

## International Policies of Local Governments

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Local authorities in Japan have been promoting international activities since the end of World War II. According to the Ministry of Public Management, Home Affairs, Posts and Telecommunications, in fiscal year 2000 prefectural and municipal authorities set aside some ¥104.4 billion for overseas-related activities, excluding the construction of facilities. The figure was almost double what it had been a decade earlier.

Local government authorities have traditionally encouraged sister affiliations and, as of April 1, 2001, approximately a quarter of these authorities—930 in all—had set up 1,407 sister affiliations overseas (table 1).

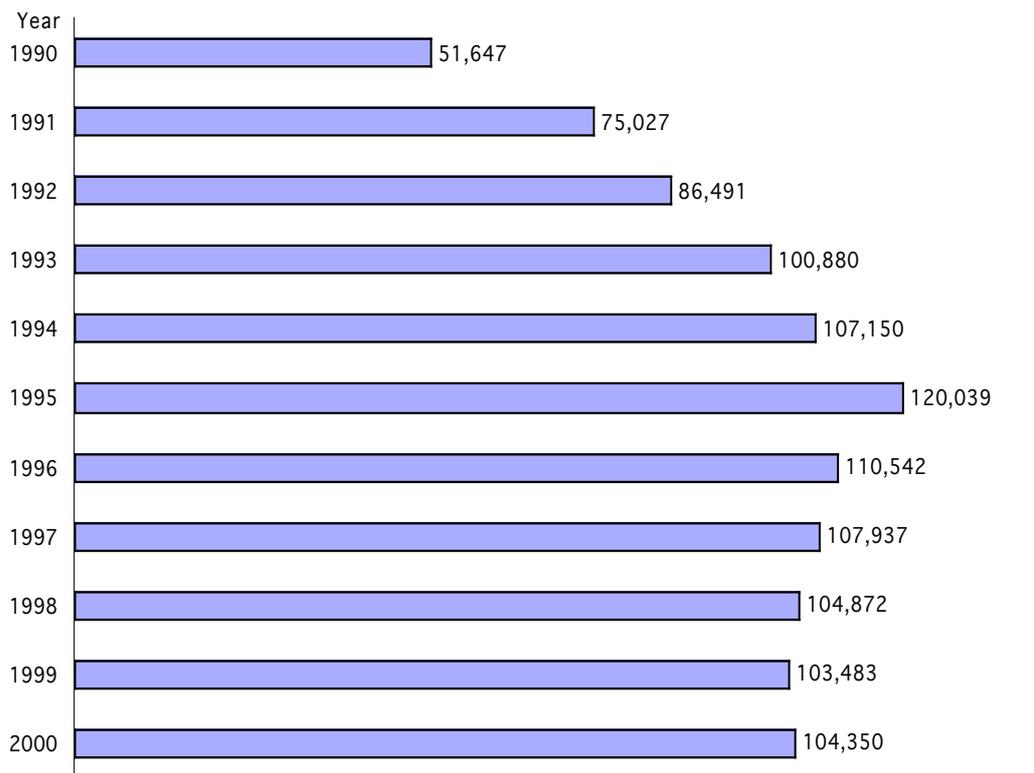
Table 1. Sister Affiliations (as of April 1, 2001)

	Prefecture	Cities	Special Wards	Towns	Villages	Total
Local governments with sister affiliations	39	430	19	370	72	930
Local governments with multiple affiliations	30	205	8	49	6	298
Total affiliations	114	788	27	379	66	1,407

Source: Council of Local Authorities for International Relations (2001)

The central government, too, has played an important role in advancing international activities at the local level. In 1989, the then-Ministry of Home Affairs<sup>1</sup> issued a directive, Guidance for the Promotion of Regional International Exchange, to prefectures and twelve “designated cities” (those with a population of roughly one million) asking them to take a more systematic approach to international activities by drafting their own policy-related strategies. It also urged them to establish local international exchange associations<sup>2</sup> or quasi-governmental associations (quangos) to promote grass-roots international activities. As a result, as of June 2001 as many as 972 such associations had been set up by prefectures, designated cities, as well as small and medium-sized local authorities to host international

Figure 1. Expenditure on Internationally Related Activities by Local Governments (million yen)



Source: Internal documents of the Ministry of Public Management, Home Affairs, Posts and Telecommunications

cultural events to broaden civic international perspectives, according to a survey conducted by the Council of Local Authorities for International Exchange (2001).

However, the 1990s witnessed the end of the bubble economy and found local authorities in financial straits; since fiscal year 1995, they have been forced to severely trim their budgets (fig. 1) and reassess the community benefits of international activities.

