# CHAPTER 1 An Outline of Local Government in Japan

# Introduction

Local government systems and practices vary significantly from country to country; for the most part, however, the main elements are similar.

The following general aspects of local government in Japan are described in this chapter:

- 1. The Legal Status of Local Government
- 2. The Basis of Local Government
- 3. The Tiers of Local Government
- 4. The Scale and Number of Local Governments
- 5. The Regional Character of Local Government
- 6. The Comprehensive Empowerment of Local Government
- 7. The Uniformity of Local Government
- 8. The Administrative Relationship of Central and Local Government
- 9. The Political Relationship of Central and Local Government
- 10. The Political Process of Local Government

# 1. The Legal Status of Local Government

Local government in Japan has its basis in the nation's Constitution, adopted in 1946, which recognises local government as essential to democracy and establishes it as part of the nation's system of governance.

Under the heading "Local Autonomy," Chapter 8 of the Constitution contains the following four Articles. The content therein:

- Opens with a declaration of respect for local autonomy and its basic principles;
- Provides that members of the Legislative and Executive branches be elected by direct public elections;
- States clearly that local authorities should have a broad range of authority over a broad range of administrative functions, and grants local legislative authority;
- Imposes restrictions on the enactment of special legislation applicable only to a given local authority.

Accordingly, a number of laws were enacted concerning local government, but the core legislation for dealing with its organisation and management is the Local Autonomy Law.

The provisions of the Local Autonomy Law deal mainly with residents' affairs, elected councils, and their executive bodies—all that which forms the core of local government. The Law also defines the status of local authorities, including their relationship with central government as well as with other local authorities, and has legal provisions for their financial affairs and other important administrative matters.

As such, local government is clearly defined in Japan's Constitution and other national laws.

# 2. The Basis of Local Government

The Local Autonomy Law specifies that the basic units of local government shall be the prefectures and the municipalities.

Local government in Japan is based on a system introduced by the national government as part of its drive to modernise the country at the end of the last century. At that time the system reflected stronger central governmental control than that of today; the former practise of centrally appointed governors is just one example of how strong the control was.

Much of that early system has been passed down to the present, though it has to be said that local government's authority has increased substantially since the early post-war period, despite little structural change. Accordingly, Japan has had no experience of any group in a given geographical area taking the initiative to establish a self-governing body through a set of legal procedures, and no such mechanism exists to date.

The Local Autonomy Law was based on prefectures and municipalities as they existed prior to the Law's enactment in 1947. The Law includes provisions for changing the geographical areas of local authorities, but does not have any provision that allows for the creation of a new authority where none exists, nor for abolishing an existing one so that the region under its jurisdiction will no longer belong to any authority.

# 3. The Tiers of Local Government

In any system of local government the number of tiers is usually directly related to such factors as geographical conditions, population levels, the nature of local administration and the corresponding level of centralisation.

In Japan, local government is two-tiered: prefectures serving wider areas, and municipalities providing local services.

Regarding the number of tiers of administrative units in other countries, federal states typically have a four-tier system consisting of the federation, quasiautonomous states, local government units serving wide areas, and units providing local services. On the other hand, unitary states are generally three-tiered with central government, wide-area local government units and basic local government units. By this measure, Japan is a typical unitary state.

# 4. The Scale and Number of Local Governments

Prefectures and municipalities vary widely in terms of population and area.

Japan's 47 prefectures range in population from Tokyo Metropolis (*Tokyo-to*) with more than 12 million, to Tottori Prefecture (*Tottori-ken*) with just 610,000; and in size, from the Hokkai-do Region (*Hokkai-do*) with an area exceeding 80,000 sq km, to Kagawa Prefecture (*Kagawa-ken*) with a little under 2,000 sq km.

The municipalities exhibit even greater variety. They range from Yokohama city (Yokohama-shi), with a population of about 3.5 million, to Aogashima Village (Aogashima-mura) in Tokyo, with a

population of about 200. As for area, Ashoro Town (*Ashoro-cho*) in Hokkaido covers about 1,400 sq km, compared to Takashima Town (*Takashima-cho*) in Nagasaki Prefecture, at about 1.34 sq km.

The number of prefectures has remained unchanged since the system was adopted during the Meiji Period (1868-1912). Prefectural areas are based on the local administrative units instituted under ancient statutes during the 8th century, as well as the relationships that existed between the Shogunate government and each area's local clan during the Edo Period, which began in 1603. As a result, the areas are well established in the minds of the Japanese people.

