

**Local Planning at the Crossroads:
NPM and Participation in Contemporary Japan**

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Introduction

Japan is a unitary state consisting of 47 prefectures and some 3000 municipalities (city, town and village). This part generally outlines how local governments in Japan draft, coordinate, and utilize their developmental plans. That does not necessarily mean that Japanese local governments have been successful in coordinating among various interests. The findings are somehow mixed. However imperfect, the way interests concerned are trying to communicate is a reflection of the fact that Japan is an integrative system under which different levels of government tend to overlap their jurisdictions and concerns. As compared with a separationist system, which tends to emphasize each government level's distinct jurisdiction and autonomy, integrative system allows blurred jurisdictional boundary and encourages interdependence, especially between central, prefectural and municipal levels. Before examining the local government planning, I will briefly touch on the ideological and theoretical discourse on planning in general.

Intrinsic Limitation of Planning

Although planning as a tool of governing has been extensively used in postwar Japan at all governmental levels (national, prefectural, and municipal), it has never been strong in its capacity to direct future events, projects and policies. First, Japan developed a dynamic capitalist economy, and public sector simply cannot dictate what private or societal actors do. Secondly, Japan is sometimes called (with justification) network-oriented polity, which means there is no commanding entity within governmental system, which controls the rest. Thirdly, budgetary process is administered annually while planning goes beyond one year. In most cases, plan cannot win over budget, as the latter is more strongly institutionalized, and more directly reflects the immediate environment. Some of these basic conditions to some extent apply to many other Asian neighbours' cases.

Because of the weakness, there was some sort of disillusion over planning in Japan as well as other industrial nations. Even before that, ideological critics against planning have argued that it inherently has a potential risk to threat individual freedom and other rights, as for example Hayek proclaims. Combined with the disillusion and the liberal criticism, some political force seized the tide "never to plan". In Japan, it was Prime Minister Yasuhiro Nakasone, a staunch conservative, who refused to put any number except macro-frame data like GDP in his national economic vision (even the word "plan" was dropped from the title by his request), an

episode reminds many Hong Kong people of some governor in the past glorious days before positive non-interventionism¹. And the collapse of Eastern Bloc came as the vindication for those who are ideologically against planning. What we have seen in the socialist and capitalist countries was that the planning, no matter how detailed and precise the planners tried to make, failed to function to control future event and people's actions as intended. In a theoretically ideal world of planning, the planners presuppose that a plan, once formulated and authenticated, can dictate future projects and actions perfectly. In that model, only by reading and abiding by the plan, people can automatically be engaged in a harmoniously action, without being conscious of coordination. That is a typical model of "coordination by plan" — named by a prominent Japanese scholar, Masaru Nishio. After that was proven just a theory, a new approach of planning arrived. It considers planning as a permanent process (or, permanent *Prozeß* in German), and planners are required to adjust and readjust the original plan continuously. It is acceptable, natural and even good for a plan to be erroneous in predicting future and to necessitate its revision in accordance with new reality. It does not separate the planning process from implementing. That approach produces a popular new technique of "rolling system", where a multi-year plan is reviewed every year by design. Still this approach does not abandon the dream of "coordination by plan".

However in reality, planning, as long as it deals with important matters, attracts attention, which leads to intervention, sometimes from outside the planning process. That is especially the case with the civilian and democratic government. Military planning enjoys relative secrecy and hierarchical structure, so does to lesser degree, corporate planning. As a classic work by Banfield argues, political factors always dominate planning process, making "coordination by plan" virtually impossible. Therefore, Nishio suggests that only possible scenario is "coordination of plan"; various interests and parties are competing in planning process, and eventually, the plan is formed as agreement is reached.

In Japan, despite of the predicament in theory and practice, planning has been widely done in the public sector. It is my assessment that planning has survived because of the lowered expectation for it, and of its various by-product. Local government does not try to "coordinate by plan", but just aims at "coordination of plan". In the next section I will review some historical background of local planning and its institutional basis.