On top of these budgetary cutbacks, local authorities also have to cater for the rapidly increasing number of foreign residents in their communities. So, while Japanese local authorities have long hosted overseas visitors and study visits as a way of promoting mutual understanding and goodwill with their overseas counterparts, they are now having to reformulate their international activities and adapt to the phenomenon of globalization.

## A HISTORICAL PERSPECTIVE

In December 1955, ten years after World War II had ended, Japanese communities resumed their international activities when the City of Nagasaki and the U.S. city of St. Paul concluded a sister-city affiliation. As antiwar sentiment and pacifist movements gained momentum in Japan,<sup>3</sup> requests from U.S. citizens for sister-city affiliations were welcomed as an opportunity to establish international friendship at the grass-roots level.<sup>4</sup>

During the postwar era, Japan considered it vital, in the interests of national security and economic development, to maintain close ties with the United States, which was the most advanced industrialized nation. In the 1950s and 1960s, postwar Japanese popular culture was greatly influenced by the United States, both through American TV dramas and the heavy coverage given the country by the mass media. Therefore, with having a sister city in the United States being considered nothing short of an honor by the Japanese,<sup>5</sup> numerous cities felt encouraged to follow the example of Nagasaki. In fact, over 70 percent of all sister affiliations in the 1960s had their counterparts in the United States (table 2).

Table 2. Sister Affiliations with the United States (as of the end of each fiscal year)

	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2001
United States	1	30	66	95	118	147	193	277	372	419	424
All affiliations	1	39	98	164	252	373	570	844	1,189	1,374	1,407

Source: Council of Local Authorities for International Relations (2001)

At the time, local governments were almost the only agents providing citizens with opportunities for international exchange; besides Korean and Chinese immigrants, there were very few foreign visitors or residents in Japan.<sup>6</sup> Although the Japanese economy had long been greatly dependent on external relationships, the country was historically insular and so only local governments were systematically providing citizens with international links. Sister affiliations provided opportunities for direct interaction between local Japanese communities and overseas nationals, although only those from the higher echelons of Japanese society could at that time afford to participate in exchange opportunities.<sup>7</sup> Overseas travel was regarded as a luxury before the 1970s, so only high-ranking local government officials, local politicians, and businessmen were able to go abroad through sister-affiliation programs.

Since the 1970s, however, as incomes have risen, ordinary citizens have gradually begun to participate in sister-affiliation programs, local citizens and students being eager to visit their opposite numbers and experience other cultures. It was as part of the sister-affiliation programs<sup>8</sup> that hosting homestays became popular in the 1970s.

During the same period, local governments started cooperative arrangements with developing countries. In 1971, the Ministry of Foreign Affairs set up a grant program to allow prefectural governments to invite technical trainees from developing countries to spend several months in Japan for training.<sup>9</sup> Initially, prefectural governments invited over the individuals of Japanese descent from South American countries, to which many Japanese had emigrated from the early twentieth century until the 1970s.<sup>10</sup> Thereafter, the local governments invited trainees from other Asian countries and Africa. The Japan International Cooperation Agency (JICA) sought cooperation with local governments so as to learn from their broad knowhow of local administration, something much needed in developing countries. It was through the hosting of overseas trainees of their own and JICA's that prefectures and major cities gradually accumulated the experience necessary to become involved in broader international cooperation.

In the late 1970s, international exchange activities took center stage when Governor Nagasu Kazuji<sup>11</sup> of Kanagawa prefecture advocated people-to-people diplomacy, a policy that emphasized the role of local governments as international actors independent from the national government. He believed that local authorities could contribute to international relations by cultivating the solidarity of grass-roots citizens across borders and so build a peaceful world.

Gradually, other local governments also began to see international exchange as a way of invigorating their communities in terms not only of economic benefits, but also of volunteers and nonprofit organizations centering on international exchange activities. At the same time, international exchange programs were also viewed as important tools to help students learn English by enabling them to have direct contact with English speakers.

