, 60 percent of Japanese non-governmental organisations were established since the middle of the 1980s (Fujisaki et. al 1996/1997: 532). Some researchers estimate that there are over 350 NGOs in Japan (Ikegami 1996). Their total membership is 300 thousand people, which accounts for only 0.3 percent of the total population of Japan. Financial difficulties undermine the Japanese NGOs’ efforts to establish international networks. Many of the Japanese NGOs “simply cannot afford the personnel and administration for an issue based consensus network, or to appear at international meetings” (Purvis
There is very small private sector funding, especially for unincorporated associations. The income of NGOs generally depends on individual donations, membership fees, and sales of publications and other goods. However, these sources of revenue are hampered by the small size of Japanese NGOs, which average 1,560 members, according to a 1998 survey (JANIC 1998a). Since most of the NGOs are relatively younger, they have not had time to build up their operations, staff, and assets. As a result, they are relatively poor in comparison to their western counterparts. According to a 1998 survey by JANIC, 72 percent of 217 NGO respondents have annual budgets between Yen 3 million and Yen 50 million (US$ 25,000-US$ 416,600), with an average of Yen 23.88 million (US$ 199,000) (JANIC 1998a). The richest ten NGOs accounted for approximately Yen 10 billion, approximately 52 percent of the total of the budget of the 217 NGOs in the survey (JANIC 1998b).

3. Lack of legal status: Ninety percent of Japanese NGOs are not formally registered but instead operate as informal associations or clubs. It prevents them from renting offices in Japan or borrowing money from financial institutions. Individuals in the organisations have to use their own names to rent offices or borrow money, which creates obstacles to establishing and maintaining efficient operations. As Wakisaka (1996: 78) points out, the government only subsidises those organisations that have legal status. According to Ikegami (1996: 44), there is no special legal act in Japan for registration of NGOs.

The Japanese government is not aware of the actual number of non-governmental organisations in the country because many of them have no legal status. These “nonregistered organisations” cannot enjoy tax exemption benefits or obtain government subsidies. Though granting legal status to Japanese NGOs is provided by Article 34 of the Civil Code, many Japanese NGOs are unable to fulfill the selection conditions (Saotome 1997: 47).

A member of parliament criticised the rigid regulations concerning the registration of NGOs and commented that “the conditions for the legal status (of an organisation) are very rigorous. The Japanese government, especially the MOF, does not like the idea of letting ordinary people handle funds. They prefer that everyone brings their money to the MOF which knows best how to use it” (Wakisaka 1996: 76-81).
One of the reasons why the bureaucrats are reluctant to recognise Japanese NGOs may be that the former have been dominating the distribution of “public goods” for a long time and do not want to share their power with anybody else. As a Japanese publication asserted, bureaucrats regard themselves as the only legitimate providers of public goods and the only protectors of Japan’s national interests (Kokusai Kaihatsu Janaru, March 1996: 16-17).

In Japan, public goods are distributed by the state, implemented by bureaucrats and protected by the legal profession. As Purvis (1998) observes, the only proper role of Japanese NGOs has been the one that has been determined and controlled by the stated social security needs of the people. He further comments that Japanese NGOs “have no status and even now, largely because of the enormously difficult procedure involved, only about ten percent of Japanese NGOs have gained legal status... In the end, most of them do not want incorporation because it brings with it the government’s permission and supervision, and many would rather keep their activities small” (Purvis 1998: 137-138).

In March 1998, the Non-Profitable Activities Promotion Act was enacted. Under the new regulations, it became easier for Japanese NPOs or NGOs to register and obtain legal status that guarantees the eligibility for tax exemptions and access to official funds. However, the Act is not free of shortcomings. A Japanese NGO activist, Kenichi Kusaji, doubts that the Act will empower Japanese NGOs. He maintains that if many NGOs register under the Act and begin to receive subsidies from the government, they might end up being completely dependent on official funds. Kusaji calls for Japanese NGOs to be independent from the government, so that they can retain a critical perspective on the government’s development plans and offer an alternative route when needed (Furuoka, Fumitaka 2008).

4. Lack of qualified personnel: Although the situation is gradually improving, Japanese NGOs have had difficulty in recruiting qualified personnel with managerial and technical skills with knowledge of development and economics. Due to low salaries, many Japanese do not set their priority in pursuing a career in NGOs. The lack of qualified personnel has been hindering the professional development and expansion of NGOs. Many NGOs hire only a handful of paid
staff, usually fewer than ten people (JANIC 1998a), and rely on unpaid volunteers who lack special skills. They also have to suffer from lack of professional accountants and basically rely on untrained staff to manage finances. Because of all these problems, many NGOs fail to pursue broader policy issues and concentrate on small-scale projects. 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.13

5. Prejudices and mutual mistrust: The government has not yet discarded all of its prejudices against nongovernmental organisations, and Japanese NGOs, for their part, still mistrust the government. Onuma (1997: 243) maintains that until the early 1980s, bureaucrats viewed NGOs as troublemakers. Only in the late 1980s did the government begin to recognise the true potential of NGOs. Nevertheless, suspicion of NGOs remains deeply embedded in the collective psyche of bureaucrats. Even the MOFA, despite all its initiatives to engage NGOs, is not entirely comfortable with their participation in the ODA projects, maintaining that NGOs do not fit perfectly into the ministry’s ideas and visions. According to Kumaoka, the MOFA staff involved in joint projects with Japanese NGOs especially tend to be rather critical (Furuoka, Fumitaka 2008).

Shifting the spotlight on NGOs, Onuma (1997: 243) maintains that Japanese NGOs are hobbled by their own entrenched attitudes, as many of them consider cooperation with the government as intrinsically wrong. The opinion of the NGOs regarding the ODA programme, further increases the gap between them and the bureaucrats. According to Orr (1993b: 12), Japanese NGOs prefer to pursue small-scale activities that address BHNs, such as environmental protection and education, while the government would rather give funds for large-scale projects, such as infrastructure development. As a result of these conflicting views, the NGO community has become a major critic of Japan’s ODA programme.

Hirata (1998: 329) points out that most of the Japanese NGOs are skeptical of the MOFA’s professed intention to seek their cooperation. Some NGOs are

apprehensive that the government will use them to compensate for its lack of expertise without allowing the NGOs to participate in the decision-making process of the ODA policy. Also, some Japanese NGOs are concerned about the possibility of losing their autonomy if they start working with the government.

Not only the bureaucrats but also the Japanese public has rather negative perceptions of NGOs. As Purvis (1998: 137) puts it, “NGOs have been viewed as left-wing antigovernment oddballs by the public at large”. Michiya Kumaoka recounts that when he was founding the JVC many Japanese came across the concept of the NGO for the first time and viewed NGOs with suspicion, thinking that they were groups of “hippies” or “school dropouts” (Furuoka, Fumitaka 2008).

