

Preface

Ordinary citizens, members of nonprofit organizations, residents' groups, neighborhood associations, town management companies, business corporations and industry organizations – the groups participating in community building across Japan, and their methods, vary greatly. The trend shows no signs of waning; indeed, it is expected to gather further momentum. It can be seen as a shift away from the increasingly bloated dominance of central government that started in the postwar years.

Many regions in Japan have been simultaneously gripped with anxieties such as declining population, aging societies, fragile economic bases and budget deficits. But some of the regions are bold enough to stand up against such challenges. They are united with diverse parties in an attempt to break through the difficulties. The fact is that these very regions are facing all kinds of hurdles, but we can take heart from the way that they bravely grapple with local issues despite being faced with many uncertainties.

If municipalities or communities collapse, the nation will collapse with them like a house of cards. In order to prevent such a worst-case scenario from occurring, municipal governments should maintain the principle of formulating policies that reflect the actual demands and needs of stakeholders while reminding themselves of the principle of citizen-led governance. Each region needs to forge, in cooperation with all the stakeholders, a basic framework for strategic regional/community management that pays consideration to the region's unique characteristics, thereby strengthening the region's overall power and capabilities. We have now entered an era in which the comprehensive power of regional areas will be severely tested.

Many proposals being put forward by municipalities under the government's special deregulation-zone programs and regional rejuvenating schemes urge a swift response to local issues. Regional /community management by diverse parties can only be achieved when municipal governments join hands with residents, nonprofit organizations, businesses and neighborhood associations, and recover a sense of "locality" based on citizen autonomy. It is the exercising by municipalities of their maximum potential power and the effective and strategic interlocking of regional resources. There are increasing calls at municipal level for strategic regional/community management based on the interests, needs and demands of citizens, nonprofit organizations, business corporations and other stakeholders—not those of government agencies. In a way, this is also a call for a review of the role of government at the municipal level. Strategic regional/community management by diverse players with a variety of values and ideas will lead to diversity across Japan. With the implementation of strategic regional/community management by diverse players, the hitherto gap between central government and the viewpoints of citizens is likely to be brought home. Citizens too will no doubt come to realize just how much they had become accustomed to a "leave it to them" democracy which unquestioningly relied on the government.

Redefining of players' roles at municipal level and regional diversification are likely to force Japan to significantly revise its vertically divided and uniformity-oriented society, the target of

criticism in the past. It will also force it to question the role of central government. Raising such questions will prompt the central and local governments to revise their relations significantly, and eventually lead to the structural reforms necessary for building a better society. These changes are a kind of stakeholder-initiated revolution.

This report is designed to summarize some possible solutions to a series of questions raised in connection with efforts for strategic regional/community management¹, including why diverse parties should join hands and what aspects should be particularly addressed in such efforts. Based on the results of public opinion polls, hearings and discussions by relevant study panels, the answers are shown by introducing examples of actual cases so as to ease comprehension.

Outsiders can offer no simple solutions to alleviate the anxieties of local people; there is no concrete magic formula for the ideal nature of a region. Rather, the local community in question must come up with the answers on its own. Each region has different natural, human and cultural resources, and people living there have different sentiments, feelings and ideas. This makes it impossible to apply uniformly identical solutions to all the regional communities in Japan, and makes it vital that diverse parties with different characteristics and different ideas join forces in building their own communities. In an era of population decline, municipalities will become subject to selection and assessment by people. Even if local governments try to attract people from outside whilst at the same time ignoring the opinions of their inhabitants, their communities will falter and their publicity campaigns will be rendered pointless. What is important for municipal governments is not the pursuit of efficient public services but responding adequately to issues facing their communities, and contributing to improving the public welfare of citizens and businesses. The importance of establishing a mechanism in which diverse parties can continue dialogue to generate the ideas and energy to build their own communities, and the importance of continuously improving this process should be emphasized. In this report, special attention should be given to municipalities with less than 300,000 inhabitants, whose population may be halved in the near future. These municipalities will collapse unless the relevant parties forge strategic regional/community plans, and the danger of this should not be underestimated.