In the 1980s, overseas affiliation diversified as Japanese cities and prefectures started to form sister affiliations in East and Southeast Asian nations, which are geographically closer

and culturally more familiar than Western countries. After the normalization of diplomatic relations with South Korea in 1965 and China in 1972, both these countries emerged as major partners of Japanese local authorities (table 3).<sup>12</sup>

Table 3. Sister Affiliations with China and South Korea (as of the end of each fiscal year)

	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2001
China	0	0	0	0	5	22	89	133	224	266	273
South Korea	0	0	0	2	7	12	22	39	63	75	96
All affiliations	1	39	98	164	252	373	570	844	1,189	1,374	1,407

Source: Council of Local Authorities for International Relations (2001)

The decade of the 1980s saw many regional linkages spring up around the Sea of Japan, with prefectures vigorously competing to become the hub of interaction with affiliates on the other side of the Sea of Japan, namely, China, South Korea, the Russian Republic, and even North Korea. Historically, the Sea of Japan coast has been a gateway to the continent, and Japan has prospered as a result of exchanges with those areas in the past. But, after World War II, those relationships were discontinued as communism spread in continental Asia and memories of the war lingered. Once opportunities to create linkages with the region again appeared in the 1970s, prefectures along the Sea of Japan coast became active in promoting economic and cultural interaction by establishing sister affiliations. For the past few decades, they have organized various annual international meetings for mayors and governors in the region. Economic reasons are the main motivation behind the creation of a regional forum among local government leaders. Today Niigata, Toyama, and Tottori prefectures are the most active. Even in North Korea, with which Japan has no diplomatic relations, the city of Sakaiminato in Tottori established a sisterhood relationship with Wonsan in 1992, based on their fishery connections.

To better enable local initiatives to promote international exchange, the Ministry of Home Affairs and other ministries in 1988 created the Council of Local Authorities for International Relations (CLAIR) as the national coordination center for local governments' international initiatives.<sup>13</sup> The center acts as a consultant for local government bodies on international cooperation, and helps match Japanese cities with suitable overseas partners. CLAIR also initiated the Japan Education and Teaching (JET) Programme, which annually

invites thousands of young people to Japan to teach foreign languages, especially English, at local junior and senior high schools.<sup>14</sup>

In the early 1990s, local governments established a number of international exchange associations to host international cultural events for the benefit of local citizens. While international associations worked directly with the citizens, the task of local governments remained the formulation of policies and protocol for officials, as well as making contact with overseas partners such as sister organizations.

The number of new sister affiliations increased steadily until the early 1990s, reaching 80 in fiscal year 1992 before stagnating in the latter half of the decade, the number of sister cities created yearly having declined in fiscal 2000 to less than half the figure registered in the early 1990s, the result mainly of government budget cuts. International programs were vulnerable because they did not create clear, easily measurable benefits, and did not have strong citizen support compared to such issues as education or public works. Local governments were, thus, forced to reexamine the goals and benefits of their programs.

#### **INTERNATIONAL ACTIVITIES AND PROGRAMS**

According to the statistics by the Ministry of Public Management, Home Affairs, Posts and Telecommunications, local governments alone spent ¥104.4 billion on overseas-related activities in fiscal year 2000. Of this figure, ¥42 billion was devoted to advancing international understanding on the part of local residents by means of the JET Programme, cultural events and seminars for local residents, and grants given to grass-roots nongovernmental organizations (NGOs).

Some ¥33.7 billion was allocated for international exchange programs including overseas trips arranged by local authorities for their citizens, and arrangements for visitors from abroad. In addition, ¥10.5 billion was devoted to such activities as foreign residents' programs, scholarships for foreign students, and the promotion of international tourism. Finally, ¥7.4 billion was spent on international cooperation-related activities, such as hosting overseas trainees and sending professionals to developing countries. The remaining ¥10.8

billion was set aside for the maintenance of offices overseas and overseas study tours for Japanese local government officials.

Local governments have for many years stressed the need to increase international understanding among Japanese since the country remains insular and its people lack an international perspective. There is thus a perceived need to cultivate an international mindset and English-language speaking skills in order to survive in this increasingly interdependent world. Illustrative of the activities being undertaken by local authorities, the international programs of Miyazaki Prefecture and Joetsu City are discussed below.

### **Miyazaki Prefecture**

The economy of Miyazaki prefecture,<sup>15</sup> on the island of Kyushu, is based on agriculture. With a population of 1.18 million, its total budget for fiscal year 1999 was ¥668.9 billion, of which ¥3.14 billion (0.47 percent) went for international programs. The three main pillars of these programs are (1) building a society that is open to the world, (2) promotion of international exchanges and cooperation, and (3) promoting the prefecture's industries (Miyazaki Prefecture 2000).

In terms of budget, the first pillar was by far the largest in fiscal year 1999, and accounted for ¥2,533 million (80.7 percent of the international programs' budget). Some ¥1,633 million of this was used to upgrade the prefecture's seaport facilities and campaign to have Miyazaki airport made an international facility. Then ¥513 million was used for human resource building, whereby people would be enabled to develop international perspectives, and for which there are 35 programs conducted by 19 bodies (Miyazaki Prefecture 2000).