In short, despite all attempts to join efforts in the implementation of ODA programmes, mutual mistrust and suspicion still lingers between Japanese NGOs and the government. In Japan, NGOs do not enjoy wide support from the grassroots and there is an urgent need to enhance the image of Japanese NGOs among the Japanese public.

Japanese NGOs and the Integrity of Japan’s Foreign Aid Policy:

Under the current aid administration system, the decision-making process of Japan’s aid policy remains a “black box”. No institution in Japan is able to ensure that the country’s foreign aid policy is implemented according to the principles of the new aid guidelines. Japanese NGOs, as independent entities, could be in a better position to safeguard the integrity of Japan’s foreign aid policy.

The problem is that Japanese policymakers disregard the voice of Japanese NGOs and their advocacy of human rights and democracy. For instance, despite repeated calls from a Japanese NGO, Network for Indonesian Democracy (NINDJA), to suspend foreign aid to the Suharto regime for serious human rights violations in Indonesia in 1998, no punitive measures were taken by the Japanese government against Indonesia. Similarly, when Myanmar’s political situation deteriorated in 1996, bureaucrats in Tokyo paid no attention to Japanese NGOs’ demands to introduce economic sanctions against Myanmar’s military regime.

One reason for the Japanese NGOs’ lack of influence over Japan’s foreign aid policy is that they are denied formal access to bureaucrats. As Arase (1993: 951) points out, Japan’s powerful and autonomous bureaucracy enjoys full control over the
routine policymaking process of foreign aid and disregards the opinions of groups that lack direct links to the bureaucracy.

The Japanese government may want to consider establishing formal links, such as councils, to facilitate exchange of opinions on Japan's foreign aid policy between NGOs and bureaucrats. In the current Japanese ODA mechanism, collaboration between public and private sector is institutionalised through councils (shingikai). Similar councils consisting of the representatives of both the government and NGOs could give the latter an opportunity to monitor and participate in the deliberations of Japan's foreign aid policy. Besides, regular discussions between representatives of Japanese NGOs and government officers could be able to gradually eliminate mutual suspicions and misunderstandings.

Exchange of personnel could be another means to improve communication channels between Japanese NGOs and ministries. The government may want to consider the possibility of employing temporary personnel from Japanese NGOs and sending its officers on temporary assignments to nongovernmental organisations. This exchange could ease the inclusion of Japanese NGOs into the policymaking process of ODA programmes.

Benefits of the Reinforcement of the Role of Japanese NGOs:

The reinforcement of the NGOs' role in Japan's ODA programme is a challenging task. However, if this objective is achieved, at least three advantages could follow:

1. Japanese NGOs would be able to independently carry out the small-scale aid projects that directly address the needs of local communities in aid recipient countries. These grassroots aid projects could complement the government-supervised large-scale aid projects.

2. The Japanese government could utilise NGO staff as an alternative source of information. For example, when the US decided to attack Afghanistan's Taliban, an article offering an alternative view of the Taliban regime appeared in Asiaweek (October 18, 2001). In the article, a Japanese doctor, who had been providing medical services in Afghanistan for the past 17 years, narrated his experience of living and working in the country and offered his opinion concerning the policy toward Afghanistan. Similarly, people working for
Japanese NGOs in developing countries could share their insight in the cases when the Japanese government has a limited knowledge of the situation or needs additional information to fine-tune its ODA policy.

3. Effective co-operation between NGOs and the government could help enhancing the transparency of Japan’s foreign aid policy. Under the current system, bureaucrats dominate the policymaking process so that it is difficult for outsiders to access the information on Japan’s ODA programme. Japanese NGOs, as independent groups with no vested interest, should be invited to evaluate Japan’s ODA activities; this could ensure better transparency and accountability of the ODA programme.

**Government Policies toward NGOs in Development:**

MOFA along with a few other ministries started promoting collaboration with NGOs. The interest of the government coincides with growing support for NGO activities among multilateral and bilateral donors. Development assistance has moved into issues that require the participation of civil society for poverty alleviation and reducing environmental degradation. Donors have increasingly come to recognise the important role NGOs can play in collaboration with the public sector in addressing these issues. Although MOFA recognises the value of the contribution that NGOs can generally make to the development process as well as the fact that they have slowly become stronger over the years, it still sees weaknesses in the Japanese citizen led NGO movement. The ministry’s hope for collaboration with citizen led NGOs is mixed with concerns about their present weaknesses. MOFA’s statement in 1995, of its reasons for collaborating with NGOs on ODA reflected this ambivalence, as well as, giving several reasons for working with them:

1. Development cooperation activities of NGOs have played an important role in extending participatory economic cooperation, or ‘visible Japanese aid’ because they can provide specific and personalised attention to citizens of developing countries. Moreover, their activities compliment ODA projects aimed at the construction and development of large scale economic and social infrastructures or medical and educational facilities, intended for the benefit of the citizens of recipient countries. People in the recipient countries recognise both government ODA and the assistance of NGOs as aid from Japanese
people. Thus, the role performed by NGOs is creating appreciation of Japan’s aid among the Japanese people as well as the international community.

2. The government would try to strengthen its cooperation with NGOs and its assistance to them in the coming years.14

Although ODA and NGOs may not have identical aims, they have much in common, in that both of them deal with aid to developing countries, though from different perspectives. NGOs play a major role in ensuring that the development process in developing countries goes smoothly. ODA is a system of channeling money and technology from an industrialised country to a developing country through administrative agencies. An NGO, on the other hand, is an organisation that promotes aid in partnership primarily with volunteers at non-governmental organisations in a developing country. Even when ODA and NGOs both deal with the same problems in the same places, they approach them from different directions. The process can be likened to scaling the mountain peak using two different routes. If development efforts in a developing country are to have significant results, it is more effective to have those involved in the aid effort attack the problem from different angles. Hence, the relationship between ODA and NGOs can be said to be complementary.15

NGOs and private voluntary organisations do not have a long history in Japan as mentioned earlier. Their overseas contributions in fiscal 1987 amounted to US$ 92 million, or only 2.5 percent of total private donations by DAC members. Twelve major NGOs met in 1987 to establish the Japanese NGO Centre for International Cooperation (JANIC) and began to coordinate their efforts, with regard to public funds in particular. In March 1989, JANIC sponsored an international symposium on the government-NGO relationship. It resolved that four principles should be followed in the channeling of ODA through private organisations. First, ODA should support programmes that reach the grassroots level in developing countries. Second, the independence and autonomy of NGOs should be respected. Third, programmes should be agreed on through talks between NGOs and the government and both parties should check project accounts and evaluate results.

Fourth, procedures should be widened and strengthened, to evaluate ODA programmes and projects.16

International and local NGOs play an increasingly important role in the life of the global society. Some NGOs have sufficiently solid financial and organisational foundations, reputable standing and are able to address various socio-economic issues. The participation of NGOs in foreign relations is sometimes described as “third track diplomacy”. According to Tehranian (1999), the third track diplomacy provides NGOs channels parallel to official diplomacy so that NGOs are able to play a complementary role in the international community.