However, there are those today who hold the view that the sizes of the prefectures should be reviewed to match changes in the economic reality brought about by Japan's post-World War II economic growth.

The number of municipalities has steadily decreased since the end of World War II, mainly to improve their local economy by widening their fiscal base. Many towns and villages merged between 1953 and 1961 following the central government's introduction of legislation promoting municipal mergers in accordance with the Law of Promotion of Merger of Towns and Villages, and the number of municipalities fell to one-third of the previous high of some 10,000. This led to improvements in their administrative and financial capabilities, and helped to promote the growth of local autonomy and the urbanisation that followed, as Japan entered its boom years. From then on, mergers took place according to the realities and requirements of municipalities, and also following the enactment of the Law Concerning Special Measures for the Merger of Municipalities in 1965. There are presently 3,100 municipalities (as of April 1, 2004).

Population	Prefectures	Population	Cities	Special Wards	Population	Towns and Villages
10 million and above	1	1 million and above	10		40,000 and above	30
5 million and above	8	500,000 and above	13	7	30,000 and above	83
3 million and above	1	300,000 and above	41	4	20,000 and above	195
2 million and above	10	200,000 and above	39	5	10,000 and above	633
1 million and above	20	100,000 and above	120	5	5,000 and above	779
Less than 1 milllion	7	50,000 and above	230	1	1,000 and above	635
		30,000 and above	166	1	Less than 1,000	50
		Less than 30,000	76			
Total	47	Total	695	23	Total	2,405

#### Local Authority Population and Area

#### Population

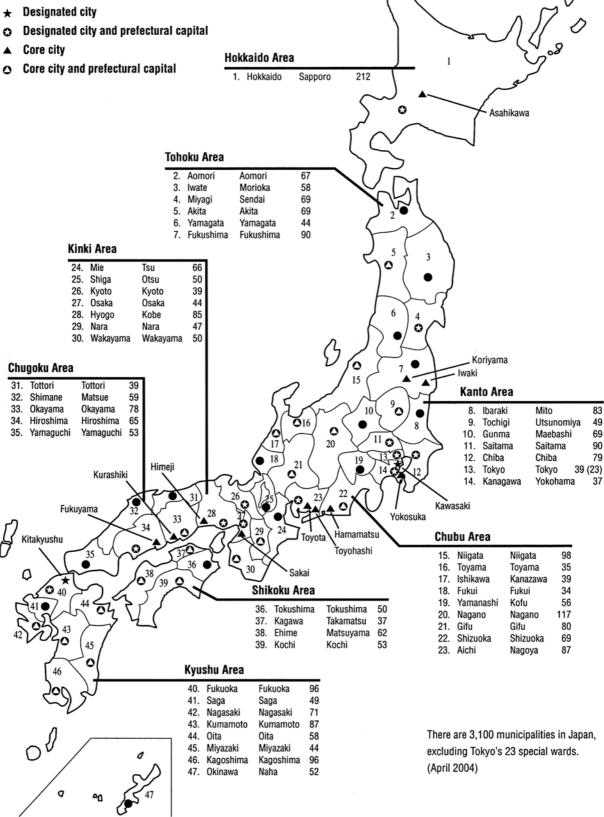
Area	Prefectures	Area	Cities	Special Wards	Area	Towns and Villages
10,000 km² and	7	1,000 km <sup>2</sup> and above	4		1,000 km <sup>2</sup> and above	5
5,000 km² and above	21	500 km <sup>2</sup> and above	33		500 km <sup>2</sup> and above	57
3,000 km² and above	13	300 km <sup>2</sup> and above	59		300 km <sup>2</sup> and above	96
2,000 km <sup>2</sup> and above	4	200 km <sup>2</sup> and above	101		200 km <sup>2</sup> and above	163
1,000 km² and above	2	100 km <sup>2</sup> and above	188		100 km <sup>2</sup> and above	466
Less than 1,000 km <sup>2</sup>		50 km <sup>2</sup> and above	154	3	50 km <sup>2</sup> and above	632
		25 km <sup>2</sup> and above	83	6	25 km <sup>2</sup> and above	554
		Less than 25 km <sup>2</sup>	73	14	Less than 25 km <sup>2</sup>	432
Total	47	Total	695	23	Total	2,405

April 2004

Over time the scale of municipalities has grown in tandem with the increasing complexity of daily life, and as basic units of local government, they have always remained close to the people. As with prefectures, the network of daily life has extended beyond municipal boundaries, and to deal with this problem, municipalities have formed larger administrative areas and conducted joint management of common issues.