Local Government Planning: Brief History

Municipal Developmental Planning

Since its enactment in 1946, Local Autonomy Law (LAL) has been the most important and basic framework for local government. Amendment of LAL in 1966 provides for a municipal government's role of planning body. Municipalities are obliged to enact the basic vision (*Kihon Koso*) through the assembly's consent (Section 5 of Article 2). However, before the amendment, municipalities had started planning in various ways. Most important impetus for municipal planning was the

drive toward amalgamation starting in the 1950s. The Amalgamation Promotion Act of 1953 mandated merging towns and villages to formulate a plan of consolidating public facilities, projects and so forth. Therefore, amalgamation initiative from the central government (probably with no clear intent) forced municipalities to make plans for municipalities. After the amalgamation boom ended however, very few municipalities revised the plan.

In the period of high-speed growth, municipalities regained interest in planning in order to coordinate developmental policies. In the late 1960s, about 50% of cities and 35% of towns/villages have made a developmental plan. The planning did not stop at the level of individual project or function (e.g. water supply plan), but went comprehensive, as merging municipalities had to think over its future all over from the scratch. Later, Home Affairs Agency (MoHA's predecessor) came up with a model for municipal planning; Kihon Koso, Kihon Keikaku (basic plan) Jisshi Keikaku (implementing plan). Main features of the three is shown below in Table 1.

Table 1 Three Levels of Municipal Planning

years covering	stipulates
Basic Vision approx. 10	very basic course municipality should take
Basic Plan 5	overall goals with some specific project plans
Implementing Plan 3	concrete projects with some budgetary basis

Source: Prepared by the authors

This model is not in the book of law, and the three categories are sometimes not distinctive. According to MoHA survey (1991), however, more than 90% of all municipalities have formulated BV, and 68% are equipped with all of the three categories. The most important aspect of municipal planning is its comprehensiveness; it covers from economic/industrial development, infrastructure, education to health and other social services; it has both goals and means, both software and hardware types of policies. Being comprehensive however leads to some weakness; it tends to be vague and weak in its commanding function.

Prefectural Developmental Planning

Prefecture became local government only after the World War II. Until 1946, prefecture was just a national organ headed by central officials appointed directly by the Emperor. While municipalities enjoyed some of the local authority status since Meiji modernization period (mayor elected by local council which was elected by adult male population), it was totally a new experience for prefecture to be lead by an elected politician. Unlike municipalities, prefectures were not legally obligated to formulate comprehensive plan. But, in some urban prefectures, planning activity already started right after the surrender, mainly for recovery from the war damage. In 1950, National Land Developmental Law was enacted, a major legislation to coordinate comprehensive land development. Its planning scheme was three-tier: national, regional (6-8 prefectures), and prefectural. It empowered prefectures to

draft developmental plan in order to facilitate regional and national land development. In 1956, LAL revision mandated prefectures to follow that scheme by making developmental planning their function.

Because of this historical background, prefectural planning has been inclined to land and economic development, but recent tendency is in the direction to higher degree of comprehensiveness covering social, educational, and environmental aspects. Tastero Niikawa, a leading scholar of local planning says prefectures enjoy more discretion and freedom in planning, as compared with municipalities that are mandated to plan under Local Autonomy Law². Only 4 % of prefectures follow the model of MoHA (BV, BP, IP). 83% of the prefectures formulate BV (or, long term planning).

Obviously, prefecture and municipalities within it would have the problem of overlapping concern in planning, which makes coordination effort between them necessary. Prefectures are not in the position (both legally and informally) to dictate or intervene municipal planning. The time ranges of the plans seldom match. Political events (electoral results, changes of policy trends nationwide etc.) affect planning process. The different levels of government in Japan seem to cope with these difficulties by communicating with each other.

Case of Hyogo Prefecture

Since the late 1960s when negative effects of economic growth became evident (environmental disruption, health and consumer issues emerged), prefectures started to change its orientation of planning from industry/development, to life/welfare. No longer was the priority to pursue the goal set by the national government's comprehensive land developmental plan. Its own goal under the area's distinctive characteristic was emphasized. In the following lines, I take one prefecture called Hyogo as an example, which shows how the interests concerned take part in planning process, and the coordination effort has been made.

