

## Significance and Necessity of Critical Policy Think-Tank

Hiroyuki MORI<sup>\*</sup>

### Abstract

Policy think-tanks, as imperative providers of policy information, must have a role in creating good democracy. It is crucial in modern times because the majority becomes further intolerant and prejudiced toward the minority. This is true of the case of local government issues.

The history of local government in Japan can be described as a continuous struggle for improving citizen living standards, including public welfare, education, infrastructure, city planning, environment, and the like under severe constraints of limited administrative and fiscal resources. Some of the people involved in local governments had to analyze specific issues, examine new policy ideas, and form workable and practical policies under administrative and fiscal limitations.

The Institute of Local Governments was one of the most influential think-tanks in that its research has actually given impacts on the courses of the central and local governments. Currently, the Institute of Local Governments is based in Tokyo, and 35 subordinate local institutes are operated all over Japan. Local institutes carry out research, study, and learning activities focusing on local issues, and publish their own journals and books alongside those by the central Institute. The reason for this is that problems and issues are specific to local regions, and case studies are inevitable because universal logic may not provide appropriate policy recommendations for local contexts.

People in democratic nations need critical policy think-tanks like the Institute of Local Governments. From a democratic viewpoint, it is an essential duty of the government to guarantee liberal studies and activities by them.

### 1. Power tends to corrupt

The words “power tends to corrupt, and absolute power corrupts absolutely” by English

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<sup>\*</sup> Professor, College of Policy Science, Ritsumeikan University

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Historian John Acton illustrated a truth in human society. We are all special, not neutral or universal, because we differ in circumstances of birth and living. Each of us is inevitably affected by anything with which we are in contact. Since we have to live together in society, mutual checks are necessary for our self-righteous attitudes. This system of mutual checks and balances (or development) is quite significant for the policy dimensions of political power since policies forcibly affect the people in society.

Public policy is simply that powerful authorities apply or coerce specific policies such as public welfare, education, public works, financial policy, fiscal policy, and so forth. Public policies from one-sided points of view tend to fail to make optimal improvements in a democratic society and economy. This political will to foster public consensus is particularly important in unstable social and political conditions, like modern times under globalization, since people are easily agitated by emotion. On the contrary, it seems that today's societies have been recently influenced by the growth of populism. Once a rabble-rouser agitates the people through flattery by his or her cunning, the people are likely to stop thinking and take part in populist movements in society.

A populist society certainly leads to totalitarianism accompanied by political fanaticism. A totalitarian society does not respect or consider minority opinions, even if the minority are rationally correct. More seriously, the majority becomes intolerant and prejudiced toward the minority. Society is becoming increasingly unstable.

Although people are susceptible to being easily excited by populists and demagogues, they are intelligent enough to think and examine policy issues for themselves. By acquiring information, people may change their opinions to more rational ones. If we hope to make, keep, or reconstruct our democracy in a good system, it is inevitable for us to rely on people's intelligence sincerely. The point is that people come in to contact with rational information and knowledge from various standpoints and consider policy issues with interest.

Policy think-tanks, as imperative providers of rational information, must have a role in creating good democracy. Different think-tanks have divergent policy positions from one another, as their own viewpoints vary. However, diverse data is significant in completing optimal policies with precautionary measures to minimize adverse side effects. Think-tanks with divergent views on different positions play an important role in working for policy formation in democratic societies. Policy think-tanks must attempt to elaborate their policies through openness with the public, and political authorities must implement them as comprehensive and inclusive policies worthy of democracy.

## **2. History of local government in Japan**

The basic characteristic of intergovernmental relations has been a system in which the national government exercises powerful administration directed to local governments with the

political, administrative, and fiscal resources centralized. Thus, the national government has been the decisive authority for local governments. In line with a highly centralized governmental system, most local governments have been obedient to the national government in public policymaking. The national government has long imposed its administrative functions upon local governments and utilized fiscal transfers, such as specific subsidies and local allocation taxes, to conform to its policy intentions. This system has functioned effectively for the national government to carry out nationalistic strategies on all policy fields.

Conversely, local governments have gradually been granted local autonomous systems such as the popular election of governors, universal suffrage from the restriction of voting rights based on property tax payments, and the provision that “regulations concerning organization and operations of local public entities shall be fixed by law in accordance with the principle of local autonomy,” in the Constitution of Japan after World War II. Some progressive local governments utilized the rules and provisions of local autonomy to solve problems they faced. Additionally, it is important to remember that public officials and labor unions in local governments often led the way in solving these issues. These groups experienced fierce feuds with their superiors such as mayors, governors, elected politicians, and others.

The history of local government in Japan can be described as a continuous struggle for improving citizen living standards, including public welfare, education, infrastructure, city planning, environment, and the like under severe constraints of limited administrative and fiscal resources. Some of the influential people involved in local governments had to analyze specific issues, examine new policy ideas, and form workable and practical policies under administrative and fiscal limitations. In the process of policy making, they asked experts on local problems for their professional and specialized knowledge. Though customarily asking individual researchers, they sometimes requested specific policy think-tanks by some staff, relying on their broad and diverse perspectives.

Policy think-tanks were not passive and instead proposed policy recommendations spontaneously. They sometimes functioned as triggers for new policy debates, and local governments and their associates occasionally asked for deeper research of issues in turn.

Through mutual interaction, policy think-tanks on local government have increased their presence as policy analysis and proposal organizations.

