In July 1999, the Japanese government approved a basket of measures known as the Set of Acts for Decentralization. These measures, aimed at facilitating the shift toward a decentralized system of government, came into force in April 2000. The term decentralization refers to the re-distribution of previously centralized political and administrative resources toward local areas. The distribution of legislative power is especially important because it is used as an index to measure the degree of decentralization accomplished.

A keyword in the present decentralization legislation is self-determination, the meaning of which, used here, is twofold: 1) local governments will create their own policies independently of the central government; and 2) local residents will participate in the decision-making process. The Local Autonomy Law adopts the systems of direct democracy for the management of local governments. One such system is the direct demand system by which local residents are entitled to make direct demands. Many people have high expectations that this system will be applied especially for the enactment, amendment, or abolition of local ordinances. In reality, however, the level of effectiveness it will have for self-determination in a decentralized society is questionable. The two primary reasons for this are a low approval rate for draft ordinances put forward by the direct demand system, and the lack of a means of appeal for residents when a demand is denied.

In dealing with these problems, some people are arguing for direct participation of residents through referenda. They point out the limitations of a system that entrusts final decisions to local assemblies or councils. To grant the wishes of local residents to determine their own future, however, the usual process of enacting ordinances must still be followed. In what manner will these wishes be incorporated into the policy’s decision-making process? The answer will form a critical pillar of the design of such systems and institutions for a decentralized society.

Local Self-Governance in Japan: The Realities of the Direct Demand System
by Takanobu Tsujiyama
**The Direct Demand System**

The Local Autonomy Law lists two types of direct demand: one determined by a referendum among local residents and one handled by the local assembly or council, governor or mayor, or audit committee members. The first has these three characteristics:

- **Demand for dissolution of a local assembly or council.** A demand can be filed by collecting the signatures of a third or more of the constituents. The result of a referendum by the residents will then determine the dissolution.

- **Demand for recall of a governor or mayor.** A demand can be filed by using the same procedure. If most of the referendum votes support the demand, the individual is recalled.

- **Demand for recall of a local assembly or council member.** A demand can be filed by using the same procedure. A demand for a recall is made against a specific individual assembly or councilperson. As above, when most of the referendum votes support the demand, the individual is recalled.

The second type of direct demand also has three main characteristics:

- **Demand for enactment, amendment, or abolition of local ordinances.** A draft proposal can be submitted with the signatures of at least two percent of the constituents. The governor or mayor should attach a comment to the proposal, which will then be submitted to a ballot by the assembly or council. This demand can be made for any ordinance except those concerning the collection of local taxes, apportionment, rental fees, and handling charges.

- **Demand for administrative audit.** The number of signatures required is the same. Audit committee members will carry out the audit and report the results to representatives of the demanders. The results will be made public and submitted to the assembly or council, the governor or mayor, and other related groups and individuals. The demand can be made against any administrative process.

- **Demand for recall of a public servant in a prominent position.** A recall demand against a vice-governor or deputy mayor, an accounting official or treasurer, an election control committee member, an audit committee member, or a public safety committee member can be made by collecting the valid signatures of a third or more of the constituents. The governor or mayor will determine the outcome by agreement of the assembly or council.

**The Use and Track Record of the Direct Demand System**

When we review the track record of the direct demand system for the 45-year period beginning in 1947 and ending in 1992, when the Local Autonomy Law was enacted, two characteristics stand out. First, the success rate is higher for the types of demand determined by a referendum than for those determined by the governor or mayor, assembly or council, or audit committee members. For example, 400 demands were made for the dissolution of assemblies and councils. Of these demands that made it to the referendum, only 11 percent were denied. Furthermore, only 13 percent of demands for recall of a governor or mayor and 6 percent for recall of an assembly or council member failed to pass a referendum. This phenomenon can be attributed to the effectiveness of the system, which is supported by the final decision being made by a referendum of residents. Moreover, the demand holds only after clearing the challenging hurdle of the support of a third of the constituents, which means that substantial support for it already exists in the community. In the past, the reasons for such demands centered on corruption and scandals, but more recently the system is being used to determine the validity of, or flaws in, policy decisions.
typical example was seen in the city of Zushi, in Kanagawa Prefecture, where a demand was made to recall the mayor and to dissolve the assembly over the issue of US military housing construction. In contrast, because the recall of an official in a prominent position—even though it has the “one-third” hurdle to clear—is determined by the governor or mayor and the assembly or council, the expectation for the redress of such a demand is low. Therefore, as we might expect, only 14 demands of this kind were filed over 45 years, resulting in only two officials being dismissed.