A number of Japanese NGOs are involved in Japan’s ODA activities and work closely with the government in implementing grassroots development projects that reach out directly to the needs of local communities in developing countries. A more active participation of Japanese NGOs in Japan’s ODA programme could be beneficial. These organisations, as independent entities free from business and political affiliations, could be better equipped to ensure that the Japanese government formulates and implements its aid policies according to the principles of the new aid guidelines.

Japanese NGOs: Involved in “Soft Aid” Projects:

The Japanese-citizen led NGOs involved in development are as the following:

1) The Asia Community Trust- This NGO is financed by donations. It provides aid to finance privately run projects in Asian countries in fields such as vocational training, education, agricultural development, healthcare and environmental conservation.

2) Japan Asian Association and Asian Friendship Society: This NGO assists agricultural development and provision of drinking water. It implements projects with local partners and provides education on development through the Asia International Work Camp and other activities.

3) Asia Health Training Foundation: This NGO trains health and medical staff.

4) Asian Rural Institute: The main objective being to train middle-class leaders in rural Asia, this NGO organises work camps and seminars, publishes documents, and focuses on rural development, agriculture and relevant technology. Its regional emphases are Asia, Africa and the Pacific. It cooperates with the Asian Christian Council.

5) Development Education Council: It holds study sessions, symposia, and seminars on development to strengthen the base for Japanese NGO activities.

6) International Medical Foundation of Japan: It trains health and medical personnel in developing countries, mainly in South-east Asia.

7) Iwatani Naoji Foundation: This NGO finances scientific research and conducts personnel exchanges. It cooperates with OISCA (Organisation for Industrial, Spiritual and Cultural Advancement International) and Philippine Business for Social Progress. The regional emphasis has been on Indonesia, the Philippines, and the other Southeast Asian countries.

8) Japan International Volunteer Centre: It provides emergency aid, medical assistance, and educational support for refugees; it also supports community development. It raises money through fund-raising and from the public and private sectors (NGO Study Group 1983).

9) Japan Negros Campaign Committee: This committee provides famine relief and dispatches personnel to teach agricultural skills on the island of Negros, the Philippines.

10) Kansai International Co-operation Council: It facilitates co-ordination, information exchanges, and collaboration among NGOs.

11) The Kaje no Gakko (School of Wind): The NGO trains people in traditional agricultural methods (those without machinery).

12) National Federation of UNESCO Associations in Japan: This organisation supports international co-operation based on UNESCO’s guidelines and holds seminars and exhibitions.

13) NGO Promotion Centre: This organisation facilitates co-ordination, information exchange, and collaboration among NGOs.
14) OISCA: OISCA is an incorporated foundation that dispatches experts to assist with agriculture, forestry, and fisheries development; technical training; and improvements in local health, medical care, and education.

15) The PhD Association: It provides training in agriculture, fisheries, education, and healthcare, mainly in Nepal and the Philippines.

16) Sahel Committee: It dispatches personnel to promote agricultural development and afforestation in the Sahel and thereby prevent the desertification of countries there.

17) Shapla Neer Citizen's Group for Overseas Assistance: This organisation seeks to improve the socio-economic condition of the poor in rural Bangladesh. It organises development activities through regional development centres in fields such as agriculture, healthcare, and education. It also provides financial assistance to projects managed by local NGOs.

18) The 24 Hours TV Charity Committee: This NGO raises donations from the general public through Nihon Television. It provides material aid and dispatches experts for famine relief, afforestation, medical care, and education in Africa and Asia. It also provides development education through television programmes. 17

Japan puts particular emphasis on the partnership with civil society, other donor countries and international organisations in providing its support measures for tackling HIV and AIDS. Effectiveness of any measure against HIV and AIDS depends on how far it reaches at the local community level. Japan has been assisting NGO activities in many countries afflicted with HIV and AIDS pandemic by providing over US$ 1 million grant aid during the FY 2000. That assistance is for projects on prevention and care, medical facilities, and care for aid orphans. US$ 95 thousand was granted to the Noguchi Memorial Institute for Medical Research in Ghana. This project, implemented in co-operation with a local NGO, aimed at improving awareness of HIV and AIDS and STI, and implementing voluntary counselling and testing by the institute. By utilising the mobile testing vehicle with OHP equipment provided through the project, people in rural areas can have access to

basic testing and relevant information to raise awareness of this pandemic. JICA’s Community Empowerment Programme is designed to utilise local NGOs as implementing bodies of the projects. Projects on Infectious Diseases Control in the Philippines, Thailand, Zimbabwe, South Africa and Zambia have been launched and those in Cambodia, Lao PDR and Tanzania were to start.

Youth Church-based HIV and AIDS Educational Development Projects in South Africa:

In South Africa, about 10 percent of the population is reported to be HIV positive; about 1,700 people are infected everyday and most of the AIDS patients are in their twenties. In March 2001, a project started for HIV and AIDS prevention, reduction of AIDS death rates, and empowerment of youth whose families are AIDS patients or AIDS orphans. One of the activities under the project have been a church-based workshop on HIV and AIDS, organised by the local NGO “National Progressive Primary Health Care,” to foster young trainers on HIV and AIDS education.

Project Formulation Missions/Projects by Japanese NGOs:

- To Kenya: study on supply and management system for essential medical equipment for STI/HIV by HANDS (Health and Development Service)
- To Vietnam: study on HIV and AIDS and STI on workers in the manufacture and construction industries by Care Japan.
- To Tanzania: study on HIV and AIDS prevention control and project on capacity building for HIV and AIDS control by World Vision Japan.

Partnership with the International Community:

Contribution of US$ 1 million to the International Planned Parenthood Federation (IPPF), the largest international NGO on the issue of population and reproductive health, enabled it to establish the Japan Trust Fund for HIV and AIDS. The Fund aims to finance its activities on HIV and AIDS prevention and control of STI at the grass-roots level. The IPPF plans projects in Africa, South Asia, East and Southeast Asia and Oceania in the FY 2000. The same amount of contribution to the Fund in FY 2001 was also confirmed.
Bangkok Training by “Japan Trust Fund for HIV and AIDS”:

A training programme, inviting 20 people from Africa and Asia, was organised in Bangkok. Trainees visited a temple in the southern part of Thailand which assisted AIDS patients, and observed Information, Education and Communication (IEC) activities in the region. At the end of the programme, the trainees deepened their understanding of Thailand’s good practices on HIV and AIDS control.