Out of these 35 programs, 22 were overseas study missions, for people ranging from female leaders of the farming community to police officers. A third portion of the budget, comprising ¥387 million, was used to create an environment in which non-Japanese and local Japanese residents can live together comfortably. The programs included the management of the Miyazaki International Center which, among its various services, provides cultural events and information for local citizens who are interested in international exchange.

The second pillar of the international programs, promoting international exchanges and cooperation, in turn has three components. The main one is the promotion of educational and cultural exchanges, and had a fiscal year 1999 budget of ¥240 million. This category included a seminar on Kyushu and Asian culture for both Japanese youth and overseas students, and the Miyazaki Music Festival.

The second component was overseas exchanges with areas with which Miyazaki has strong ties, although the prefecture did not yet have any sister affiliations. The funds for this category were also used for such contributions as that made to the Miyazaki Brazil Association and the Miyazaki-South Korea Goodwill Tree Planting Mission. International cooperation was the last component, with a budget of ¥43 million, which included hosting technical trainees from developing countries and local government interns from other Asian countries.

The third and last pillar was the promotion of industry, as part of which eleven international tourism- and convention-related programs were budgeted at ¥166 million and included incentive funds to attract international conventions. One component program was industrial internationalization which, with a budget of ¥94 million, supported Miyazaki's office in Hong Kong and allowed Miyazaki Week to be hosted in Taiwan.

### **Joetsu City**

This city in Niigata prefecture, facing the Sea of Japan, has a population of 134,000 and three sister cities: Pohang in South Korea, Hunchun in China, and Lilienfeld in Austria. The city's total fiscal year 2000 budget was ¥54.37 billion, of which ¥58.6 million (0.1 percent) was set aside for use by the city's International Affairs Department. The city's biggest program that year involved sending ten junior and senior high school students to Australia for about ten days, and ten junior and senior high school students each to Italy and the United Kingdom for eleven days.

The second-largest chunk of its budget was spent on the Joetsu International Network (JOIN), which provides a variety of programs including language-training—foreign languages

for Japanese citizens and Japanese for residents from overseas—classes at which the cooking of food from various countries is taught, seminars on international awareness, Japanese speech contests for residents from overseas, and counseling services for non-Japanese residents.

The third largest program involved the hosting of trainees from Joetsu's sister cities, Pohang and Hunchun. A local government official from each of these cities spent a year working for Joetsu City Hall as a trainee in the International Affairs Division. The next biggest financial outlay went on hosting the orchestra visiting from Pohang.

The remainder of the funds were spent on hiring international coordinators in the JET Programme and sending a delegation to the mayors' conference of the Sea of Japan rim region.

The above description of two local governments' international activities illustrates the basic pattern followed by most local authorities. It is noticeable that they have been able to conduct overseas missions involving both local government officers and members of the general public. Such missions are often regarded as unnecessary in urban areas, where residents travel overseas extensively without much assistance, but the facilitation by local governments of student travel overseas, especially to visit sister communities, is still very common throughout Japan.

JOIN plays an important role in reaching out to citizens. Joetsu city built a new facility, Citizens Plaza, into which JOIN moved in March 2001. It is open to all residents, both Japanese and foreign, and provides a variety of services, including the supply of information and the running of language and culture classes.

Along with promoting international understanding at the grass-roots level, local government authorities are gradually coping with such new challenges of globalization as an increase in foreign residents and economic revitalization through the promotion of international tourism and trade. Here JOIN plays an important part by, for example, working closely with such citizens groups as Friendship Joetsu that provide Japanese-language classes for foreign residents.

## **THE IMPACT OF GLOBALIZATION**

The word internationalization refers to the phenomenon of easier flow of goods across national borders. It is often used to express the efforts by which the Japanese can become more accountable and culturally understandable to the rest of the world. The international activities undertaken by local authorities have often been taken as measures leading to internationalization. In that sense, artificial efforts have often been made to make local communities more open and accessible to foreigners.

However, the term globalization, as it affects the world, refers to the phenomena created by the free flow of goods, finance, people, and information across national borders. Whereas internationalization is basically a virtue and is controlled by people, globalization seems less controllable and has both positive and negative effects. Globalization began to have an impact on Japan in the 1990s, when local governments found themselves facing new challenges that were having profound effects on communities. Several of these new challenges are discussed below.

### **Multiculturalism**

In the 1990s, Japan faced a new wave of globalization marked by an increase in the number of foreign residents that had begun in the late 1980s and has had major ramifications for local communities.<sup>16</sup> Given the unclear national policies toward immigrants, local governments have had to find their own ways of tackling the surge of newcomers. The international exchange associations together with civic groups have provided new arrivals with a raft of services—including Japanese-language training and advice on issues ranging from garbage collection to legal matters—and have worked closely with newly created citizens' groups that volunteer to help foreigners.

