UNDERSTANDING JAPANESE DEMOCRACY ASSISTANCE

Maiko Ichihara

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Summary

Despite being Asia’s most prosperous democracy and one of the world’s largest aid providers, Japan has a strikingly low profile in the field of international democracy assistance. Japan directs most of its democracy-related assistance to technocratic top-down governance programming, placing a low emphasis on civil society assistance. The reasons behind this choice stem from Japan’s history and its views of development.

Experience With Democracy Aid

• Japan began engaging in democracy assistance during the early 1990s in response to democratic openings in Asia and domestic criticisms of its foreign aid system.

• The Japanese government’s democracy aid increased from $4 million in 1990 to $200–$300 million annually in the late 2000s.

• Japan allocates a small portion of its overall aid budget to democracy aid. From 1990 to 2008, Japan spent on average 0.7 percent of its total foreign aid budget on democracy assistance, significantly less than comparable foreign aid actors.

• Japan directs more than 98 percent of its democracy assistance to state institutions.

Why Japan Focuses on State Institutions

Human security. The devastation of the 1997 Asian financial crisis brought about a new regional focus on human security. This strengthened the Japanese emphasis on economic development and poverty reduction rather than democracy or human rights, and it spurred Japanese investments in social infrastructure and humanitarian aid.

State sovereignty. Japan traditionally allocated foreign assistance based on requests from recipient-country governments. Although this policy was officially abandoned in the 1990s, Japan still provides democracy aid based on governmental requests. As a result, Japan’s contacts with nongovernmental organizations in recipient countries are limited, and most aid flows to nonpolitical governance reforms.
Development over politics. Japan promotes democracy support as a form of development aid rather than as an instrument for political empowerment. Unlike other donor countries, Japan does not explicitly foster democracy abroad but instead provides aid to governments attempting to democratize or consolidate democracy as a development goal.
Introduction

As Asia’s most prosperous, stable democracy and as one of the world’s largest aid providers (in fact, for much of the 1990s Japan was by some measures the largest aid provider in the world), Japan might be expected to also be a major provider of democracy assistance. Japan has been engaged in at least some form of democracy aid since the early 1990s, not only in many parts of Asia but also in Africa, Latin America, and the Middle East.

Yet one hears strikingly little about Japan’s role in this domain. Few studies exist in either Japanese or English of Japanese democracy assistance, and Japan rarely figures in international policy debates over the role of external actors in democratic transitions, whether in Asia or elsewhere in the world. It is therefore natural to ask what Japan’s contributions to democracy aid in Asia and more widely in the world are. How do they compare in motivation, scope, and thematic emphasis to the democracy support coming from Western actors? And why does Japan have such a low profile in this field? This paper aims to answer these questions and in so doing provide at least a start at filling the considerable research gap regarding Japanese democracy aid.

Origins and Policy Frameworks

Japan entered the domain of democracy assistance in the early 1990s, and it did so for several different reasons. Japanese foreign aid had been operating for some time without clear aims or principles. Individual projects were created without any larger strategic aid framework. Moreover, Japanese aid was sometimes used as a “souvenir” when high-ranking Japanese officials visited foreign countries. The policy content of these souvenirs was created ad hoc, much more to please official counterparts than to serve developmental ends. And as scholars such as Yoshinori Murai and Kazuo Sumi have argued, the lack of principles made Japanese foreign aid vulnerable to strong influence from Japanese corporations and foreign officials.¹

Heightened Criticisms

Domestic criticism in Japan of the lack of a clear national policy on foreign aid grew in the 1980s. In 1986, this criticism sharpened further after news emerged of a corruption case in the Philippines related to Japanese foreign aid. With the administration of Philippine President Ferdinand Marcos suspected of corruptly amassing and embezzling aid from Japan, calls in Japan increased
for greater transparency in the country’s foreign aid as well as for clearer operating principles and aims.

Initially, critics sought a general set of operating principles but did not necessarily call for prodemocracy principles. Yet as prodemocracy movements and government crackdowns increased in frequency in the region, pressure increased on the Japanese government to provide foreign aid in support of prodemocracy efforts.