More than US$ 1 million assistance through NGOs (FY 2000) - Grant Assistance for Grassroots Projects:

- Haiti: Japan’s contribution of US$ 48 thousand for the eradication of HIV and AIDS.
- Venezuela: Japan contributed US$ 90 thousand for the eradication of HIV and AIDS.
- Ghana: Medical Research for the Noguchi Memorial Institute Outreach Project for the Awareness of HIV and AIDS and STDs (US$ 95 thousand)
- Congo, DEM.REP: Project for Mass Media Video Equipment to fight AIDS (US$ 32 thousand)
- Zambia: Zambia HIV Prevention Border Initiative Project (US $ 86 thousand); HIV and AIDS and STDs Project (US$ 4 thousand)
- Rwanda: Project for Construction of Hope Clinic for Women Victims of Violent Crimes (US$ 56 thousand)
- Kenya: Project for the Establishment of HIV Voluntary Counselling and Testing Centre at Kenyatta National Hospital (US$ 72 thousand)
- Mauritius: Project for Setting up a Family Health Centre and a Youth Development Centre for the Promotion of Sexual and Reproductive Health in Rodrigues Islands(FF 588 thousand).
- Pakistan: Project for Expansion of the Sukkur Infectious Diseases Control Centre (US$ 44 thousand).
- India: Community based workshop on Environmental Issues and People’s Participation and Prevention of HIV and AIDS (US$ 34 thousand).
Bangladesh: AITAM Maternal and Child Health Training Centre Improvement Project (US$ 77 thousand); HIV and AIDS Prevention and Treatment Support Project (US$ 73 thousand).

Thailand: Improvement of Kids Earth Home Project (US$ 33 thousand); Improvement of HIV and AIDS Treatment in the Rural Area Project (US$ 67 thousand).

Myanmar: Project for Expanding AIDS Prevention Social Marketing (US$ 91 thousand).

Vietnam: Drug Abuse Prevention through Non-formal Education (US$ 50 thousand).

Malaysia: Hospice Cahaya Project for AIDS Patients (US$ 83 thousand).

NGO Advocacy:

Japanese NGOs are trying to promote change on a wide range of aid issues, from sustainable development to the environment to human rights. They exert their pressure mainly on bureaucracy because it dominates the process of aid making. Although, limited in size and finance, NGOs have a growing influence over policies. In the late 1980s, many NGOs began campaigning for aid reform. Operating aid projects in developing countries, these NGOs have continuously tried to present the perspectives from the developing world and look beyond the official rhetoric of Japan’s aid. To pressurise the aid programmes to change, they hold seminars and meetings and use mass media for exposing cases of ODA failures and corruption. Like minded NGOs also establish networks to promote their cause. One such group is the Japan Tropical Network (JATAN) established in 1987 as a coalition of 12 Japanese NGOs. JATAN immediately launched a campaign against a Japanese grant aid project (US$ 1.5 million) for construction of a logging road in Sarawak, Malaysia. This project stirred strong protests from the indigenous Penan tribe and local and international environmental NGOs because the road cut into the lands where that tribe lived. JATAN sided with the Penan, who claimed title of the land, and demanded that the Japanese government terminate the aid project. The road was eventually built and

179

*"Fight against HIV/AIDS Pandemic", Japan’s Contribution through the Okinawa Infectious Diseases Initiative, (Ministry of Foreign Affairs, Japan, June 25, 2001).
logging firms succeeded in establishing operations there. JATAN achieved a partial success in the whole episode.

Spurred by growing public interest in Japanese aid, some Japanese academics joined the NGO efforts to tackle ODA issues. Active debates have been under way among academics regarding the effectiveness of Japanese aid. The criticism of Japan’s current aid programmes by academicians like Murai, Kazuo Sumi, Jun Nishikawa and Yosuke Fuke is noteworthy. They have criticised large-scale infrastructure projects especially, as being harmful for poor people in the developing world. These scholars maintained that all types of Japanese aid should be beneficial for the poor and at the same time, be humanitarian in nature (Sumi 1989; Sumi 1990; Murai 1992; Nishikawa 1991; Fuke & Fujibayashi 1999). Unlike previous academic work on ODA published prior to the mid 1980s, which had limited readers and was therefore weak in generating public awareness, these new publications had a large number of readers from all sections of society and this helped to generate public interest and awareness successfully. The primary goal of these activities, especially in the 1980s and early 1990s, was to bring about pressure for change in Japan’s aid programmes by exposing corruption, mismanagement, and misuse of funds and by mobilising public support for aid reform. The central point made was that many ODA funds were being recycled to the coffers of Japanese firms and the Japanese officials tacitly approved of acts of corruption and injustice which is harmful to the interest of the local people who should be the primary beneficiaries.

On the other side, some scholars said that NGOs are more interested in highlighting the ill effects of aid in recipient countries and paid little attention to the successful programmes that had actually benefited the poor. These critics accuse NGOs of over generalising from a small number of bad aid projects, such as ill-planned cultural centres and environmentally harmful dams, in order to promote their own version of aid reform (Kusano 1993). As Japanese NGOs matured over the years, NGOs criticisms of Japanese ODA have become more balanced. The NGOs engaged in advocacy do not hesitate to give their opinion publicly. They are not abolitionists who advocate eliminating Japanese ODA or deny the value of giving aid. They have increasingly become reformists.
Case Studies:

The following three case studies briefly illustrate how Japanese NGOs campaigned against the bureaucracy (MOFA) to successfully bring about changes in Japan’s aid and foreign policies.

1) Narmada Dam:

This case represented the first time the Japanese government yielded to pressure from Japanese NGOs to cancel an ODA programme. Due to a campaign led by Friends of the Earth Japan, an environmental NGO, MOFA and the other ministries abandoned a Japanese ODA loan project in 1990 for the construction of a large scale hydroelectric plant for the Sardar Sarovar Dam (Narmada Dam) on India’s Narmada River. Carried out from 1987 by Japan’s ODA loan agency, the OECF, this Yen 2.85 billion project was to support the World Bank’s effort in the construction of the dam that had started in 1985 (US$ 450 million) (Sumi 1990).

The dam was an ambitious plan by the Indian government to construct a great number of dams (30 large, 135 medium-size, and more than 3000 small dams), irrigation canals, and power plants on the Narmada River over several decades (Sumi 1990). But this project raised a furore among Indian, Japanese and international environmentalists as it was expected to submerge 350,000 hectares of forest and force the relocation of more than a million indigenous people living in the river basin (Heyzer 1995; Sumi 1990).

A global protest, prompted by Indian grassroots activists like Medha Patkar of Narmada Bachao Andolan, was launched by environmentalists. NGOs throughout the world began pressurising their home governments not to support this project and Japan’s power plant projects. Japanese NGOs were particularly critical of their government’s role because all the four ministries in charge of loan decisions were supporting the project.

Friends of the Earth Japan and other Japanese NGOs successfully worked in close cooperation with the local communities in the river basin and with other environmental groups in India and the West. They launched a public campaign in Japan in their protest against the construction of the dam and the power plant. They held symposia, media campaigns and lobbied with both the Japanese government and the World Bank to reconsider their funding (Sumi 1990). Yukio Tanaka cf Friends of
the Earth Japan and Prof. Kazuo Sumi played a great role in the whole campaign. In April 1990, Friends of the Earth Japan hosted the Tokyo Symposium which brought together Indian, Japanese, and international activists as well as politicians, journalists and academicians (Sumi 1990). This symposium sparked a quick attention and publicly exposed the adverse impacts of the dam project. Japanese NGOs also organised a special press conference prior to this symposium in which Indian anti dam activists appealed to the Japanese public to pressure the government into cancelling the project (Asahi Shimbun 1990a; Asahi Shimbun 1990c).