The issues that concern foreign residents of Japan vary widely according to the individuals' respective backgrounds. Thus, for example, there are many Koreans and Chinese who were brought to Japan during and before World War II but who do not have Japanese nationality. Those people and their descendants have been granted special status visas, are

permanent residents of Japan, and must pay taxes—but they are not allowed to vote in either national or local elections. The question of whether this section of the populace should be enfranchised, at least at the local level, is currently being debated.

Then, among the new arrivals, there are many South Americans of Japanese descent who have been legally able to do any type of work, including manual labor, since the immigration law was amended in 1990. In 2000, there were 254,000 Brazilians of Japanese descent living in Japan and working predominantly in factories. The main challenges these people face are educating their children, paying for medical insurance, and getting used to the working conditions in the depressed economy (Japan Immigration Association 2001).

The city of Hamamatsu, with a population of 590,000, has the largest Brazilian community in Japan, numbering 12,000. The hometown of Yamaha Corporation, Hamamatsu is a typical industrial city located in Shizuoka prefecture. In May 2001, Hamamatsu urged twelve other cities that also have many residents from South America to join the newly created Committee for Localities with a Concentrated Foreigner Population, a grouping of cities in Japan in which South Americans of Japanese descent live. It hopes to exchange views with these cities on how to deal with foreign residents, and formulate proposals for the central government.<sup>17</sup>

Another type of foreign resident is the individual who remains in Japan beyond the time allowed by their visa. Such people often come to Japan on a tourist visa and then find work at, for example, construction sites, in night clubs, or in factories. Their living standards are often low and they face a variety of problems, including being the target of crime and having their human rights violated. As many as 232,000 overstayers, as they are known, were believed to be living in Japan as of January 2001.<sup>18</sup>

### **Economic Globalization**

Japanese local governments did not initially seek economic benefits as their primary goal when forming sister affiliations for, while local manufacturers were highly dependent on exports, the major trading companies in the big cities had mostly been responsible for external

transactions. Therefore, local businesses had generally had only limited exposure to and experiences in the conduct of international business until recently.

The impact of economic globalization began to be felt keenly at the grass-roots level in the 1990s, with the emasculation of domestic manufacturing industries. To circumvent the high domestic wages, Japanese industries began shifting their plants offshore to China and Southeast Asia, where the industrial infrastructure had improved but wages were lower than in Japan.

In the 1980s, big Japanese corporations and their subsidiaries had invested heavily in the United States, and then in the 1990s, local Japanese industries began to invest in other Asian countries in a bid to survive. Economic competition drove some 40 percent of Japanese export manufacturing capacity offshore. Figures for 1997 show that in Toyama prefecture, located on the Sea of Japan coast and with a population of 1.12 million, 149 companies had 178 overseas offices in 48 countries and regions (Toyama Kokusai Senta 1998). There were 19 Toyama companies with 22 offices in China, 18 companies with 27 offices in the United States, and ten companies with 13 offices in Hong Kong, followed by a lesser number of companies in Singapore, Malaysia, South Korea, and Taiwan.

Japanese local governments also set up foreign offices and so, according to a 1997 survey by the then Home Ministry, 31 prefectures and seven cities had set up 103 overseas offices, while ten other municipalities had also set up offices overseas. And, compared with a similar survey conducted in 1987, the number of overseas representative offices that handled business-related matters and international exchange arrangements had tripled during the decade to 1997.

Japan's agriculture sector has been severely hit by imports of inexpensive food items from China and East Asian countries, as a result of which safeguard measures were, in 2000, imposed on imports of *shiitake* mushrooms, leek, and *igusa* (the rush used in tatami mats) from China. Clearly, there are no measures in place to protect Japanese agricultural communities from such inexpensive imports.<sup>19</sup>

Japan has reacted to the pressures of the global economy by attracting foreign investments, but this, too, has had a negative side: Most of the investments have been made

in Tokyo, which, in 2000, accounted for 77.0 percent of the foreign investment in the country, some 3,320 foreign companies having set up their headquarters in Tokyo. This is in sharp contrast with, for example, Tottori prefecture, which until 2000 had not one foreign company or factory, and Shimane prefecture, which had only one factory (Toyo Keizai Shimpo-sha 1998). Nevertheless, foreign investment in Japan has increased over the past five years, having risen from ¥433 billion in fiscal year 1994 to ¥2,399 billion in fiscal year 1999, due to the deregulation of domestic laws and regulations, and the subsequent expansion of foreign financial and telecommunications companies (Masuda and Tanabe 2001).