As a result of the government’s suppression of popular prodemocracy uprisings in Burma in 1988, most donors, including Japan, suspended foreign aid to the country. However, while European donors and the United States continued withholding aid for many years, even until the recent political opening, Japan resumed aid to Burma in February 1989 despite the hope among Burmese opposition leaders that it would not. In addition, Japan recognized the State Law and Order Restoration Council (SLORC)—the military regime created by General Saw Maung after a coup d’état in Burma—before any other developed country did. This act prompted international and domestic criticism that Japan was aiding a military regime and thus assisting in the suppression of a prodemocracy movement.

Similar criticism surfaced concerning Japan’s aid to China. After the Chinese government’s brutal crackdown in Tiananmen Square, the Japanese government declared its intention to continue providing aid to China, in contrast to the United States and most European donors who suspended aid for some time. Domestic and international critics accused Japan of attempting to return to business as usual with China too quickly and asserted that as China’s largest donor, Japan had a special responsibility to make China pay at least some price for its antidemocratic actions. This criticism raised awareness in Japanese official circles of the need to specify a vision and principles for dispensing foreign aid that were consonant with democratic norms.

**The Spread of Democracy in Asia**

Other more positive political developments in Asia also pushed Japan toward entering the field of democracy assistance. The global “third wave” of democracy arrived in Asia in the mid-1980s and expanded in the 1990s. Philippine military strongman President Ferdinand Marcos was overturned by a popular movement in 1986. Confronted by mass protests against his authoritarian regime, South Korean President Chun Doo-hwan agreed to democratic reforms in 1987. Ill and aware that he was close to death, Chiang Ching-kuo of Taiwan, son of the nation’s first president, Chiang Kai-shek, initiated democratic reforms in 1987. Mongolia introduced free and fair elections in 1990. The end of civil war in 1992 enabled Cambodia to commence a nation-building
effort, the aim of which, initially at least, was to establish democracy there. Dissatisfied with their government’s incapacity to manage the Asian financial crisis, Indonesian citizens ousted President Suharto in 1998. East Timor’s subsequent independence from Indonesia prompted an international effort to attempt to establish democracy in the country.

Outside powers saw opportunities to help support this wave of attempted democratic transitions in Asia. Numerous U.S., European, and multilateral organizations began providing varied forms of prodemocratic support, including significant amounts of democracy assistance. Japan joined this trend, seeing advantages for itself in helping foster a more democratic neighborhood and not wanting to be left behind by other donors moving with the new political tide.

An additional push for change in Japanese foreign assistance came from the experience of providing aid during the 1991 Gulf War between Iraq and the U.S.-led coalition that ousted Saddam Hussein’s military forces from Kuwait. The lack of Western and Arab recognition of the $13 billion Japanese contribution to the multilateral force opened many Japanese eyes to the fact that “checkbook diplomacy” was not sufficient to gain the status of a major international political power.

Japan recognized that it should shift its foreign policy, including its approach to foreign aid, away from the traditional attitude of caring more about “how others view us” than “what we do for our own interests.” In addition to the Japanese public, both the Ministry of Foreign Affairs and the governing Liberal Democratic Party strongly felt a “sense of defeat” in diplomacy that motivated the government to reform Japanese Official Development Assistance (ODA).³

New Policy Frameworks

All of these political developments culminated in changes to Japan’s aid policy. Opposition parties and civil society began to call more strongly for the creation of a foreign aid law that would provide concrete visions and principles for the provision of aid. Two opposition parties, Komeito and the Socialist Party, submitted a proposed draft International Development Cooperation Law (Kokusai kaihatsu kyoryoku kihon ho) to the House of Councillors in 1989 and again in 1993.

Although these bills did not end up being enacted into law, the Liberal Democratic Party and the Ministry of Foreign Affairs did move to create new guidelines for ODA. The Ministries of Foreign Affairs, Finance, and International Trade and Industry as well as the Economic Planning Agency negotiated the form of these guidelines based on a draft set of ODA guidelines created in 1991. In June 1992, the cabinet agreed to accept this document with

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The lack of Western and Arab recognition of the $13 billion Japanese contribution to the multilateral force in Iraq opened many Japanese eyes to the fact that “checkbook diplomacy” was not sufficient to gain the status of a major international political power.
slight revisions as the ODA Charter. This charter stated that Japan should provide foreign aid in a manner that supports democracies abroad.