Meanwhile, Japanese legislators joined the NGOs in taking on the issue. In April-June 1990, some Diet members asked MOFA and OECF officials to verify Japan’s assessment research that led Tokyo to approve the aid. The hearings revealed how arbitrarily Japanese ODA assessments were conducted and how ignorant Japanese aid officials were of potential negative consequences of Japanese aid projects. The hearings also showed how badly Japanese bureaucrats wanted to support any decisions that were already made in order to protect their own jurisdiction in ODA. These hearings attracted further media attention to ODA and raised a public uproar against the dam project. Just after two months of the Tokyo Symposium organised by Japanese NGOs, MOFA announced that it would not provide further financing because of local protests, lack of resettlement planning, and absence of an environmental assessment (Asahi Shimbun 1990b). It was extremely unusual for the Japanese government to cancel a project that had begun three years ago and was already half built.

The Narmada case illustrates how NGOs, in cooperation with some politicians, have succeeded in revealing to the public the incomplete preparatory research of the government for the ODA projects, ignorance and ill-informed bureaucracy and the negative consequences of its aid, and a dominant so-called approval culture in the government machinery. Tokyo’s cancellation of the project ultimately affected the World Bank support and it ceased its funding in 1993.

2) Pesticide Aid:

Unlike the Narmada Dam campaign in which the Japanese government and the World Bank was the target of Japanese NGOs, here the main target was the Japanese government (MOFA and JICA). The anti-Japanese pesticide aid campaign
was carried-out by Japanese and non-Japanese environmental NGOs in Tokyo and Phnom Penh, Cambodia. The main NGOs in the campaign were the Japan International Volunteer Centre (JVC) and the Co-operation Committee for Cambodia (CCC). The Japanese pesticide aid to Cambodia was agreed on by the two countries in 1992 (Tobin 1996). It was intended to promote agricultural productivity in Cambodia. It cost Yen 500 million in total, of which Yen 350 million was allocated for three tons of agricultural chemicals for use on rice. The controversy surrounding the aid package was that the aid consisted of three types of insecticides - Diazinon, Fenvalerate (or Sumicidin), and Fenitrothion (or Sumithion). All the environmental NGOs and international organisations considered these harmful to the local environment and the people. (Mallet 1993, p.17).

This issue was first criticised by CCC and international organisations located in Cambodia such as IRRI (International Rice Research Institute) and FAO (Food and Agriculture Organisation). All of these questioned the environmental safety of the Japanese pesticide aid. Taking up CCC’s agenda, JVC campaigned with other NGOs in Japan. In December 1992, Japanese NGOs such as the Japan Tropical Forest Action Network (JATAN) and the Pacific-Asia Resource Centre (PARC) visited MOFA to urge re-appraisal of the project. In February 1993, JVC held a symposium entitled, “To think about the problem of Japanese pesticides and Cambodia”.

Japanese NGOs were critical of Japanese chemical firms and SACI (Society of Agricultural Chemicals Industry). They questioned the involvement of Japanese agrochemical firms in the aid and their ties with the Japanese government. Sumitomo Chemical Co. and Nippon Kayaku Co. sold insecticides to the Japanese government for the aid package and had been aggressively trying to make their products the objects of Japan’s aid. Given that the Japanese aid was ‘request based’, they had allegedly asked the Cambodian government to make a request to MOFA for the pesticides as part of Japan’s ODA programmes (Japan International Volunteer Centre 1993; Mainichi Daily News 1994).

NGOs maintained that the agrochemical industry was suffering from depression in Japan but the grant aid, tied to Japanese procurement and services, was a great opportunity for them to expand their overseas markets. JVC and other NGOs kept up the pressure on MOFA for withdrawing aid. There was a deep concern about the health of Cambodian farmers, destruction of aquatic life, likelihood of pest
resurgence, and pollution of wells and ponds that were the main source of drinking water. Though MOFA and JICA vehemently defended their position, but international and domestic criticism forced them to reconsider. After conducting their field research in Cambodia in November-December 1993, JICA finally acknowledged that it was a mistake because Cambodia lacked safety regulations. They decided to suspend the aid saying that Cambodia did not need pesticides. They also accepted the NGO’s stand that the aid was ill-suited to Cambodia (Mainichi Daily News 1994). MOFA finally announced the termination of the aid programme in December 1993.

The decision for the termination of the pesticide aid programme was an important victory for JVC and the broader NGO community. It showed the role and influence of Japanese civil society. Unlike the Narmada dam campaign, they lacked the support of Japanese politicians. This case illustrates the fact that even without the support of Japanese legislators, the NGOs were successful in pressurising MOFA to cancel the project, in the best interest of the people and the environment.

3) Landmine Campaign:

This campaign was the largest global movement, involving more than 120 governments and hundreds of human rights and development NGOs. In this movement, NGOs were the main agents in generating a global awareness for antipersonnel (AP) landmines. The International Campaign to Ban Landmines (ICBL) was established in 1992 by six NGOs who were particularly involved in the anti landmine campaign. The ICBL and other NGOs contributed significantly in establishing an anti-AP mine treaty in Ottawa in December 1997 (the Convention on the Prohibition of the Use, Stockpiling, Production, and Transfer of Anti-Personnel Mines and on their Destruction, or so-called Mine-Ban Treaty).

While ICBL mobilised international public opinion for the promotion of the ban treaty, local NGOs also campaigned for their governments to sign and ratify the ban treaty. The Japan Campaign to Ban Landmines (JCBL), which was a local branch of the ICBL was significant in educating the Japanese people and policymakers about the indiscriminate nature of the weapon. It eventually created a network with pro-Ottawa Diet members to generate support for normative change within the government. JCBL successfully politicised the issue of AP mines in Japan, interacting with politicians, MOFA officials, and defence agency officials in the Ottawa process.
and brought about increasing collaboration between NGOs and MOFA. JCBL disseminated information about the scope of the AP mine use and its effects and projected the use of mines as a global problem. It also educated government officials who came to see the signing of a total ban treaty as a positive way to position Japan in global society. 19 The case of anti landmine campaigns demonstrates that Japanese NGOs, in collaboration with politicians and INGOs, could contribute to bringing about important changes in Japan’s foreign policy and ODA programmes.