Hyogo Prefecture is located in western part of Japan. Its capital city is Kobe.

Its area is 8,391.58 km² with population of 5,537,365 people. GDP ranking is 5th among 47 prefectures, and it ranks by major economic indicators around 5-8th place nationwide. Hyogo includes one designated city (Kobe), 21 cities and 66 towns. The prefectural office has 14,200 staff and about 10,000 police force.³

Historically, Hyogo has made four developmental plans. Each has a beautiful name (such as Life-Cultural-Social Plan of Our Land Toward 21st Century). Instead, I rename these with simple numbering. Each one's profile is presented in Table 2.

Table 3 shows how the process of coordination and participation evolved over time. While direct commitment by national players significantly decreased as Table 3 indicates, Hyogo Prefecture tried to collect local opinions through various avenues. Inhabitants are invited, sometimes selected by areas and functions. Opinion survey has been extensively conducted, with one exception of the 1st Plan. Prefectural assembly's involvement has been clear, and strengthened by the addition of party-by-party base policy negotiation with prefecture's planners. Prefecture has paid

Table 2 Four Developmental Plans of Hyogo Prefecture

	planning period	period covering	commission chaired by H. Miyazaki (industry)	commission members	participating national interests MITI, Agriculture
1st	1965-1966	1966-1975	/later T. Okazaki (bank)	ac 7 pa 6 as 30 mc 7 ng 5	Construction, Transport, Land
2nd	1973-1974	1975-1984	M. Yonehana (academia)	ac 16 pa 10 as 39 mc 8 ng 1	Land
3rd	1985	1985-1992	K. Niino (academia)	ac 6 pa 9 as 32 mc 8 ng 0	None
4th	1991	1992-1997	M. Yonehana (academia)	ac 6 pa 7 as 20 mc 7 ng 0	None

ac: academia/pa: prefectural assembly/as: associations/mc: municipality/ng :national government agencies
Source: Planning Division, Hyogo Prefecture

Table 3 Participating Actors in Developmental Planning Process

	general public (inhabitant)		local government system	
	Public caucus	opinion survey	pref. assembly's input	municipality's input
1st	nore	nore	membership in commission	membership in commission
2nd	symposium 32 times, 9230 persons expressed opinions	2939 respondents	membership in commission	membership in commission, survey to municipalities
3rd	selected inhabitant meeting 44times, general public caucus 142times, 9599persons expressed opinions	757,865 respondents	membership in commission, political parties represented in assembly consulted	membership in commission, survey to municipalities, prefecture-municipalities coordination meeting
4th	selected inhabitant meeting 99times, general public caucus 6times, 25720persons expressed opinions	796,690 respondents	membership in commission, political parties represented in assembly consulted	membership in commission, prefecture-municipalities coordination meeting

Source: Planning Division, Hyogo Prefecture

much attention to municipalities within it. Not only the representatives from municipalities are invited to planning commission, some additional ways such as survey and consultation meeting are prepared. The trend can be explained by increase of the awareness of prefecture to coordinate, and also the more comprehensive and complex nature of the plan, from industrial/developmental plan to more life-oriented overall plan including welfare, environment and other social considerations.

The 5th and latest version of Hyogo's developmental planning is under way, although severely hampered by the Hanshin-Awaji earthquake in 1995. Some sort of new effort is being introduced, such as regular meeting with neighboring prefectures, and also among planners at prefecture and municipal levels.

Law does not require localities to set up participatory process in planning. Yet, as the plan at local government is a manifestation of its desired future, the local planners increasingly feel the need of citizen participation. Methods most widely employed are deliberative commission with citizens represented, and opinion survey to the public. Town meeting style is not firmly rooted in Japan, but recent data shows some 30% of localities hold such meetings for planning purpose (1992, cities with 100,000 population). Local government, especially with large population would

find difficulty in appreciating what the people need and what should be reflected in planning. Their strategy is twofold; one is to integrate opinions by sector (like welfare groups, agriculture groups, the business associations) and by other social factor (senior citizen, women group); the other is to divide its geographic areas big city's ward, small municipality's community-neighborhood) and hear opinions at these smaller unit.⁴

Who Drafts the Plan?