Four years later, Japan declared a specific commitment to democracy assistance in the Partnership for Democratic Development, which was announced at the 1996 G7 summit in Lyon. In this declaration, Japan named law, governance, elections, and the mass media as areas in which the Japanese government had provided and would continue to provide assistance to support democracy. After a 2003 revision, the ODA Charter emphasized the importance of democracy assistance and human rights protection more clearly than before. In addition, the revised charter presented details regarding the areas of emphasis for Japan’s democracy assistance, such as capacity- and institution-building in the legal sector.

The Japanese government has displayed its intention to assist democracy not only in its general foreign aid policies but also in region-specific policies. For example, Japan co-hosted a Japan-Africa summit in 1998 with the United Nations and the World Bank. The Tokyo International Conference on African Development II (TICAD II) confirmed the importance of democracy assistance to the development of Africa.

During his first term as prime minister, Shinzo Abe declared in 2006 that democracy support would be central to Japanese foreign policy. Taro Aso, foreign minister in the first Abe administration, launched an initiative to increase Japan’s democracy assistance by creating what he called an “Arc of Freedom and Prosperity” in the regions from Northeast Asia to Central Asia and the Caucasus, Turkey, Central and Eastern Europe, and the Baltic states.4 This marked the first time that a Japanese administration openly articulated a willingness to contribute to the creation of a global system of democratic norms.

Japanese Democracy Aid in Practice

Amount

In line with these policy frameworks, Japan has gradually increased the amount of foreign aid that it provides specifically for democracy support. Japan contributed only $4 million toward democracy assistance in 1990. During the 1990s, this figure sharply increased, reaching $41 million in 1993, a year after the ODA Charter’s implementation, and $320 million in 1996, when the Partnership for Democratic Development was launched. The figure declined to around $100 million annually after 2003, when the revised ODA Charter was implemented. It stayed relatively stable until later that decade, when the amount of democracy assistance rose to between $200 and $300 million per year.

The number of technical assistance projects devoted to democracy support administered by the Japan International Cooperation Agency (JICA), the
quasi-governmental foreign aid agency charged with providing Japan’s foreign technical assistance, has also increased. Whereas only one to four projects were begun annually in the democracy assistance field from 1994 to 2002, the number of new technical assistance projects increased substantially in 2003, when fourteen were initiated. Since then, more than ten projects have been launched annually. The total number of technical assistance projects conducted every year increased from eleven in 2002 to 68 in 2006.

Even with these dramatic increases, the amount of Japan’s democracy assistance remains small compared to that of other major donors such as the United States and the United Kingdom. The level of Japan’s democracy assistance ranks ninth among the 24 member countries of the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee. Japan provides approximately the same amount of democracy assistance as Denmark, whose total official development assistance between 1995 and 2008 was less than one-tenth that of Japan. Among the top ten providers of official development assistance, only Spain and France have provided (slightly) smaller amounts of democracy assistance than Japan.

Japan’s allocation of democracy assistance from 1990 to 2008 was only 0.7 percent of its total ODA allocation on average, whereas the OECD Development Assistance Committee average was 5.8 percent, more than eight times that of Japan. Japan’s low commitment to democracy aid relative to other types of aid stands in particular contrast to Anglo-Saxon and Northern European countries, which allocate approximately 10 percent or more of their ODA to democracy assistance. While the largest percentage of ODA that Japan has ever allocated to democracy assistance was 2.4 percent in 2006, some countries, including Australia, Canada, Denmark, Sweden, the United Kingdom, and the United States have occasionally allocated more than 20 percent of their ODA to democracy assistance. France is the only donor among the top ten ODA providers whose percentage of ODA devoted to democracy assistance is as low as that of Japan (1.8 percent).5

Distribution

Asia has usually been the top recipient of Japanese democracy assistance, only occasionally surpassed by Africa. More specifically, the East and Southeast Asia subregion received more aid than any other subregion until 2007, when it was overtaken by Sub-Saharan Africa and South and Central Asia. Japanese democracy assistance to the Middle East has been increasing in recent years, whereas the aid amount for Latin America has remained steady.