All the three cases mentioned above, demonstrate the vital role played by Japanese NGOs. First, they demanded policy change in aid projects, by holding seminars and symposiums, releasing information to the press, meeting government officials, and publishing books and articles to raise public awareness. Even though their goals seemed to be unrealistic initially, they did not give up but continuously put pressure on MOFA. They effectively worked with local NGOs, environmentalists and civil society of developing countries that backed their efforts. They successfully used press and media in their mass campaign. Second, MOFA completely changed its previous position due to pressure. MOFA’s initial response to NGOs’ criticism, can be summarised in three behaviour patterns: 1) denied that the problem existed, 2) hide information from the public, and 3) denied any responsibility for the harm afflicted. As it has been illustrated in the pesticide case, MOFA officials claimed that the local government had to take responsibility for any problems that might arise, because Japan’s aid was request based. But due to continuous pressure put by Japanese NGOs, MOFA could not behave like this and ultimately became responsible by taking into consideration the local condition, environment and people’s needs. MOFA gave reasons for the policy changes, but these reasons had already been given by the NGOs since the beginning. In the Narmada dam case, MOFA said that the ministry was going to cancel the loan aid due to a lack of environmental assessment studies. In the case of pesticide aid to Cambodia, they said that the aid would be terminated because of the lack of a Cambodian domestic law regulating pesticides. In the last case, MOFA stated that Japan would ratify the Mine Ban Treaty because Japan should be committed to landmine eradication. All these reasons were already given by NGOs in their campaign. Third, NGOs played an important role in representing the voice and

19 Keiko Hirata, “Civil Society in Japan; The Growing Role of NGOs in Tokyo’s Aid and Development Policy”, (Palgrave Macmillan, New York, 2002), pp.113-125
the interests of the poor and the marginalised people (in the first case, the indigenous people and tribes in the Narmada basin; in the second case, Cambodian farmers; and in the third case, landmines victims). In the first two cases, Japanese NGOs campaigned against the state-business coalition that tried to protect its interests against the local people whereas in the last case, JCBL campaigned against the states over reliance on US sensitivities. Fourth, by yielding to NGO pressure, MOFA has actually crossed a barrier. Since it has set a precedent and incorporated their voices, it cannot easily go back to the old pattern of decision making for ODA. NGOs now demand that their voice be heard and reflected in government policy. This is indeed the defeat of an outdated, trickle down decision making model of the Japanese government.

As these cases clearly demonstrate, it has become clear that NGO activism is sharply and continuously changing state-civil society relation. It has led to a new kind of politics in Japan. NGO activities have created a challenge for domestic governance. Therefore, the state has to incorporate their demands in the domestic political process by establishing new procedures of political participation.

During the 1980s and the 1990s, the role played by NGOs as developmental actors grew in importance. Japan, being a top donor of foreign aid and ODA in 1989, and then continuously from 1991 to 2000, realised the importance of NGOs in aid activities. In the face of international criticism for ‘faceless’ aid activities, and in order to encounter and to participate in post Cold War international arena, the Japanese government introduced a new aid policy line in 1991. It focused more on quantitative improvement such as democracy, human rights promotion, public participation and public relations than traditional aid policy, which had concentrated on expanding of aid budgets. Examples of the traditional aid were infrastructure development and loans to strengthen Japan’s bilateral foreign relations. The new aid policy line started in 1991 with the emphasis on public participation. It was given the name ‘Visible Japanese Aid (VJA)’ in 1997 which is mentioned below. According to the MOFA, VJA in recognition of NGOs as important partners in Japan’s aid, provided subsidies for them. As one of the leading states of foreign aid donors, Japan followed policies of other large donor countries, toward NGOs.

Although the government officially announced their co-operation with NGOs, the degree of the harmony between them is in question because of the Japanese
government’s attitude toward NGOs, Japan’s political decision-making process and aid administration problem. NGO existence can no longer be ignored and now they actually exert an impact on Japan’s aid policy.

**Government Co-operation System for NGOs:**

Accepting NGOs as important actors in development in aid, the government established some co-operating systems in 1989. There are two types of co-operation. According to MOFA, ‘collaboration’ aims to deepen mutual understanding of both the government and NGOs through the interchange of personnel and knowledge. Regular meetings are called for by the government and it is possible for NGOs to bring their opinions, which if effective, can be referred to the ODA decision-making process. The other is the ‘subsidising’ that financially supports NGOs activities. Examples of them are ‘small-scale capital grants’, ‘International Volunteer Saving’ and ‘Assistance System for International Volunteer Compensation’. However, most of the subsidising systems are ‘later payment’ which means that NGO activities have to be approved by government before repayment is authorised. In order that they may obtain approval, NGOs could self regulate so as to meet government conditions. Unfortunately, despite their effective on-the-spot activities in the developing countries, NGOs have rarely received public attention. NGOs started getting public attention in Japan in 1995 during the *Great Hanshin Earthquake* (Saotome 1997) as has already been mentioned, when NGOs from all over Japan, as well as from foreign countries, arrived and started working at the disaster stricken area (Nago 1996:195). Japan had been said to lack the spirit of charity that is the base of western NGOs (Ito 2000), but even at that time 130 volunteer groups were working and more than 20,000 people had joined their activities (Nago1996:195-197). Although NGOs have won public support, they still experience financial pressures. According to Fukiura of the Association for Aid and Relief, many of the Japanese NGOs rely on external sources for financial support, donations from companies and international organizations in particular (Donowaki 1999:157-158). At first, the government’s subsidising support system was welcomed by those who lacked a stable financial foundation, but soon the nature of the “later payment” was revealed by which NGO activities have to be approved of by the government. Co-operation with NGOs grew at the **Kyushu-Okinawa Summit in 2000**. At the Foreign Ministers conference in Miyazaki, Japan, as the chair country, announced the “**Miyazaki Initiative**” viz., Japan’s active role in conflict resolution in
the development field (Ito 2000:141). Japan also presented “Action from Japan”, a statement that confirms the efficiency of co-operation of the government with international organisations and NGOs. After this summit, the government started setting up some institutions for furthering co-operation in aid activities such as; 1) Emergent financial assistance 2) Interchange of personnel 3) Japan Platform.

**Typology of Government-NGO Relations:**

Over the 1990s, since NGOs have been announced as partners and some support systems have been established, the government describes its relation with NGOs as ‘co-operation’. To examine the actual degree of this ‘co-operation’, it is necessary to introduce a typology of governments-NGOs relations. According to Riker (1997), government-NGOs relations are classified into five categories.

1. Autonomous/Benign Neglect
2. Facilitation/Promotion
3. Collaboration/Co-operation
4. Co-option/Absorption

The Japanese government defined their relation as (3) Co-operation (See Japan’s ODA annual reports). Some MOFA officials say NGOs are supplementary to government aid activities however; the official statement never goes under type three.