Some key words for strategic regional/community management might include "residents' pride and desire to live there for a long time", "sharing a sense of crisis", "strategizing" and "continuous improvement and review of management scheme". It is hoped that the ideas and actual examples shown in this report are found useful, that many efforts will be made across the nation, and that a whole new kind of regional building will proceed in Japan.

¹ We use the phrase "strategic regional/community management" not just to describe physical infrastructure for the life of residents and corporate activities, but in its widest sense, as a concept related with which lifestyles, industry, medicine, welfare, culture and the environment are all part of what constitutes how a city/community is.

In this report, we consider it indispensable for municipal governments to shift their role in regional/community management from major player to that of a "stagehand" in order to help encourage participation by citizens and various other parties. It is also indispensable for municipal governments to step up providing information to citizens and other parties involved in regional/community management and sharing data with them. What is the most important in the process is for officials at municipal governments to change their thinking about their roles in regional/community management. We want the proposals shown under this report to be positively used by the heads of municipal governments without them becoming the leading players. They should limit their role to that of "stagehands" and refrain from acting on the center stage during the performance. We call on the leaders of resident groups and other parties deeply interested in strategic region/communities management to utilize this report. Again, we hope that this report's proposals are used by those trying to reflect the viewpoints of the people in their communities about regional/community vision.

Outline of Report

1. The scope of administrative operations by government agencies has expanded almost without interruption since the end of World War II, chiefly aided by continuing economic growth. It has become a case of governmental monopoly of public services, and "leave it to them" democracy on the part of citizens. Meanwhile, problems affecting the regions, problems that cannot be resolved by government or any other single body, have continued to pile up.

The disappearance and hollowing-out of core commercial districts in small and medium-sized cities is becoming an extensive problem because it affects not only local governments and retailers but also local shoppers, roadside-shop operators and elderly people who find that shopping has become difficult. The same is true of welfare services for the elderly, the youth employment issue, child-rearing conditions and collapsing communities. Ongoing efforts for region/community management face deadlock unless parties from various sectors are called in and get together to deal with the mountain of issues.

2. Subsequently, many municipal governments are keenly aware of the importance of varied parties joining forces in strategic region/community management. (64% of municipalities surveyed in a poll said that thought this was important.) Many of the municipalities surveyed hoped that major roles would be played by individual residents and members of NPOs as well as the conventional players like neighborhood associations, business and women's groups. The poll highlighted many problems that may be obstructing the progress of region/community management, including citizens' excessive dependence on municipal governments, lack of cooperation on the part of such governments, the prevalence of sectionalism from national to municipal governments, and weak interest from businesses. Hearings conducted separately also revealed problems such as a lack of cooperative ties between local governments and NPOs, shaky partnerships between businesses and NPOs, and uncertainty over the role of municipal assemblies in building citizen-led local society. The findings indicate that issues related to strategic region/community management are becoming extensive and complex.

3. The reasons why a variety of parties should work together in region/community management are based on the following four points. The first reason is limited administrative capacity to allocate budgets necessary for policy measures. With diminishing revenue, and increasingly demanding citizens, regional municipalities alone cannot decide which policies should be given priority and which ones scrapped, however energetically they consult their constituents; such decisions cannot be made without the participations of citizens. Secondly, just improving the efficiency of services provided by local government on the basis of customer-oriented principles amounts to no more than a cost-cutting exercise. As with government-dominated regional/community management, this does not result in healthy, regionally powerful municipalities. In a spiral of regional and national population decline, troubled finances, fewer job opportunities, and tumbling land and property prices, this will do nothing more than assist regional divisions and threaten their survival. The third reason is the feat that an

increasing number of municipalities in Japan are becoming identical in the wake of more municipal mergers, that their unique characteristics and inherent value systems will fade away, and that eventually the citizens who are the most important stakeholders will lose their sense of attachment to the community. Fourthly and finally, participation in regional/community building by a variety of parties would likely spur new ideas and invigorate the region's enthusiasm on a long-term basis.