Reflecting the aid allocation among regions, most of the top recipient countries of Japanese democracy assistance are Asian (see table 1). In some cases Japan is a significant source of such assistance relative to other providers. In
Indonesia, for example—which was the top recipient of Japanese democracy assistance from 2003 to 2009—Japan is the third-largest source of such aid after the United States and Australia.

Table 1. Top Ten Recipients of Japanese Democracy Assistance, 2003–2009

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Commitment (in millions of U.S. dollars)</th>
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<tbody>
<tr>
<td>1</td>
<td>Indonesia</td>
<td>131.66</td>
</tr>
<tr>
<td>2</td>
<td>Afghanistan</td>
<td>126.99</td>
</tr>
<tr>
<td>3</td>
<td>Cambodia</td>
<td>52.55</td>
</tr>
<tr>
<td>4</td>
<td>Pakistan</td>
<td>49.57</td>
</tr>
<tr>
<td>5</td>
<td>Kenya</td>
<td>49.43</td>
</tr>
<tr>
<td>6</td>
<td>Vietnam</td>
<td>44.22</td>
</tr>
<tr>
<td>7</td>
<td>Jordan</td>
<td>42.37</td>
</tr>
<tr>
<td>8</td>
<td>Laos</td>
<td>39.42</td>
</tr>
<tr>
<td>9</td>
<td>Philippines</td>
<td>30.88</td>
</tr>
<tr>
<td>10</td>
<td>Ghana</td>
<td>27.96</td>
</tr>
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Source: OECD, Creditor Reporting System

Allocation by Sector

There are three major types of external democracy assistance: aiding state institutions, bolstering civil society, and working on the political process, above all elections and political party development. On average, Japan allocates more than 98 percent of its democracy assistance to the state-institutions sector. Japan is the seventh-largest donor for aid to state institutions, providing a total of approximately $1.8 billion to this sector between 1995 and 2008. Japan did not provide as much aid to support state institutions as the United States or the United Kingdom, which provided $19.4 billion and $5.6 billion, respectively, during that period. But Japanese aid was still substantial, totaling more than $100 million annually to state institutions and sometimes reaching more than $300 million, such as in 1995 and 2006. Japanese aid to state institutions also exceeds the contributions of some other countries known to be active democracy-assistance providers such as Sweden, Norway, and Denmark.

Japan allocates a higher percentage of its overall democracy assistance to the state-institutions sector than any other member country of the OECD Development Assistance Committee. Although there is significant variance in the proportions of other donors’ contributions to the state-institutions sector, eighteen of the 24 committee members allocate less than 80 percent of their democracy assistance to state institutions, and eight of these countries allocate less than 50 percent to the sector.

Japan provides more assistance to state institutions than do much larger providers of democracy aid overall, such as Sweden, Norway, and Denmark, because those countries allocate smaller percentages of democracy assistance to the state-institutions sector. On average, Sweden allocates only 35 percent of its democracy assistance to this sector, Norway allocates 38 percent, and Denmark allocates 45 percent. Other than Japan, only Portugal and France allocate more than 90 percent of their total democracy assistance to this sector."
Allocation Within the State-Institutions Sector

Within the state-institutions sector, most of Japan’s aid goes to three subsectors—central governmental agencies, the rule of law, and local government. Japan considers the role of central governmental agencies essential to the overall task of improving governance in countries undergoing political transitions. Thus, Japan focuses most of its assistance on efforts to strengthen such agencies, in particular helping improve the capacity of government officials to engage in efficient governance.

Though carried out under the rubric of democracy assistance, most such aid goes to economic areas of governance, such as tax collection, customs duties, statistics, foreign aid coordination, macroeconomic policy, policies on medium-sized and small enterprises, financial systems, trade, investment, and property rights. Although Japan is much less active in providing assistance to reduce corruption, it has addressed issues like bolstering the capacity of auditing agencies charged with reporting abuses of power and rights violations by administrative bodies.