**Dysfunction of Government-NGO Co-operation:**

Notwithstanding the fact that the government has set some subsidising systems for NGOs and is continuously claiming that their relationship is ‘co-operative’, the degree of the harmony between them is in question. There is a common understanding within the government that NGOs supplement the ODA. According to Japan’s ODA 1996, the aim of supporting NGOs in the aid policy was to assist the private-led sectors working in the development area which Japanese ODA find difficult to operate (MOFA 1997:77). Under international criticism and pressure, the government began to search for co-operation with NGOs to implement visible aid, although they were neither ready nor hopeful. Their primary aim was to utilise NGOs to implement visible aid according to government guidelines. As the “later payment” of the subsidising systems reveals, that the government tries to take control over the NGOs.
through the approval of financial supports. Regarding the joint meetings, that is, whether to refer policy ideas to the policymaking or not are still left to the government (Matsumoto 1997:176-179). Based on this, it is possible to say these cooperation and subsidising systems are superficial. This is because of the Japanese decision-making systems called the 'Iron Triangle' where bureaucracy, business industry and politicians take each angle of the triangle for formulating the policy so that no other actors can participate. The fact that there is no single aid agency further complicates aid policy-making. The aid budget is distributed among several ministries and agencies perpetuating power games within the bureaucracy (Katada 1998). It is therefore usually said that the MOFA focuses on issues of Japan's security and international reputation. In contrast, the MOF and the MITI are more concerned with repayment of aid (Yasutomo 1995:5). While the MOFA is willing to cooperate with NGOs, the MOF is reluctant to accept the participation of 'private-led' organisations (Katada 1998). This power game within the bureaucracy has an impact on the NGO activities as well. The government claims that they consider NGOs as important and their relation is 'co-operative' (See Japan’s ODA annual reports). Yet, according to the details of their subsidising systems, the government-NGO relation in Japan can be categorised as 'co-option' or 'neglect' for in reality, Japanese NGOs have been only praised outwardly.

Structural and Institutional Issues in Japan’s “Soft Aid” Policy:

In implementing a “soft-aid” approach to social sector ODA, Japan has encountered problems. The current institutions and organisational arrangements may prove to be not well suited for the implementation of new ODA components and new, human resource-intensive “soft aid”. In addition, the human resources that are required to fill the expanding needs of soft-assistance are lacking. Finally, improved monitoring and evaluation of projects are necessary to ensure sufficient and effective “soft aid” policy.

Government officials feel that Japan should exercise a leadership role in foreign aid that is proportional to the volume of aid it disburses.20 As other observers have pointed out, the complexity of the present ODA structure may be increasing the

---

20 For example, Hiroshi Hirabayashi, the then director-general for the Bureau of Economic Cooperation, MOFA, stated, "As leading donor, Japan has to provide not only money, but also intellectual contributions" Gaiko Forum, no. 77 (February 1995).
challenge of such a task. The involvement of four major ministries and fourteen external agencies makes ODA policy making slow to change, a problem that is shared by much of the rest of the Japanese government (ministries involved include Finance, International Trade and Industry, Foreign Affairs, and the Economic Planning Agency). However, structural reform is being attempted, including the merger of OECF (Overseas Economic Co-operation Fund) and the Export-Import Bank of Japan (JEXIM). This follows the example of other donor countries to streamline ODA bureaucracies. A more streamlined approach increases the accountability of the central agency, and improves responsiveness to new initiatives like the promotion of “soft aid”. Discussion of these changes may itself be difficult, and can only be resolved slowly under the current system because agencies giving up responsibilities may be reluctant to do so.

In addition to considering the overall picture, internal ODA structures need to be developed which support “soft aid” implementation. For example, the International Medical Centre of Japan (IMCJ), designated as the national headquarters for Japan's ODA in public health and medicine, formed a Bureau of International Co-operation in 1986 for medical personnel (especially physicians) willing to assist in ODA technical co-operation projects. The active presence of this institution validates and fosters the development of Japan's medical technical cooperation expertise. Such institutions could be replicated in other sectors to increase “soft aid” and its importance.

Although internal structural changes are important, the inclusion of external stakeholders is equally crucial in the process of change. As Japan moves to delivering new types of aid and aid to new countries, domestic public support for ODA policies will be increasingly important. “Soft aid” is more politically oriented than ‘hard aid’, and enjoys less economic rationale for Japan than ‘hard aid’, which often helps domestic firms to sell products. The increasing use of “soft aid” will thus have to be popularly supported in Japan if these and other hurdles are to be overcome.

21 The United States, and many European countries, have been making efforts to streamline ODA responsibility. Finland moved the Department for International Co-operation into the Ministry of Foreign Affairs; Denmark merged its DANIDA development agency into the Ministry of Foreign Affairs; Austria transferred bilateral aid responsibility into the Ministry of Foreign Affairs; and France is in the midst of considering major structural reform. Norway has been consolidating and concentrating policy making to enhance development policy coherence, and a recent Norwegian expert commission suggested placing responsibility for all developing country policy either on the Ministry of Foreign Affairs or an independent Ministry for Development (Organization for Economic Cooperation and Development [OECD] Development Assistance Committee [DAC], Development Cooperation Review Series: Norway, 1996, Report No. 14, p. 47).
Important models exist for the integration of non-governmental institutions into development policy making. In the Scandinavian countries, for example, the strong involvement of NGOs in development activities has helped to mobilise public support behind the government's social development initiatives and their development assistance policies in general. Other institutions, such as universities and think tanks, can also play important roles in ODA policy making and implementation. The formulation of policies representing Japan through ODA should be a process involving many domestic stakeholders. The Japanese government needs to hold an open dialogue which should take place both within the government structure and outside of it, involving universities, think tanks, and NGOs.

The government can do much to strengthen the capacities of non profit and private organisations and increase their contribution to the ODA policy process. The private sector includes organisations such as think tanks and consulting firms. Think tanks in Japan are typically affiliated with large banks, and therefore, their focus is usually limited to economic analysis. There are, however, growing needs for policy analysis think tanks, which go beyond economic policies, and the government can take a new policy to stimulate these institutions to take up issues on development assistance.

In addition, Japanese consulting firms have been, and will be, important actors in Japan's ODA. Few of them, however, are active participants in the design and implementation of "soft aid". This is largely because of limited "soft aid" human resources, a condition which could be remedied by government support in human resources. In addition, recent changes in the system allow foreign firms to participate in the research and planning process for JICA projects. Opportunities should be utilised for interactions with non-Japanese expertise, and further change should be considered to allow foreign firms in the implementation stage for "soft aid".

Strengthening the NGO sector needs to be considered as a measure for ODA institutional building in the long run. In this light, recent moves by the government to strengthen their relationship with NGOs should be further encouraged. NGOs are important partners in "soft aid", since they have comparative advantages of flexibility and grassroots approach that are often essential elements for the successful implementation of "soft aid". In fact, most of the Japanese NGOs have been engaged in aid of a soft-type, for specific issues or in certain countries for a number of years.
Their experience, knowledge of local needs, and established network are valuable assets in the government's efforts for the promotion of "soft aid." In addition, NGOs can also criticise positively the government's development assistance policy and conduct.