In a bid to have its share of the investment pie, Hyogo prefecture established the Hyogo Investment Support Center in 1999 to allow foreign companies to rent office space at low rates, and has provided consultation services for these customers. Yokohama City, in turn, succeeded in attracting U.K. companies when it set up the British Industry Centre in 1997 in the Yokohama Business Park. And even the remote Shimane prefecture, situated on the Sea of Japan coast, has felt prompted to invite foreign investors, to which end it has published a report suggesting that the prefectural government should focus on Chinese and South Korean corporations (Shimane-ken Gaishi-kei Kigyo 2001).

Since the 1990s, the domestic labor force has undergone major changes and foreign workers have become indispensable in the prefectures of Gunma and Shizuoka, where manufacturing is the main industry. Without these workers—mainly comprising South American workers, Asians with training visas, and overstayers—the many small and medium-sized manufacturers would be unable to remain in business.

### **International Cooperation with Asia**

In the early 1970s, several prefectures began to assist developing countries by inviting technical trainees from overseas. The technical trainee programs have been financially supported by the Ministry of Foreign Affairs. Prefectures usually invited trainees from South America where many Japanese emigrated for decades.

Since the 1980s, local governments have stepped up their overseas cooperation, and have paid greater attention to developing countries, especially in Asia. At about the same time, the mass media began to cover issues in Asian and other developing countries, rather than the United States and Europe, as they had earlier been wont to do. Just before this, international NGOs, organized by citizens to give assistance in developing countries, began to mushroom in Japan, interest in the region having been piqued by the arrival of Indochinese refugees in the late 1970s.<sup>20</sup>

During the 1980s and 1990s, Chinese cities that had sister affiliations with Japanese local governments sought assistance from, and collaboration with, their Japanese counterparts. Not stopping at the technical trainee programs, authorities in both countries expanded the scope of their exchanges, Japanese technical experts visiting sister cities and Chinese visiting Japan on study trips.

Okayama prefecture, a sister affiliate of Jiangxi province in China, invited two forestry technicians from Jiangxi to visit for three weeks and sent two of its own forestry experts to tackle forestry problems in its sister province. Okayama prefecture also invited junior high school students from Jiangxi to come over and discuss environmental protection issues with Okayama students. Further, Okayama prefecture has worked with a local NGO, the Association of Medical Doctors of Asia (AMDA), and invited high school students to come and discuss international cooperation and volunteering. In this connection, the prefecture and the Okayama International Center in 2000 co-hosted the International Contribution Forum, to which it invited local NGO representatives as panelists to discuss the theme “Okayama—Open to the World, Cooperating with All People.” As can be seen from the above examples, international cooperation has increasingly come to involve local citizens and NGOs.

Miyazaki prefecture started a technical trainee program in 1980, later than most other prefectures. Nearly half its trainees even now come from Brazil, with which Miyazaki has an immigration relationship, and are trained at such prefectural facilities as the hospital, agricultural research center, agricultural training institute, husbandry experimentation center, and the construction technology center. In addition, private companies, including a shipping

company, a timber company, and a computer software company, host trainees, something that major local corporations like Miyazaki Bank, Miyazaki Broadcasting Corp., and Miyazaki Kohtsu Co. used to do in the past. More recently, Miyazaki prefecture started a program to send technical staff to Asian countries, and in 1998, four members of the prefecture's staff were sent to Nepal to teach farmers about sweet fish farming.

Local governments are motivated to conduct international cooperation activities for a variety of reasons. Niigata prefecture, for example, in 1997 formulated the Niigata International Cooperation Promotion Guidelines that outline its goals:

- To make Niigata the focus of the Sea of Japan rim region and to use international cooperation to strengthen its relationship with other nearby Asian countries.
- To ensure that regions along the Sea of Japan rim share their know-how and technology to combat common and mutually detrimental challenges, such as acid rain and ocean pollution.
- To help local governments apply their local know-how and give advice to needy areas.
- To identify local characteristics and revitalize local industries.
- To help citizens in the prefecture develop an international mindset and nurture global perspectives.