In Japanese the word for plan is "Keikaku" (計画). The word Keikaku is not popular, as I discussed in the section of Intrinsic Limitation of the Plan. It sometimes means a dreadful intervention by the public sector, sometimes the seemingly draconian authority without proper knowledge to predict the future event, sometimes even the socialist regulation on the individual freedom and enterprise. Local governments in Japan still continue to draft many plans, although as the Hyogo case, tendency is that they remove the word "Keikaku" from the front cover page.

Just as the naming of the plan, the word "Keikaku" can hardly be seen when surveying the organization chart of local government in Japan. In stead of Keikaku, it is "Kikaku" (企画) that often appears as the section or bureau in charge of planning. In fact, the Japanese name of the Economic Planning Agency, (now merged into Cabinet Office) in charge of making national economic plans, was not Keizai (economic) Keikaku Cho(agency) but Keizai Kikaku Cho.

The word Kikaku is a broader term than Keikaku.⁵ It includes the planning, but it also has a connotation of project, enterprise and strategy. The section in charge of planning is sometimes called just Kikaku bureau, but more often Kikaku Chosei bureau. Chosei means adjustment and coordination. If the naming does not betray, the Japanese local governments make plans with a full awareness that planning entails the factors of project, strategy, enterprise, and also coordination and adjustment. However, this reflects a nuanced, sometimes ambivalent situation where the planning process stands. Planning is a combination of the detached analysis of the current conditions and the prediction of future event, plus the bold enterprise, sometime even a dream for the community. But at the same time, planning process must include the effort to coordinate and adjust internally within the local governmental unit, with other public authorities and private entities.

The balance between decisive initiative and careful coordination depends upon cases, time and numerous other factors, but most crucial one is the initiative and leadership of chief executive (governor or mayor), or lack thereof. The planning bureau (Kikaku Chosei Kyoku) ranks with other bureaus or sometimes under direct command of the governor in some prefectures, but seldom with personnel authority and never with budgetary authority. The planners do not possess the leverage to direct their colleagues within the local governmental unit. Typically, planners in charge are busy collecting ideas by running around other sections and bureaus, and also around other localities. This is clearly shown by the survey in the following section too. In such circumstances, the "comprehensive" developmental plan is com-

prehensive only in that it contains a lot of different sections own ideas and individual projects. The only factor that can tilt things toward decisive initiative is the governor or mayor's commitment to the plan. Prefectures have some leverage vis-a-vis municipalities, but this works only when governor stands for the planning and show the position to the mayors.

One prefecture official told me that newly elected governor hinted at stopping the developmental planning altogether. His reasoning was clear; first, unlike municipalities, prefectures are not legally obligated to draft a comprehensive plan. Secondly, as he served as the top aide to the former governor (chief of the general bureau) he knows well about the prefecture, and his conclusion is that making comprehensive plan does not work in that prefecture. He called the planners merely "a stapler", meaning just bundling up the individual line bureaus' project. He then ordered that he does not want stapled "plan", and if made at all it must be something strategic. In order to achieve that, the pre-adjustment among bureaus in advance is limited to the minimum.

Relations with Budget

As many students point out, there are complicated relations between budget and plan to be explored. In Japan, where local governments usually come up with multi-year plan, there is no strict calendar-type relationship between budgetary process and planning process. The weak correlation between the two was portrayed in a much politicized incident that in 1998, then Prime Minister Hashimoto announced that all the national level, functionally differentiated 5-year plans would be automatically prolonged for seven-year-period, thereby cutting the public spending by almost 30 percent. Two interesting results came after this stringent announcement. It was implemented without any legal amendment or new law. Only one exception was made, because of hyper-strong pressure from the lobby of politicians and private sector, for the Road and Highway Construction 5 Year Plan, which escaped from extension to seven-year framework.

This does not mean the plan is meaningless with regard to the budget. According to a survey conducted by a MoHA-sponsored research institute in 1991, the local officials like to use the comprehensive plans for the budgetary negotiation with the finance bureau in charge of the budgetary making. The respondents show a strong tendency to take advantage of the contents of the comprehensive plan for the budget negotiations. This is in a sense a reflection that in Japan, there is no guarantee that once the project or any appropriation item is put in the comprehensive plan, it would be implemented.