External Power: The Mode of Operation of Japanese NGOs:

Japanese NGOs have tried to exercise their influence on the decision-making process from outside the 'Iron Triangle' and it has changed governmental aid activities gradually, as well as, the government-NGO relationship. There are four main tools to exert NGO influence. NGOs have been winning public support for their quick and effective work since 1995, at disaster stricken areas that had suffered from earthquakes. Media strategy has also helped NGOs to gain public support. Many NGOs have their own public relation section and they update their homepages on internet that means people have easy access to NGO activities and improve their understanding of them. The function of the mass media, which is to 'check and balance' the power, meets the ends of the activities of NGOs. NGOs actually bring the media as an observer in their interactions with the government and companies in order to pressurise them (Murai 1992:152). The co-operation of Japanese NGOs with other Japanese and foreign NGOs of international repute is also considered to be effective. The Japan Volunteer Centre (JVC), one of the largest and oldest Japanese NGOs, obtained the support of an international environment NGO when they appealed to the Japanese government's ODA project in Indochina on behalf of the local people. JVC co-operated with other Japanese and foreign NGOs working in Cambodia, and through campaigns, symposia and publishing booklets, they built up a lot of pressure for the government. The government actually gave way to this pressure and ended the aid projects (Hirata 1998:330). Building individual human network has been an important task for Japanese NGOs. There were at least two members in the Sangiin (the House of Councillor), who had worked in NGOs in their past. Although their activities were restricted to the guidelines of the parties they belonged to, they could adopt NGOs' opinions into debates in the parliament. There were officials, especially in JICA, who also worked in departments related to giving aid. They were familiar with the way NGOs functioned and sympathetic towards them and NGOs in turn, had been in contact with them (Hirata 1998: 334).
Conclusion:

In general, Japanese NGOs are relatively small in size and lacking in stable funding, technical personnel, and professional managerial skills. Many NGOs provide small projects in the field of agriculture, health and education to the developing world. They are also engaged in public advocacy within Japan to promote community-based sustainable development in the developing world. Most Japanese NGOs are highly critical of Japan's conventional aid policy based on infrastructure-based large projects, which they claim has had an adverse effect on the poor and the environment of the recipient societies. These NGOs argue that Japan cannot play a genuine leadership role in the international aid community unless it improves the quality of its aid. They press the government, particularly MOFA, to shift the aid focus from the 'hard' projects based on infrastructure building to the "soft" projects at the grassroots level. At the same time, the relationship between Japanese NGOs and the Japanese government has been rapidly changing in the 1990s with a move toward more collaboration and dialogue. As mentioned earlier, NGOs have started receiving financial assistance from the Japanese government. They can now apply for several sources of funds from various ministries and local governments. The major sources of NGO funding include the two MOFA funds as discussed earlier (the NGO Assistance Fund and Grass-roots Grant Aid) and the Postal-Savings Fund provided by the Ministry of Postal Services. In addition, as mentioned in this chapter, Japanese NGOs have started holding regular meetings with MOFA officials to discuss the government funding for NGOs as well as issues of development in certain countries such as Cambodia and Vietnam, a region where NGOs are active and where MOFA is anxious to highlight its new policies. At these meetings, Japanese NGOs try to voice their concerns and opinions of Japan's ODA projects and appeal to MOFA, saying that Japan's aid should benefit the people in the recipient countries first, rather than Japanese interest groups or certain ministries. Through frequent meetings, Japanese NGOs hope to influence the government's aid policy making. While NGO-MOFA cooperation is more prevalent than before, the Japanese NGO community has not unanimously agreed to MOFA's request for wider NGO participation in the government's ODA projects. Some progressive NGOs, such as the JVC, are skeptical of MOFA's intention of working with NGOs. These NGOs have serious apprehensions that they will be used by the government to compensate for what it
cannot do (i.e., to implement small-scale grass-roots projects) but that they will not be allowed to play a substantive role in decision making. They are also concerned that they will lose their autonomy if they start participating in ODA.

In contrast, some Japanese NGOs are actively collaborating with MOFA. They participate in the government's relief aid and small projects in health and education. A representative of an NGO engaged in emergency medical assistance criticised some leftist NGOs for being highly "ideological" but "hypocritical." In his view, these NGOs were heavily dependent on the government for financial assistance, even though they claimed that they maintained their autonomy. From his perspective, Japanese NGOs should work more closely with the government so that both sides could compensate for each other's weaknesses (finance for NGOs and manpower for the government). 22 With regard to Indochina (Cambodia and Vietnam), many Japanese NGOs were concerned about the future environmental deterioration in the region and were closely observing the country's economic aid policies. In particular, they were pressurising MOFA to pay more attention to the environment of the Mekong River region, where the Japanese government was attempting to expand Japanese infrastructure based aid projects in order to accelerate the region's industrialisation. While the role of Japanese NGOs in ODA policy making is still limited, they have begun to exercise some modest influence over government aid policy toward Indochina. JVC, a strong advocate for sustainable development, succeeded in putting an end to one of Japan's ODA programmes called 'pesticide aid' in Cambodia in 1993.

JVC's success in halting the Japanese ODA project encouraged other NGOs to pursue campaigns for the preservation of the environment of Indochina. Seven Japanese NGOs, including JVC, formed the Mekong Watch, a network to advocate sustainable development in the Mekong region. The Mekong Watch criticised the report on the Mekong regional development plan designed by the Task Force on the Greater Mekong Region, organised by MOFA. Summing up, Japanese NGOs have not exerted substantial influence over the aid administration. However, indications are that there may be an increasing influence of NGOs over the government's aid policy, as demonstrated by the termination of the Japanese pesticide aid to Cambodia. The

participation of NGOs in ODA policy making will continue to be valuable as MOFA officials have begun to listen to their views. NGOs can provide the perspectives of the grassroots to the government officials and can also pressurise the government to play a leadership role in promoting aid to help the poor in the recipient countries. The future participation of NGOs in the implementation of ODA is open to question, as most of them are skeptical of MOFA's intentions of collaborating with them. At the same time, NGOs that have begun to take part in ODA might continue to do so, as they have cordial working relations with MOFA.

Japanese “soft aid” to developing countries has been rapidly expanding its base since the 1990s. Among private sector non-profit organisations, NGOs that are engaged in overseas aid have been steadily increasing their activities and play an important role as one “face” of the Japanese people, a visible Japanese presence in the developing world. Although, it is true that many ups and downs are likely to happen before NGOs establish a partnership with Japan’s ODA agencies and that many tasks remain for the NGOs, such as developing their organisations, securing staff and building a financial base. There is no doubt that they are destined to become a much greater force in Japan’s overseas aid efforts in the near future.23

However, having stated that, as this chapter has discussed above, the Japanese government has tried to control NGO activism through financial assistance. Nevertheless, with public support, mass media, international pressure and human network within the Iron Triangle, Japanese NGOs are becoming a powerful actor in Japan’s aid activities. Japan’s new aid policy has just started, so it is an open question how it will be operated and what they will bring to Japan’s foreign policy, but one thing is quite clear that Japanese NGOs’ influence can no longer be ignored in the country’s ODA scheme.