Japan has been increasing its assistance for rule-of-law development since the 1990s, primarily in the form of assistance it provides with drafting laws and strengthening police forces. Starting with some rule-of-law assistance to Vietnam in the mid-1990s, Japan has expanded such work to include Cambodia, Laos, Indonesia, Mongolia, and Uzbekistan. There is a perceived need for market-oriented reforms in most parts of Asia, and most of Japan’s rule-of-law assistance aims to address it.

The major areas of Japanese law-related assistance include reform work on civil law generally as well as civil procedure, bankruptcy, and competition law in particular. In this field, Japan has even assisted China, providing technical assistance with the drafting of antitrust, corporate, and economic laws. These efforts support not only market-oriented economic reforms but also the development of trade and investment.

Reflecting its philosophy of using aid to support locally generated initiatives, Japan limits its law-reform aid to a supporting role that involves commenting on draft laws initiated by recipient countries. The only exception in this regard has been its assistance to Cambodia in the drafting of civil and civil procedure laws, which commenced in 1999. There, Japan has played a more proactive role.

Japan’s rule-of-law assistance in the criminal law domain goes primarily for enhancing law enforcement within aid-receiving countries. Japanese assistance for foreign police forces has a relatively long history. Japan’s International Investigation Training Institute (Kokusai sosa kenshu jo) was established under the auspices of the Japanese National Police Academy in 1985. Now known as the Research and Training Center for International Criminal Investigation and Police Cooperation, this institution has provided training for overseas police officers in many countries.
Like other areas of Japan’s aid for strengthening state institutions, Japan’s police assistance tends to be only indirectly related to democratization and democratic consolidation. For the most part, it does not directly target democracy issues such as public accountability, corruption, and human rights violations by police. Instead, the hope is that technical assistance to improve police functions like criminal investigations and traffic management will contribute to a general improvement in police capabilities that will help further democratic consolidation. The same idea holds for training seminars aimed at introducing ideas about community policing, public safety commissions, and police organizational reform generally. There are only two cases where Japan provided police assistance specifically for the purpose of building democracy—in Pakistan starting in 1996 and in Indonesia starting in 2002.

Japanese aid aimed at strengthening state institutions also goes to local government assistance. This emphasis reflects the decentralization that is occurring in many developing countries and the increased recognition of decentralization as a factor that promotes good governance. For example, the Philippines established the Local Government Act in 1991 under the Aquino administration. Indonesia established two laws concerning decentralization in 1999, which went into effect in 2001. Thailand strengthened the functions of local governmental organizations based on the 1997 Constitution of the Kingdom of Thailand and the Decentralization Law of 1999. Cambodia has engaged in decentralization to strengthen local governments. There is an increasing need to develop the capacities of local governments to improve the provision of public services and local development, especially in authoritarian countries, such as Vietnam and Laos.

Given this trend, the Japanese Ministry of Home Affairs created the Guidelines Concerning the Establishment of a Charter on the Promotion of International Cooperation between Local Governments (Jichitai kokusai kyoryoku suishin taiko no sakutei ni kansuru shishin) and the Subsidy for Organizations Promoting Overseas Technical Cooperation (Kaigai gijutsu kyoryoku suishin dantai hojokin) in 1995. JICA has provided training courses in various countries on topics such as the duties of local provinces and municipalities, civil society relations with local governments, participatory regional development, and industrial revitalization. Japan conducts its local government assistance primarily through technology transfers to government agencies of recipient countries, seeking to increase the capacities of the government agencies and their human resources. Projects not only target central and local government agencies but also create partnerships with nongovernmental organizations (NGOs), universities, and local citizens to increase the impact of the assistance.

Across the domain of its state-institutions assistance, Japan tends to employ officers from Japanese governmental ministries and agencies as implementation partners to help improve the capabilities of their counterparts in
recipient countries. The National Tax Agency functions as the implementation partner on tax practices, and Japan Customs implements projects related to customs duties.

