

Japan's Experience in the Process of Helping Decentralisation in Cambodia

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ABSTRACT

Japan has been helping decentralisation efforts in Cambodia since 2007. Japan has not been the only country helping decentralisation effort in Cambodia in the process of rehabilitation after the country's internal conflict ended in 1991. In fact, decentralisation in Cambodia after its internal troubles were settled begun with helps from Western countries, and the first significant step for decentralisation was realised when first local election was implemented all over the nation in 2002 and elected councils were established in Communes, which constitutes the lowest tier of local government system in the country. This start of decentralisation was considered as a big success. Japan's participation in this field started after this. Japan has been trying to render assistance in various field of development in this country ever after it started to reorganise itself after its internal war. One of the projects taken up by JICA, the international cooperation agency of Japan, was PILAC, Project for Improvement of Local Administration. The project started in 2007 and ended in 2010. The cooperation was succeeded by the second one, called PILAC2, whose actual name was the Project for Capacity Development for Implementing the Organic Law at Capital and Provincial Level.

During these cooperation efforts, those who worked for these projects found out that the way modern decentralised administrative system works in Japan is different from their originally conceived way. In other words, in Japan western system was introduced in 1880s but in these nearly one and half centuries it has been in operation, it has made its own evolution and has made a considerable divergence from its original ideas, which were born in the Western countries.

In this paper, the points which were found different, the reasons why these changes occurred and the possibility of making this experience of divergence an advantage of Japan in making cooperation with countries in Asia are explored. Political culture can be one of the reasons and strong inclination to keep uniform standard all over a country seems another reason. Also enough trained civil service personnel was found to be essential for decentralisation efforts. The experience with Asian version of democratic local government system can be a strong point of Japan's cooperation in this field of cooperation.

Keywords: *decentralisation, ODA, human resources*

I. OVERVIEW

This is a presentation about the experience Japan, or more specifically, I had in Cambodia when the government of Japan tried to help Cambodian government with regard to its decentralisation efforts. Cambodia is one of the countries to which JICA, Japan's overseas cooperation agency has been giving priority. Japan has been helping decentralisation efforts in Cambodia since 2007. Japan is not the first or the only country or organisation that helped the efforts of the Cambodian government in the field of decentralisation. In fact, decentralisation in Cambodia after its internal troubles were settled in 1990s begun with helps from Western countries, and the first step of decentralisation was realised when first local election was implemented all over the nation in 2002 and elected councils were established in Communes, which constitutes the lowest tier of local government system in the country.

This introduction, or rather reinstatement of decentralisation was considered as a big success. Japan's participation in this field began after this start.

Japan, mainly through JICA, has been trying to render assistance in various field of development in this country ever after Cambodia started to reorganise itself after its internal war. One of its projects taken up by JICA, the international cooperation agency of Japan, was PILAC, Project for Improvement of Local Administration. The project started in 2007 and ended in 2010. This cooperation project was succeeded by the second one, called PILAC2, whose actual name was the Project for Capacity Development for Implementing the Organic Law at Capital and Provincial Level, whose proposed schedule span from 2011 to 2015.

II. WHAT DID AND DOES JICA DO ASSISTING CAMBODIAN GOVERNMENT IN THE FIELD OF DECENTRALISATION?

PILAC1 project aimed to promote decentralisation in order to improve public service that affects people's lives directly in quantity and quality.

Let me have a brief glance at Cambodian state policies in regard to decentralisation¹. Cambodian national development strategy called "Rectangular Strategy," which was decided upon in July, 2004, stated that for the improvement of public service decentralisation was important. "Decentralisation and Deconcentration Reform Strategy Framework," which was approved by the Cabinet Council as the strategy for Decentralisation and Deconcentration Reform, declared that the government would introduce "Organic Law" ("Local Autonomy Law") and clarify authorities and responsibilities of respective levels of local governments and would gradually delegate powers from the central government to provinces, districts and communes. The Ministry of Interior, at the same time, recognised the long span of time required for the implementation of this policy and the need for gradual delegation, and consequently allowed the period from 2006 to 2012 as the time for transition.

The General Department of Local Administration, the Ministry of Interior, therefore, is planning to enact regulations concerning local autonomy system, local finance and tax system and relationship between the central government and local governments and between local governments. However, human resources are still scarce in Cambodia and it is difficult to implement all those policies without aids from other countries. UNDP and ADB are helping the Cambodian government with human resource development at central ministries and communes but human resource development is deemed still insufficient. Consequently, Cambodian government requested Japanese government to help them in the field of human resource development for more efficient local government.

The government of Japan made a preliminary research into this project and found out that this project is vital for enhancing human security of the people in Cambodia, where 60% of the people at that time fell into the category of 'living in poverty.'

The project aimed to increase the capacity of people working at the General Department of Local Administration, the Ministry of Interior and local offices like provinces and districts.

In 2008, the Organic Law was enacted and in 2009, following introduction of the law, local councils were established at provincial and district levels. The members of these councils were indirectly elected through election by commune councilors. In this situation, PILAC2 was started, following the conclusion of PILAC project in 2010. PILAC2 essentially succeeded PILAC and aims to execute further training for officials involved in local government.