These guidelines also set forth six main pillars on which Niigata's goals were to be based, namely, that (1) the Sea of Japan rim is the key area of focus; (2) a spirit of sharing and harmonious existence must be engendered; (3) humanitarian considerations must be paramount; (4) a spirit of equal partnership must be encouraged; (5) a multifaceted approach must be taken so that Niigata's resources might be fully utilized; and (6) all citizens must be encouraged to participate. Niigata's case illustrates the difference between official development assistance (ODA) extended by the national government and international cooperation extended by a local government. Whereas national government assistance is basically one-sided, local governments try to create mutual benefits based on an equal footing with their counterparts in developing countries. Also, citizens are encouraged to participate to deepen intercultural understanding and aid activities, by using local resources and characteristics.

## **CHALLENGES AND OPPORTUNITIES**

The challenges of globalization have enticed Japanese local government authorities onto a new stage, as they contemplate the effects and impact of globalization and assess how best to capitalize on the opportunities as they unfold.

If they are to achieve a society tolerant of cultural diversity, it is imperative that local communities and governments take the new challenges seriously. Japan's homogenous society has so far reacted with equanimity, but the degree of diversity is expected to increase and, should economic conditions deteriorate further, there may well be friction between Japanese and foreign citizens.

So, at this juncture, the efforts of Hamamatsu are indeed relevant; local authorities, which are expected to make the living environment amenable to both Japanese and foreign residents, are now realizing that they get the best results in terms of reaching out and cost effectiveness when they work closely with civic groups and nonprofit organizations (NPOs) in the community.

Adjusting to the maelstrom of economic globalization requires that well-orchestrated and carefully thought-out efforts by local governments be made in conjunction with the private sector, so that new business opportunities can be found at the grass-roots level. Other Asian countries will inevitably be involved and increasingly become important partners as local governments explore ways of creating mutually beneficial relationships.

Through greater international cooperation Japanese communities will strengthen their ties overseas, particularly in Asia and, as they become more aware of the potential of their Asian neighborhood, benefits of grass-roots exchanges should accrue for both sides. Moreover, in order to cope with such global issues as environmental problems and the aging population, local authorities in Japan also need to strengthen their relationship with the United States and other advanced countries. Although sister affiliations with the United States date back the furthest and number the largest, they are now no longer always particularly beneficial. Both Japanese and U.S. cities need to discuss how the relationships might be revitalized so that the

new challenges may be better handled at the practical level through, for example, e-commerce and e-education.

But surmounting the new hurdles requires that Japanese local authorities be ready for the changes. The majority, however, are not. Many local authorities lack a clear sense of direction regarding where their international activities are heading. International activities have been conventionally regarded as festive events or “something good to do.” Clarification of their goals is important given their financial problems and the effect that globalization is having on communities.

Local governments usually have only a very small number of specialists in international affairs and staff members are usually rotated to different divisions every three years or so. The lack of qualified staff is accountable for the poor achievement of grass-roots exchanges. With better-trained staff, local governments can get a better grasp of international policy and establish more comprehensive programs. Local authorities will increasingly find themselves being requested to work with other sectors, especially NPOs and the business community, and, as the impact of globalization comes to affect citizens in an ever growing variety of ways, communities will become the hubs that coordinate international activities. Economic globalization is changing the organizational balance of power in communities and the leadership structures. Borders and traditions are becoming less relevant and increasing competition is challenging traditional leadership assumptions. As the world moves toward a global economy, communities are being presented with multiple options that are fueling the push to self-decision at the local level, and thus decentralization will continue to influence structural relationships throughout Japanese society.

The question remains whether it will be local government authorities or other civic actors who will take the lead and set the agenda in communities rapidly being transformed by a shift in societal values, the impact of globalization, and the very structure of how businesses operate. A collective, networked force and a jointly created and shared vision at the local level are needed if there is to be a systematic and strategic approach to globalization.

## Notes

1. The Ministry of Home Affairs, after incorporating other ministries, was renamed the Ministry of Public Management, Home Affairs, Posts and Telecommunications in January 2001.
2. Called *chiiki kokusaika kyokai* in Japanese, they were set up by local government authorities and given such names as the Iwate International Association, the Oita International Center, and the Osaka Foundation for International Exchange. According to a survey conducted by the Council of Local Authorities for International Relations (CLAIR) in 2000, a total of 59 prefectures and several designated cities had established local international exchange associations that had a staff of 1,482 and an average annual budget of ¥500 million.
3. The peace movement became politicized during the cold war era and, together with the antinuclear movement, was supported by the Japan Socialist Party in opposition to the U.S.-Japan Security Treaty. With the end of the cold war, both movements lost steam.
4. The origin of sister-city affiliations can be traced back to relationships between communities in Europe and those in the United States to which citizens of the former had migrated. The affiliations began as natural linkages between people in communities that transcended national borders. However, since the mid-1950s, the U.S. government has promoted sister-city affiliations as a feature of its overseas diplomacy. At a White House conference in 1956, President Dwight D. Eisenhower proposed a people-to-people program at a time when U.S.-Soviet tensions had eased somewhat, and the sister-city affiliations became the mainstay of the program. In the 1950s, U.S. government agencies located in Japan took the initiative of creating sister affiliations among Nagoya–Los Angeles, Kobe–Seattle, and Okayama–San Jose.
5. American visitors to Japanese sister cities were often overwhelmed by the enthusiastic welcome they received and were often paraded down the main street while crowds waved American and Japanese flags.
6. In 1965, there were 291,000 visitors to Japan from abroad. The number increased to 775,000 in 1970, 780,000 in 1975, and 1.3 million in 1980 (Immigration Bureau 1998).