### **3. A case of the Institute of Local Governments**

As a researcher of local government and finance, I have worked on local policies with several think-tanks in different political contexts. These are largely classified into three types; (1) government-related think-tanks, (2) think-tanks of the center-left, (3) and think-tanks of the liberal-left. Of these, I have worked longest in the liberal-left policy think-tank, the Institute of Local

Governments (Jichitaimondai Kenkyujo), one of the biggest bodies on local government research in Japan. It has historically affected the activities and practices of public officers, politicians, NPOs, and citizens. In the fields of public welfare, pollution, and mergers of local governments especially, the Institute took the lead in policy discussions locally and nationally.

The Institute of Local Governments was established at Osaka in 1963. This reflects the historical fact that Osaka was confronted with serious local problems, such as pollution and public service shortages in welfare and education. The fund of the Institute was largely dependent on labor unions of local governments, and other organizations critical to authorities in Osaka, though it was institutionally composed of membership fees.

The importance of the Institute's research achievements was rapidly recognized, and several local institutes (Chiiki Kenkyujo) were established under the umbrella of the Institute of Local Governments, though they decided their projects by themselves. Currently, the Institute of Local Governments is based in Tokyo, and 35 subordinate local institutes are operated all over Japan. The membership comprises approximately 10,000 people, most of whom are local officials, assemblypersons, researchers, and various citizens with interests in the environment, welfare, culture, education, and so on.

As its main activities, the Institute of Local Governments publishes a monthly journal (Citizen and Local Autonomy [Jumin to Jichi]) and research books, and holds a "Local Government School" (Jichitai Gakko) and training seminars for local officials and politicians. Besides, it extends various supports for local governments and citizens such as consulting services and the introduction and dispatch of instructors, and so on. When the Institute finds some important national issues related to local government, it sets specific research projects related to these.

Local institutes carry out research, study, and learning activities focusing on local issues, and publish their own journals and books alongside those by the central Institute. The reason for this is that problems and issues are specific to local regions, and case studies are inevitable because universal logic may not provide appropriate policy recommendations for local contexts.



Figure 1. Publication by the Institute of Local Governments and Local Institutes

Both the central and local institutes are positively engaged in making public policies for local economic and social development. This is the original mission of the institutes. The mission statement of the Institute of Local Governments dictates that: “The activities of local governments are intimately related with the activity and life of workers and citizens. It is certainly important to maintain and develop democratic local autonomy in order to improve local economy and life, and to direct national politics. It is necessary to enlarge and develop varied civic activities and local self-sufficient organizations to realize democratic local government and good local economy and life. For the sake of these, citizens themselves have to understand various realities and problems of local autonomy and governments correctly. With this purpose, the Institute of Local Government is now established so that the people can cooperate and collaborate in carrying out research and studies on problems of local autonomy and spreading their achievements and outcomes.”

This mission statement describes essential points that are required for well-meaning think-tanks focused on local public policies. It seeks to protect workers and citizens in localities, not the authorities. The mission-statement tries to account for democratic local governments who administer citizens with diverse opinions and behavior and strengthen the cooperative political atmospheres in local policy issues.

The central and local institutes have been engaged in many activities according to the mission statement. They have trained local officials, politicians, and citizens to acquire knowledge and critical ways of thinking about policy issues. They have cultivated a democratic atmosphere by giving people countervailing powers and confidence in their opinions even if they were in the minority. Though these achievements are still far from satisfying and need to be constantly pursued as an eternal practice, the roles of the institutes as critical think-tanks are more and more significant in this present age of populism.

#### **4. Recent Activities of the Institute of Local Governments**

The policy issue in which the central and local institutes played a crucial role was the mergers of municipalities in the early 2000s. The national government promoted mergers of municipalities to decrease the fiscal transfer budget by strengthening economies of scale in local public services. Many local governments were obedient to this purpose in fear that they might face severe fiscal stress without mergers.

The institutes implemented historical and empirical studies from the standpoint of “the principle of local autonomy” fixed by the Constitution of Japan. Most of their analysis showed that fiscal, economic, political, and social effects on merged municipalities would be seriously negative. Especially where smaller local governments were to be absorbed by bigger ones, municipal mergers meant that they would lose their autonomy in administration and finance. Mass media gradually took the opinion of the institutes though they just delivered the “neutral information” by the

governments at the early stage. Studies and the conferences by the institutes gave rise to much controversy among people and, as a result, a significant number of municipal governments decided not to be merged, and to develop their regions by themselves in the future. Since their decision, most of the municipalities have developed their own economic and welfare policies with the spirit of local autonomy and self-reliance.

It is certain that the number of municipal mergers would be higher if the institutes were not engaged in these research activities. Additionally, many citizens learned their own power in local autonomy through facing this crucial time in determining the future of their respective municipalities.

Today, the central government promotes original local policies nationally under the name of “Local Regeneration.” Most of the policy models for “Local Regeneration” illustrated by the central government are original policies executed by those municipalities which rejected merger. Without the studies and actions of the institutes, the social figure of modern Japan would be significantly different.

The institutes have now advanced research on crucial issues such as the restarting of nuclear power plants and the construction of the US military base in Okinawa in opposing positions from the viewpoints of local autonomy, environment, economy, and peace that are all indispensable for a sustainable society. They have described crucial issues and problems different from the central government’s position, and proposed important and diverse points of view necessary for a democratic society. This kind of think-tank is certainly a great hindrance for the public policies of the central government. If there were no such think-tanks, diversity and democracy would not be guaranteed. Japan would then be nothing but a totalitarian society.

## **5. Concluding remarks**

In short, people in democratic nations need critical policy think-tanks like the Institute of Local Governments. From a democratic viewpoint, it is an essential duty of the government to guarantee liberal studies and activities by them. Otherwise, citizens, public officials and politicians in local governments cannot acquire the necessary knowledge for rational and critical discussions. This knowledge is a fundamental condition in developing modern democratic societies.

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