¹From JICA's HP
(<http://www.jica.go.jp/project/cambodia/0601331/01/index.html>)

III. WHAT WAS FOUND OUT IN THE COURSE OF PROJECT IMPLEMENTATION?

I was involved in the implementation of PILAC project. My contribution was mainly in transferring Japan's experience to Cambodian officials and consulting with them about issues concerning decentralisation. The process of transferring Japan's experience to Cambodia was not only beneficial to the country but also beneficial for me.

During these occasions, I found out three things that I did not realise before I got involved in this cooperation project.

The first one was that the way modern decentralised administrative system works in Japan is different from the way originally conceived in their birth places. In other words, in Japan, western system was introduced in 1870s but in these nearly one and half centuries it has been in operation, it has made its own evolution and has made a considerable divergence from its original ideas, which were born in the Western countries. This I noticed from the words of the Director-General of General Department of Local Administration, Ministry of Interior. He told me that the most interesting thing is the way Japan has adopted Western system to its culture.

An example of this is the fact that, although local governments in Japan are generally called "local autonomous entities," they are actually functioning, at least partly, as the central governments' local offices. According to the first Recommendation of the Decentralisation Promotion Committee published in December, 1996, 70~80% of the prefectural governments' work are for those under central government's responsibility and 30~40% of the municipal governments' work are also for those under central government's responsibility².

Another example is that in the ideal form of local autonomy, it is required that the local tasks are financed by revenues raised locally. However, in the fiscal year of 2009, the share of local tax revenue in the total local government revenue except for borrowing was 40.9%. In the same fiscal year, the share of Local Allocation Tax, a kind of general purpose transfer from the central government to local government, was 18.4%, while grant-in-aid from the central government had a share of 19.5%. This shows that, financially, local governments depend equally on the central government and its own sources of revenue³.

Yet another example is the exchange of personnel between the central and local governments. Before the end of WWII, central government officials occupied important positions in prefectural governments. After the end of the war, the system was changed and civil service for each local government became independent. However, there still is a certain amount of 'voluntary' flow of officials

² The legal system and framework was modified in 2000 as a result of this and other recommendations of the Decentralisation Promotion Committee, but the overall situation has not been drastically changed.

³ Local Finance White Book 2011 edition

between services of the central government and local governments. Central government officials go for a time to local governments for the purpose of having direct experiences or taking up important positions where people with special knowledge or talent are required. At the same time, many local government officials go to the central government for the purpose of 'training.' This practice is deemed as something to be quietly covered in Japan but Cambodian officials showed great interest in this practice.

Also 'participation of the people,' which is the most vital element of local autonomy's ideal, is not so strongly practiced in Japan. Typically, when there is a scandal in a local government a resident would say to a TV reporter that he/she wishes that the central government supervise the local government in question more closely. They do not feel that it is their duty to supervise the government. 1.

The second thing I noticed was the fact that Principle of Ultra Virus does not apply in the case of Japan. I was reminded of this fact when an official working for the General Department of Local Administration, Ministry of Interior wanted to know about the acts depicting authorities of local governments to know the roles Japanese system gives to local governments. He asked me for a list of responsibilities of local governments in Japan. Of course there are legal requirements. But local government activities are not limited to those tasks required of them by laws. They can do anything as long as the area of operation in question is exclusively reserved by the central government.

The third point I noticed was that in the process of decentralisation, patience is vital. There are many good ideas about decentralisation policy. For example it is frequently suggested by foreign advisers from developed countries that local governments should have their own financial resources and be financially self-sufficient. However, it needs a great deal of human resources for local governments to be able to impose and collect taxes by themselves. At least it is still a dream in Cambodia to have a local tax system. We had a similar experience in Japan when Japan tried a rather drastic decentralisation after WWII. Local governments could not cope with newly given tasks and some of those tasks had to be taken back by the central government. To deal with this situation, the central government started to train local government officials them-

selves and for that purpose established the Local Autonomy College in 1953. But it took about half a century before the demand for the training in the College finally started to go down.

Decentralised system needs a competent local civil service which knows exactly to what extent it has discretion. Without it, decentralisation leads to inefficiency or worse, chaos. But to create competent civil service needs time. Therefore, it needs time to establish a decentralised government system.

After this encounter with Cambodian efforts, I thought that these experiences of Japan, having implemented decentralised government system in Asian culture for a long time can be a strong point of Japan.

IV. OBSERVATIONS

Those points in the practice of local government system in Japan which are actually different from their original ideas are generally considered as a proof of imperfection of the system in Japan. Frankly, we are not very proud of these modifications, feeling that we are not practicing the "true decentralisation" nor "real local autonomy." However, it can produce valuable information looking into Japan's history and looking for the reasons why these divergences occurred.

One reason these changes occurred can be the difference in the attitude of people to governing authorities in Japan. They are not too keen on "participating" in politics and very often take passive attitude. This tendency is especially strong in urban area, where even voting turnout is very frequently low.

Also the attitude of people to like being treated equally nationwide rather than having their own way exercising the powers of local autonomy can be another reason. But these things are yet to be proved.

However, by sharing our unique experiences with other countries in Asia, Japan can be a more helpful partner. The reasons why these divergences occurred are yet to be analysed but these experiences with Asian version of democratic local government system can be an advantage of Japan in its cooperation in this field of decentralisation by sharing our successes and failures.

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