After World War II, many of the Koreans and Chinese who had been forcibly brought to Japan before and during the war decided to remain in Japan. In 2000, there were some 635,000 Koreans and 336,000 Chinese residing in Japan (Japan Immigration Association 2001).

7. Following World War II, ordinary citizens were not allowed to travel abroad until 1964, when 120,000 Japanese did so. Since then, the number of Japanese traveling overseas has increased rapidly, having reached 17.82 million in 2000.
8. In 1968, Sapporo City in Hokkaido inaugurated the first homestay program organized by a local government by hosting visitors from its sister city, Portland, Oregon.
9. In 1971, the prefectures of Yamanashi, Hyogo, and Kumamoto availed themselves of a government grant, while in fiscal year 1999, all 47 prefectures and five designated cities participated in the grant program, inviting 594 technical trainees from developing countries to visit. In the same year and in addition to the grant program, local governments hosted 790 technical trainees who were sponsored by the Japan International Cooperation Agency (JICA). JICA also sponsored a technical specialists' dispatch program, according to which Japanese were to be recruited from local government and sent to developing countries. In fiscal year 1999, more than 200 specialists were recruited.
10. Some 240 thousand Japanese emigrated to Brazil during that period.
11. Nagasu was a socialist professor-turned-governor who was first elected in 1975 and remained Kanagawa governor for twenty years. He proclaimed the Age of Regions, emphasizing the autonomy of local government.
12. The first sister-city link with South Korea was set up in 1968 between Hagi-shi, in Yamaguchi prefecture, and Ulsan. Kobe was the first to set up a sister-city affiliation with China, setting up ties with Tianjin in 1973.
13. The other ministries involved were the Ministry of Education, Science, Sports and Culture and the Ministry of Foreign Affairs. The leadership of CLAIR has been kept in the hands of the Ministry of Home Affairs (currently, the Ministry of Public Management, Home Affairs, Posts and Telecommunications).

14. In fiscal year 2000, CLAIR invited 6,078 people from 39 countries. There are three job categories in the JET Programme, namely, Assistant Language Teacher (ALT), Coordinator for International Relations (CIR), and Sports Exchange Advisor (SEA). ALTs are under the supervision of the education boards of local governments and teach at local schools. Five languages are taught by ALTs, including English, French, German, Chinese, and Korean. The CIRs and SEAs are usually under the supervision of local government authorities. See <<http://www.jetprogramme.org/index.html>>.
15. See Miyazaki Prefecture (2000). Also see <<http://www.pref.miyazaki.jp/english/index.htm>> for more information on Miyazaki prefecture. In the 1960s, the prefecture was a popular destination for couples on their honeymoon. Tourism has remained Miyazaki's major industry due to its warm and sunny climate, and over the past few years it has also attracted tourists from overseas.
16. In 1985, there were 841,000 registered foreigners residing in Japan; in 2000, the figure had risen to around 1.7 million.
17. Issues such as labor, education, medical treatment, and social welfare have been discussed among the member cities. The member cities are Hamamatsu, Iwata, Kosai, and Fuji (joined later) in Shizuoka prefecture; Toyohashi and Toyoda in Aichi prefecture; Yokkaichi and Suzuka in Mie prefecture; Ogaki, Kani, and Minokamo in Gifu prefecture; Ota and Oizumi in Gunma prefecture; and Iida in Nagano prefecture.
18. Besides overstayers, who initially came to Japan with a passport and visa, there are also a number of illegal immigrants living in the country who originally arrived by boat and circumvented the immigration authorities (Suzuki 2001).
19. Some Japanese corporations are even believed to have cooperated with Chinese companies in setting up vegetable farms for the purpose of exporting the produce to Japan.
20. For information on the international activities of Japanese NGOs, see <<http://www.geocities.co.jp/WallStreet/3294/ngodata.html>>.

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