This approach reflects the Japanese belief that giving recipient country agencies the benefit of the practical experience of Japanese governmental agencies is a more effective form of technical assistance than the more common approach by other countries of using consultants. In addition, Japanese aid providers believe that because Japan developed its economy relatively recently, its governmental agencies possess a comparative advantage in assisting recipient countries in matters of economic development and governance strengthening.

The Low Profile of Japanese Democracy Aid

Despite the significant increase in Japanese democracy assistance over the past twenty years, the international policy community pays little attention to this assistance. U.S. democracy aid receives considerable attention in international circles—including negative attention in some countries, such as Russia and Egypt. That is understandable given the overall size of U.S. commitments in this area and the frequent association of this assistance with U.S. geostrategic ambitions. Yet even the democracy aid of much smaller actors, such as that of various European countries, attracts significant attention in both policy debates and scholarly circles. The protracted debates in Europe over the creation of the European Endowment for Democracy are one example. In contrast, Japanese democracy aid appears to operate almost entirely below the radar screen of the international policy community.

The main reasons for this appear to be the comparatively small proportion of Japan’s democracy assistance relative to its overall aid. Despite its increased commitment to democracy aid over time, Japan remains a minor contributor of democracy assistance compared with most other developed democracies. Its concentration on more technocratic areas of aid, such as economic governance, and its avoidance of more high-profile areas such as elections work and political party development contribute to its low profile as well.

In addition, the relevant Japanese policy frameworks reveal some uncertainty about Japan’s commitment to supporting democracy abroad. The 1992 ODA Charter was created as a guideline rather than a law and thus was not legally binding for Japanese foreign aid practice. Additionally, the charter failed to mention any direct foreign aid approaches that Japan should adopt to engage in democratic institution building abroad. Japan’s foreign aid program

Japanese aid providers believe that because Japan developed its economy relatively recently, its governmental agencies possess a comparative advantage in assisting recipient countries in matters of economic development and governance strengthening.
for Africa, which was created based on the agenda declared in the 1998 joint Japan-Africa TICAD II summit to foster democracy in the region, did not include any concrete plan for progress. The only plan for democracy assistance to Africa mentioned in this program was a monetary contribution to the Africa Governance Forum of the United Nations Development Programme. Likewise, Taro Aso’s Arc of Freedom and Prosperity required new mechanisms specifically designed for its purpose. But as Derek Mitchell (now the U.S. ambassador to Burma) noted in an analysis of the initiative, it used only existing resources and ended up simply mentioning certain means of democracy assistance, such as legal assistance, rather than establishing clear requirements for democracy programming.

Japan’s low profile on democracy aid also results from the emphasis in Japanese democracy programming on supporting governments rather than undertaking more politically challenging efforts to support actors pushing for democracy in contexts where it is blocked or moving backward. As noted previously, over the years Japan has directed nearly all of its democracy assistance to capacity building for government employees of aid-receiving countries or to simply providing governance advice.

The revised ODA Charter emphasizes the importance of ownership on the part of the countries that receive Japanese assistance. It explains that Japan prefers to provide democracy aid to recipients that are actively engaged in democratization. Yet many of the largest recipients of Japanese democracy assistance are governments whose commitment to democracy is questionable, such as Cambodia, Jordan, Laos, Pakistan, and Vietnam, which gives this overall approach a very soft, unassertive profile.

Japan created the Partnership for Democratic Development with the caveat that it would provide democracy assistance only with the consent of the recipient countries and in partnership with them. But the caveat did not specify which actors must be seeking democratization and whose consent Japan required. Based only on the ODA Charter, it is unclear whether Japan would heed a request by citizens of a recipient country for help with democratization or whether it would require efforts on the part of state actors. If state efforts at democratization are the prerequisite for Japan’s assistance, it seems apparent that Japan will not assist citizens of authoritarian countries who seek democratization.