Moreover, they seem to use the plan even if the budgetary item to promote is not directly in the print by referring to the plan and its contents (e.g. the term promotion of the tourism is the key to our community's future development is used for the project of park or travel industry subsidy; the public part project in the plan is used for the bridge building project which ensure better access to the proposed park). It is understandable that shorter the time frame, the utility seems to be

Table 4 Percentages of yes to the question "Do you use the plan for the budgetary negotiation?"

Prefecture	Approximate time frame	percentages
Long Term Plan	10	78.7
Middle Term Plan	5	100.0
Implementing Plan	3	91.3
Basic Vision	10	63.9
Basic Plan	5	75.9
Implementing Plan	3	88.1

Source: 1991 Survey by Chiho Jichi Kyokai (Local Government Association)

higher (although one reverse pattern found in the prefecture level between 3 and 5 year plan).

There is another important significance of the plan with regard to the budget. In the time of fiscal crunch, and also (related but still different) trend of New Public Management, Japanese localities are now scrambling to the new tool called policy evaluation. Although the motivation is neither simple nor single, one of them is to cut back the budgetary spending. For those in charge of respective service and functions are now in the position to defend and justify the appropriation items against this cutback management. One of the precious weapons for them is the comprehensive plan. If you can find the direct reference in the book of long-term plan, it can be construed as a strong commitment, and also a pledge to the residents by the political leadership so it is not easy if not impossible to reverse and scrap the item. Problem here is that the planning and evaluation are done in a completely separate manner, so this occurs very likely only by coincidence; the mention in the plan will be good news for the officials who try to justify the project, but that is not because it was considered important, but they are lucky. In order to avoid this, it is necessary to consolidate the common measurement of importance so that priority is clear both in the processes of evaluation and planning. There are some examples among local government in Japan to merge these two processes by giving the evaluation and planning tasks in the same bureau.

Lowering the Expectation

It is clear that local government in Japan does not entertain the dream of "coordination by plan". Instead, the planners are busy doing "coordination of the plan", and once again according to Nishio, the plan as "a bundle of agreement" will influence the concerned parties in a loose manner. That is typically shown in the survey in 1991 quoted in the previous section. Quite a few questions regarding the planning were asked to various officials in prefecture and municipality, as well as local council members and people at large.

First, Table 5 shows how widely the local comprehensive (development) plan is known. As the relatively high percentages among officials and councilmen show,

Table 5 Degree of recognition of the comprehensive plan (%)

		Residents	Councilmen	Managing officials	Budget officials	Planning officials	Officials at large
Prefecture	Know	59.5	95.7	95.7	95.7	95.7	85.1
	Don't know	34.0	0.0	0.0	0.0	0.0	10.6
Municipality	Know	33.0	89.7	—	—	—	88.0
	Don't know	66.2	9.7	—	—	—	11.4

Source: 1991 Survey by Chiho Jichi Kyokai

the comprehensive plan is widely recognized within the local government. Questions for municipal plan is not directed to officials categorically divided, so at only prefectures I can examine the differential of recognition by position. The margin of gap between core (planning section and managers) and the rest is about 10 points. At prefectural level, more than half of the population responded know the plan, while only one-third of municipal residents know it. By and large, the existence of the comprehensive plan is known, in fact much better than expected.

Among those who know the plan, how deeply are they conscious of it when making their own policies? Table 5 shows some contrast between prefectural and municipal plans; the officials at prefecture are more strongly influenced by the plan than those at municipality. But again, the percentage is not so low that I can suggest that the plans are irrelevant in terms of specific policy reference.

Table 6 In making policies, are you conscious of the comprehensive plan? (%)

	Always conscious of it	In some specific case	Sometimes	Seldom	Other
Prefecture	76.6	14.9	4.3	—	—
Municipality	43.5	35.3	18.7	1.4	1.1

Source: 1991 Survey by Chiho Jichi Kyokai

However, asked if the plan is good for their daily activity in office, and is good for very basic guidance for the office, the respondents gave relatively subdued answers, especially to the first question.