The second characteristic to be noted is the less than 10 percent success rate for demands made to enact, amend, or abolish ordinances, even though the number of those demands surpasses all other categories. In 45 years, 1,170 such demands were filed, but only 110 (or nine percent) were successful. Why such a low success rate? Because the assembly or council refused to enact ordinances in 907 cases (78 percent). Why the large number of demands, despite the fact that it is the assembly or council which will be making the final decision? Because this is the only option available to residents for direct access to legislature. Moreover, residents have not given up on the system, even with its disappointing success rate. During the four years from 1988 to 1992, six demands were made at the prefectural level and 45 at the city-town-village level. One of the six, and six of the 45 were successful, some after amendments were made by the assembly or council. Ten of the 45 cases filed at the city-town-village level related to ordinances concerning the resident referendum system.

ISSUES IN THE DIRECT DEMAND SYSTEM

The situation has changed a great deal since the direct demand system was introduced. Resident awareness of self-governance and rights has improved, and regional and local issues have intensified and become more complex, so the time for decentralization has arrived. Will the current system function effectively while dealing with all these changes? Several critical issues stand out.

The first is the problem of closing down the path of direct legislation by refusing to enact, amend, or abolish ordinances in assemblies or councils. Cases denied include demands supported by a vast number of signatures. For example, more than 600,000 residents of Nagasaki Prefecture supported the demand for retaining a prefectural hospital, and more than a million Hokkaido residents signed a demand to create an ordinance requiring a referendum before a nuclear power plant could start operations. The Japanese system is said to have
been modeled after the US system, under which most states adopt either a direct initiative system (any demand against state ordinances that satisfies the required conditions is subject to a referendum) or an indirect initiative system (any demand against state ordinances that satisfies the required conditions is submitted to the state assembly; if denied, it is then subject to a referendum). A similar direction is expected in Japan. Meanwhile, it is possible for individual local governments to set up systems that allow referendums for highly supported demands (for example, those with the support of more than a third of constituents) denied by the assembly or council. This system can be established as part of the basic ordinances. The second issue is that the requirement for filing demands for an assembly or council dissolution or for the recall of a governor or mayor, or member of an assembly or council may be too demanding. Officials in many districts can now be elected with less than a third of the constituent votes, especially when voter turnout is low. The argument is that the demand system is rendered meaningless if the requirements for recall demand are higher than for election. In this regard, the method adopted by certain US states can be used as a model. It links the requirement for recall to the actual election voting record (for example, x percent of the total vote cast in the previous election for governor).

A third issue is that foreign residents in Japan are not allowed to contribute signatures to a direct demand, nor can they participate in the referendum that follows. Obviously foreign residents count as “residents under local government jurisdiction,” and they are affected by the policy decisions of the local government where they reside. Indeed, issues concerning foreign resident participation in local governments are currently being discussed, but it must be possible to accept their suffrage in local elections as part of the resident referendum ordinances established independently by local governments. It is regrettable that these resident ordinances have so far totally lacked any such considerations.

More than 600,000 residents of Nagasaki Prefecture supported the demand for retaining a prefectural hospital, and more than a million Hokkaido residents signed a demand to create an ordinance requiring a referendum before a nuclear power plant could start operations. Has the direct demand system really become a part of local self-governance in Japan? Has it been fully functional in its original intentions? Will it be the system that contributes to the coming decentralized system that emphasizes self-determination? Reformation of the system is needed, and these reforms must be made in regard to the actual experience of resident referendum ordinances and referendums.

Designing the Resident Referendum System

Under the current local self-governance system, assembly or council members and governors or mayors must be elected as representatives. However, elected officials do not decide everything; the so-called direct democracy allows participation in local governments through the direct demand system. The part of the system that allows effective participation in the policy decision-making process is the demand for enactment, amendment, or abolition of ordinances. Many political ethics ordinances and public information access ordinances were created as a result of proposals by residents. But how can the opinions of residents on such important issues as the building of a nuclear power plant be expressed when the local government cannot create its own ordinances? The resident
The referendum system will become meaningful in true self-governance by overcoming institutional limitations of this kind. Therefore the referendum system is directly related to the levels of understanding of the current local governing system and to the future ideals of local governance. Moreover, strong tension exists between the referendum system and the ideals of democracy. The concrete design of the system will have considered these factors. Items worth considering would include whether a resident referendum ordinance is an individual ordinance or part of a general ordinance; the method by which a referendum should be activated; who may participate (foreign residents and the currently set conditions for suffrage—at least 20 years of age); referendum voting turnouts that are different from elections; and the possible adoption of a direct or indirect initiative system to implement the referendum system more effectively.

It could be cynically argued that only two of the currently existing resident referendum ordinances came from demands made by residents. In contrast, more than 30 draft proposals for ordinances submitted through the direct demands system have been denied by the assembly or councils.

The resident referendum system will be more actively used in the future. A more active application of the system will question the existing state of local assemblies or councils and more firmly establish the local rights of self-determination. Moreover, residents will be asked to take responsibility for the collective will as expressed in the referendum. Only the careful design of a system constructed through extensive debates will win many supporters.

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**Suggested readings**


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