#### Prefectures, Prefectural Capitals, and Number of Municipalities by Prefecture

- Prefectural capital .
- **Designated city** \*



# 5. The Regional Character of Local Government

Local government in Japan is more strongly characterised as the governing entity based on the local community under its jurisdiction, rather than as an administrative body performing specific functions. In this sense, it is strongly oriented to the local community. This applies not only to municipalities as the basic units of local government, but also to the prefectures serving broader areas.

Governors, mayors, and members of local assemblies are directly elected by the communities they serve. Prefectures and municipalities have comprehensive administrative powers within their respective jurisdictions.

Although the central government's ministries and agencies have regional branch offices, they are set up separately, without any coordination among themselves. There is no body that represents the central government as a whole in any region. This also highlights the regional nature of local government as a comprehensive administrative body.

# 6. The Comprehensive Empowerment of Local Government

Local authorities in Japan are fully empowered by the Local Autonomy Law to perform the unique functions and services that constitute the very purpose of their existence. Their responsibilities include providing services for the community and carrying out the activities necessary for their own existence. The enactment and implementation of bylaws and regulations, structural organisation, financial administration, and elections are a few of the main responsibilities of local government.

The Local Autonomy Law was amended in July, 1999, by the Law Concerning the Provision of Related Laws for the Promotion of Decentralisation of Power (Omnibus Decentralisation Act). This resulted in a clarification of the division of responsibility between central and local government, the abolition of the agency delegated function arrangement and the resultant restructuring of functions and a review of participation by the central government.

The division of responsibility between the central and local government was clarified by making local government responsible for a wide range of roles implemented independently and comprehensively in regional administration, while making central government responsible for functions concerning Japan's existence as a nation in international society, functions concerning the various activities of the general public best implemented uniformly across the country, and functions relating to the basic legal framework for local government.

With the abolition of the agency delegated function arrangement, the functions of local authorities were reorganised into local government functions and statutory entrusted functions.

Statutory entrusted functions are those functions legally delegated to local authorities which were originally the responsibility of the central government or prefectures. These functions are stipulated in Appendix Tables 1 and 2 to the Local Autonomy Law, and specifically include functions such as the issuance of passports, management of national roads, and compilation of statistics for the central government or prefectures.

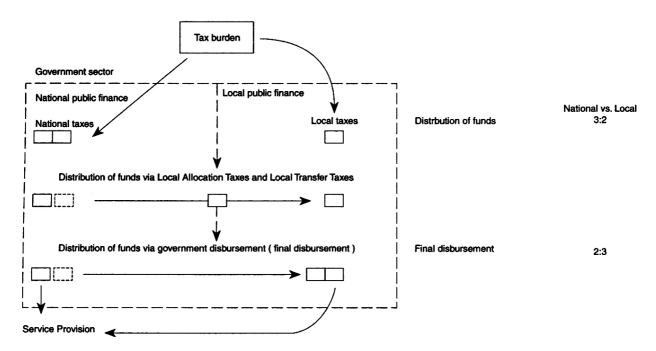
Local government functions comprise all other responsibilities of local authorities apart from statutory entrusted functions. These specifically include the public functions which have been the responsibility of local authorities in the past, administrative and entity delegated functions, and functions of local authorities derived from agency delegated functions.

Clearly local government's range of functions is extremely broad, and it is no exaggeration to say that local government's responsibilities cover all aspects of the country's domestic life other than diplomacy, national security, trial and prosecution.

Local government expenditure is correspondingly high, with the combined expenditure of local authorities in Japan almost equaling that of the central government's general accounts. While the central government takes in roughly half more tax revenue than local government, the enormous financial transfers from central to local in the form of the Local Allocation Tax, Local Transfer Tax, and national government disbursement support a level of local government spending nearly half more than that of the central government.

The Local Autonomy Law makes the following provisions for distribution of functions between prefectures and municipalities. Prefectures are to undertake all of the functions pertaining to an area greater than that of individual municipalities, as well as those requiring prefecture-wide or nation-wide uniformity. Municipalities carry out all other functions.

However, in reality this line of demarcation is not so clearly defined, and each tier of government shares responsibility for functions in the same field.