Table 7 Is the plan good for guidance? (% of positive answer)

	Good for guiding administrative activity	Good for general policy guideline
Prefecture	25.5	61.7
Municipality	23.9	64.6

Source: 1991 Survey by Chiho Jichi Kyokai

The officials do not consider the plan as a guiding light for their specific administrative activity but more of a vague signal for policy making. And asked if which you obey, if the comprehensive plan and your section's policy are different, many sections (budget, general affairs, welfare, hygiene and health, construction) put their priority over the plan. Only planning, education, and industry sections gave

equal or stronger importance to the plan⁷. Even among those in favor of the plan over the section's policy, it may be because recent trend of cutback, they rely on the past plans simply to protect their proposed share of spending.

Table 8 In case of contradiction between the comprehensive plan and your section's annual policy, which do you follow?

	The Plan	Your Section's Policy	DK/Other
Planning	41.8	43.3	14.9
Finance	30.2	<u>54.0</u>	15.9
General	24.6	<u>58.5</u>	16.9
Welfare	28.6	<u>62.9</u>	8.6
Medicine/Hygiene	23.7	<u>65.8</u>	10.5
Econ/Industry	42.9	42.9	14.3
Construction	36.5	51.2	12.3
Education	46.5	36.8	16.7
Others	19.4	<u>64.9</u>	16.7
Tota	34.5	51.8	13.5

Source: 1991 Survey by Chiho Jichi Kyokai (Underline denotes more than 20% margin between the plan and the section policy).

However, it is more interesting to see how then they take advantage of the plans; not only for making policy or project, their uses are varied; in briefing to the local council, in budget-negotiating within local government (as I pointed out earlier), as a textbook for personnel training, and in explaining to the local residents.

The survey is very indicative of why Japanese local governments still keep planning. Their expectation to planning is somewhat sober and realistic. They seem not to be frustrated because formulated plans do not perform as written, and do not direct the sections, officials, and people. Byproduct of the plan-not the book of the plan itself but a process to seek agreement, and positive side-effect (for briefing and training) are appreciated as an effective way to use it.

NPM and Planning: A Pioneering Effort: Early Diagnosis

Theoretically speaking, planning can work hand in hand with many NPM reforms. NPM requires its government to posit clear mission, and desirable goals. It entails objective measurement and evaluation. Planning fits very well with NPM doctrines which dictates governmental units "to steer not row" (Osborne and Gaebler), and to be strategic.

However, very interestingly, it is not so common for NPM-minded scholars, consultants and ideologues to put forward the idea that planning should be a key factor in promoting their agendas, like Program evaluation, Cost Accounting System, benchmarking, Private partnership, performance-based government, and so forth.

One possible explanation can be found on the side of NPM. Although some 20 years have passed since NPM things captured the buzzword status, it is still in a

relatively young and restless stage for putting the theory into practice. As one prominent observer put, "Public management reform is an activity where the high level rhetoric often far exceeds any measurable achievement, and where simple models and catch-phrases bear little relation to the complexity of real change.

The other obviously is on the side of planning. As I already have shown in the Japanese case, planning is not necessarily a cohesive process and plan is not a cohesive product. Borrowing the concept from some dubious practices in the United States, some proponents of NPM suggest the need for "strategic planning", meaning planning is usually not closely related to strategy. Planning is often caught in the middle of politics, where various interests vie for largest possible share. Planners are not strategists, but merely coordinating the various stakeholders in the political process, which happens to be called planning.

How planning and NPM match within a governmental unit can be therefore an interesting and strong test, how likely for the government is to be able to institutionalize NPM theories. Now even in Japan, a deserted wasteland for NPM, some pioneering effort is being made. Mie prefecture, the best known for its NPM orientation and strong leadership of its governor Masayasu Kitagawa, is indeed trying to link its NPM reform with its comprehensive planning.