4. Looking at the increased cooperation being made by a variety of parties for regional/community management in some areas, the axis of coordinates that serves as a basis for thinking has obviously changed significantly. The change marks a major turnaround in the framework of thinking, from regional/community development for economic revitalization to regional/community management aimed at increasing local pride and attachment to the community, from municipal government-led management based on the customer-oriented principle to role-sharing and cooperation among stakeholders, from a begging bowl mentality to an initiative-led mentality, from an action-and-no-assessment policy to one of repeated assessment and review, and from short-term viewpoints to long-term viewpoints looking 100 years ahead.

5. Several conditions are needed for diverse parties to make concerted efforts in strategic regional/community management. Citizens must become more mature and self-reliant. A platform where performance and responsibility are clarified is needed. Key people who will coordinate and bring out all the ideas and energy of the region, and create effective cooperation and build up a movement are needed. Information-sharing to foster mutual confidence among participants, and willingness by municipal governments to limit their role to that of stagehands assisting the main actors are also needed.

6. To make the envisaged region a reality, municipal governments must change first. Their officials should step back to the position of citizens, and all of them – in cities, wards, towns and villages alike – should remind themselves of the importance of dealing with the issues as their own problems, not citizens' problems. Those opposed to the bureaucratic way of doing business at municipal government offices have a strong attachment and affiliation to their own communities. They must have ground their teeth in frustration at the bureaucrats' foot-dragging. But now is the time for us to take advantage of their enthusiasm and willingness to act quickly. Overcoming confrontation and with an open mind, the time has come to start frank discussion about how to build a better community. There is a silent majority in all regional societies, people indifferent to regional issues, people who have felt helpless about the bureaucratic style of business at municipal government offices, and people wary of expressing their views due to the silent pressure of a society where the influence of senior leaders and prominent figures is overwhelming. It is therefore important for us to devise a mechanism in society that can enable the feelings of the silent majority to be reflected in policy-making. Conveying the pleasure of regional/community building to as wide as possible an audience, and gaining some resonance about it, are also vital.

7. The leaders of municipalities must change the mindsets of their staff so that they treat citizens on an equal footing. Municipal officials should be encouraged to step up information sharing with citizens and listen to the opinions of those without a voice. Municipal assemblymen should mingle with citizens by taking part in their gatherings, and recognizing that they too are citizens. Municipal assemblies should ask themselves whether they have the mechanisms to absorb the views and opinions of individual citizens, and they should cooperate with many different parties and try to ensure that the overall good of the citizens is being accurately reflected.

8. The acts of clarifying the issues that regions should be giving priority to and linking up the best possible people to address them will result in the forging of new relationships and communication, and lead to the building up of trust.

New ideas would arise from such interaction, attracting people who are in support. These efforts need to be evaluated by the same yardsticks. If necessary, they could be reviewed, a process that would further solidifies the foundation of the region. This continuous and strategic regional/community management system would strengthen the regions and turn it into a society that truly operates through citizen autonomy.

9. In Chapter 3, a series of suggestions are given to help promote strategic regional/community management by diverse parties. Municipalities having trouble in formulating regional strategies are encouraged to refer to [(3) Formulation of Strategy], and municipalities finding difficulty in getting citizens involved in regional/community building efforts are encouraged to refer to [(2) Involvement of Citizens].

In response to issues such as a weakening sense of solidarity in urban communities, citizen dependency on municipal government in some regions, and the powerful influence of traditional communities in certain areas, some possible solutions are shown and common problems facing the regions in each case are given.

10. Ministerial sectionalism in central government in fields such as law, subsidies, planning and finance is frequently blamed for the strong sense of sectionalism and lukewarm attitude to cooperation in municipal government, as is the advent of the national-prefectural-municipal axis. For municipalities to obtain genuine citizen autonomy, they will have to complain if central government coerces them into maintaining this axis in the future. They are faced with the challenge of creating a new system that will respond to real issues arising from real everyday life. This sort of bottom-up reform is sure to result in a momentum that will bring grassroots change to the very nature of the Japanese nation.