Financial Relationship between National and Local Government (2001)

# 7. The Uniformity of Local Government

Although local authorities vary in terms of population and area, the Local Autonomy Law affords them organisational and functional uniformity—with the exception of Tokyo's central districts, and the 13 designated cities.

This high level of uniformity is the result of two basic tenets: firstly, that the quality and level of the services provided should be similar throughout Japan, in line with those provided by the central

government; and secondly, that the circumstances specific to any one area should wherever possible be dealt with by applying nationally unified solutions, rather than by trying to set up ad hoc organisations to resolve them.

Understandably, it is then necessary to adjust local authority revenues to achieve this uniformity of service, bearing in mind the significant variation in local authority size and the corresponding financial capability. The local allocation tax system whereby the central government reallocates a certain percentage of national tax revenues to local government on the basis of financial capability was instituted for this purpose.

# 8. The Administrative Relationship of Central and Local Government

In Japan, local authorities are positioned within a unified system of national government comprised of central and local components. In a broad sense, central and local governments depend on and complement one another at both the prefectural and municipal levels within a region.

The Omnibus Decentralisation Act established in July 1999 has revised the comprehensive powers of control and supervision that central and prefectural governments had over municipalities, with involvement restricted to cases where it is provided for in laws or the ordinances based on such laws. Interference is kept to a minimum, and must conform to certain basic patterns. Furthermore, the laws stipulate that the autonomy and independence of local authorities must be taken into account.

Amendments to the law resulted in the abolition of the agency delegated function. In conjunction with this creation of a new relationship between the central and local government, a Central-Local Government Dispute Resolution Council has been established within the Ministry of Public Management, Home Affairs, Posts and Telecommunications as a fair and impartial organisation to examine and make recommendations when disputes occur between central and local governments.

Laws relating to local government have also been amended, which has resulted in the abolition of the approval system for local government bond offerings, the creation of a system by which local government can relay its opinions concerning the calculation of Local Allocation Tax, and the abolition from the Local Tax Law of the approval system for non-statutory general taxes. Together these changes are transforming the superior/inferior and servant/master relationships between central and local government that have existed in the past into relationships based on equality and cooperation.

A revision was also undertaken of the regulations requiring creation of a uniform number of staff positions and administrative organisations in accordance with the existing legislation of the central government.

### 9. The Political Relationship of Central and Local Government

Central and local government in Japan are mutually dependent.

Locally there is no longer any marked difference in policies between political parties. It is not uncommon to see candidates for governor or mayor jointly recommended by parties that are in opposition at the national level. In rural and agricultural areas local assembly members are often independent conservatives.

From this it could be taken that local government is politically quite separate from central government, whereas they are in fact closely connected via the election mechanism. For conservative party politicians, their electorates or supporters' associations are affiliated both at the national and local levels, and Diet members and local council members must cooperate to win elections. The same basically applies to political parties supported by labour unions and other organisations. Diet members and local council members are election time.

# 10. The Political Process of Local Government

Governors, mayors and local councillors are directly elected. Governors and mayors take the leading role in policy-making, and have strong relationships with the elected councils.

The majority of today's governors have either been civil servants, Diet members, high-ranking officials of local government, local councillors, or local businessmen. There was a period during the 1970s when a number of governors (some of them former scholars) were elected with the support of the reformist political parties—at a time when the problems caused by pollution and rapid urbanisation were worsening. As local authorities began to come to grips with the situation, the number of governors jointly supported by both the conservative and reformist factions increased.

The majority of local assembly members in Japan come generally from organisations concerned with agriculture, forestry, fisheries, and commerce and industry, as well as from a political party or trade union background. In the larger cities members are more characterised by their support for individual political parties, as opposed to the rural areas, where the elected members are viewed as representing the area in question, rather than a specific party. Voter turnout at local elections is generally high in rural areas, and urban political apathy certainly exists. The 1990s have seen a growing trend of governors and mayors in their 40s and 50s being elected—comparatively young as far as traditional Japanese politics is concerned.

The pollution and urbanisation problems of the 1970s led to the growth of resident action groups in many areas of Japan. These action groups tend to direct their demands directly to governors, mayors and other executive bodies. Their association with the elected council is generally not strong. Nevertheless, their demands have gradually been reflected in local policies. Today, the concerns of these groups mainly focus on environmental issues, and several local governments have held local referenda concerning these issues.