Although just a couple of mention of NPM menus like evaluation schemes can be found in the incumbent plan drafted in 1997 and valid till 2010, it is now putting more of them to its revised version now underway. Moreover, Mie has established comprehensive evaluation framework, and one of the key indicators is if the project or program was put in the plans previously drafted. In the ultimate goal, policy evaluation, budget, planning are institutionally linked, and eventually to personnel evaluation and its results: ultimately the individual staff's salary.

Mie has some followers. Kyoto City, a designated city with 1.4 million population is now considering the similar methods. Mainly because of its fiscal difficulties, Kyoto City Government feels the urgent necessity to evaluate the expanded programs and functions and to cut back some of the excesses. Already they declared "fiscal crisis" to the assembly in the year of 2000, and implemented the common-but-still-effective across the board 2 % cut policy for two consecutive budgets. Facing the prolonged recession, the government steps up the cut back management even further by connecting the plan and evaluation, in order to legitimize the cuts. The reference is made whether the specific project or program was mentioned in the plan, and if not, it would be evaluated negatively, as the plan did not consider it priority. There can be an obvious objection to the idea, as many agree that the plan was not meant to be used in this way, and more bluntly, it was not made in a serious manner! The perceptions of plans among local officials I previously showed also suggest that discontent persists. But, so far it seems evaluation goes as I described in Kyoto.⁷

What we can see in these efforts is the serious and comprehensive strategy to upgrade both NPM reforms and planning by linking them up. However, if the strategy works is another matter. I am not deterministically pessimistic on the possibility to institutionalize NPM doctrines onto Japanese public entity. Even in the world

of planning, national level of planning, where no serious participation is made, maybe. Local but functional plans (Water, Sewage, Transport and so on), again maybe. However, as far as local comprehensive planning is concerned, it is highly difficult for those who aim at the linkage strategy. The reason is as I presented before, its orientation toward the participation. Since the early period of postwar, the localities have committed to the idea that participatory measures are not only desirable but also necessary to legitimize the plan and its process. Hyogo's case is very illustrative. It has continued to broaden the base for participatory input to plans. Comparison between Mie and Hyogo is more illustrative. Mie is committed to NPM, but not so crazy about participation. Hyogo seems to go for the participation, but remains very detached from NPM. Here I am not about to put any normative judgment on which is better as government. Although there is no systematic survey on the issue, my assessment is that Mie is the exception and Hyogo is the rule. Also, like in case of Kyoto, where linkage strategy go together with more participatory schemes proposed⁸, in all likelihood it will not work as intended.

There are many articles on NPM, but few addresses the issue; how to reconcile democracy and management. Customer satisfaction (NPM's another favorite word) and popular participation are totally two different things. The answer may be found, albeit imperfectly, in the practice of individual government body, but so far the image is not yet clear how participatory planning can coexist with NPM reforms at the local level.

Notes

- 1 Recent contrasting example was Kiichi Miyazawa. He pushed the Economic Planning Agency to put concrete numbers in his cabinet's economic plan to illustrate desired image of Japanese society to come; working hour to be decreased to 1800 per year; salary of 5 years can buy you a house and so on.
- 2 Niikawa, Tatsuro, "Local Government Planning" in M. Muramatsu and M.Nishio eds., Policy and Management, in Public Administration Series 4, (Yuhikaku, 1993), p. 244.
- 3 Data source Hyogo Prefecture. Population number is by 2000 census.
- 4 There are many critics over the participatory methods; they are just a formality or ceremony to make process look democratic; the planners select the participants in advance; direct input is limited in planning, not extended to evaluating stage. Dilemma persists in designing participatory measures everywhere.
- 5 According to Iwanami Dictionary of Contemporary Japanese, Kikaku is "making a plan in order to achieve something"
- 6 Because he is the first term governor and the planning is in progress, it is still unclear what kind of subsequent difference is made. Yet this implies that the chief executive can alter the process.
- 7 In order to minimize the problem, Kyoto is now revising the planning process. But most important move is that it is now relocating the evaluation headquarters from current Administration Reform Section of General Affairs Bureau to Planning Bureau.
- 8 Kyoto has begun a new planning process that gives more authority to its 11 wards. In each ward, committee is organized and it is responsible for collecting and listening to the voices of residents directly.