The low level of Japan’s civil society assistance compared with that of other major donors illustrates the softness of Japan’s approach and its disinclination to back democracy activists challenging their governments. While seven Development Assistance Committee member countries each spent a total of between $1 billion and $5 billion on civil society assistance between 1995 and 2008, Japan spent only $20 million. Japan’s total contribution to civil society in aid-receiving countries was only 0.4 percent of that of the United States. Whereas most committee members allocate more than 40 percent of their democracy assistance to the civil society sector on average (seven allocate...
more than 50 percent and seventeen allocate more than 20 percent), Japan allocates only 1.1 percent on average, Portugal 3.3 percent, and France 7.5 percent. Thus, although Japan is one of the largest foreign aid donors, it spends approximately the same amount on civil society assistance as do small donors such as Greece and Luxembourg. Japan’s minor role in civil society assistance is striking.

**Evolving Foreign Aid Priorities**

Why, given that Japan formally includes prodemocratic norms in its stated foreign policy goals, is the portion of aid that Japan devotes to democracy so small compared with that of most other major developed democracies? Answering this question requires an explanation of the significant weight Japan generally places on other foreign aid priorities compared to democracy support.

**Early Economic Focus**

In the aftermath of World War II, Japan was not a foreign aid donor but a recipient. Devastated by its defeat in the war, Japan received $1.8 billion in aid from the United States between 1946 and 1951 and $862.9 million in loans from the World Bank from 1953 to 1966. In 1954, Japan began providing foreign aid in addition to receiving it. Because providing foreign aid was a significant financial burden for Japan, which still had a weak economy, it planned to provide aid in a way that would promote its own trade and economy.

The Compensation Special Procurement Office (Baisho tokuju shitsu), which was in charge of foreign aid, was created within the Ministry of International Trade and Industry to combine foreign aid with broader efforts to further Japanese economic expansion. Private Japanese corporations provided advice to the governments of recipient countries regarding the types of foreign aid projects they should request from the Japanese government. The corporations also maintained close relationships with the Japanese government officials who administered foreign aid, conducting the preliminary research, basic project creation, lobbying, and procurement necessary for the implementation of the foreign aid projects that the recipient governments requested from Japan (based on the advice of these corporations). Over time, Japanese ODA came to focus on economic infrastructure assistance, which was beneficial to Japanese business.

In the 1970s, the Japanese government somewhat reduced its emphasis on foreign aid that benefited Japanese business for several reasons. First, Prime Minister Kakuei Tanaka’s visits to Southeast Asian countries in those years provoked large anti-Japan riots, particularly in Indonesia and Thailand. Students in those countries denounced the entry of Japanese corporations into their nations’ markets as Japanese imperialism, and they regarded Japanese
foreign aid as a means to further this entry. Second, Japanese media began to report some of the negative consequences of Japanese foreign aid projects, such as environmental degradation and the forced relocation of local inhabitants, which increased domestic criticism of Japan’s policy of focusing aid on economic infrastructure development.

In addition, Japan’s growing trade surplus with the United States provoked U.S. criticism. This led to the convening of a U.S.-Japanese summit in 1977 to address the issue of Japanese foreign aid being strictly tied to Japanese private companies as a cause of the trade imbalance. Subsequently, in 1978 the Japanese government announced that it would decouple Japanese corporations and ODA. The government increased the rate of untied loans from 28.3 percent in 1972 to 85.6 percent of total bilateral aid by 1990.9

Although Japan somewhat moderated its pro-Japanese business approach to foreign aid in the 1970s, it nevertheless continued to focus primarily on aid directed at strengthening the economic infrastructure of recipient countries. Even when Japan began to devote some of its aid to democracy support in the early 1990s, the democracy perspective was relatively minor compared to the still-dominant economic focus. When a real paradigm shift in Japanese aid did eventually occur in the late 1990s, it was oriented in a different direction.

The Concept of Human Security

The Asian financial crisis of 1997, which devastated a number of Asian countries that were important markets for Japanese exports, caused some significant rethinking of Japanese foreign aid. Keenly aware of the need to provide aid to the affected countries to improve the stability of individual lives and the region as a whole, Japan began to focus its foreign aid policy on the idea of human security. The concept came to fore in international development circles in the 1990s after the establishment of the annual publication of the pathbreaking United Nations Development Program’s Human Development Report. This report argued that human security consists of two components—freedom from fear and freedom from want.

Adopting this concept, Prime Minister Keizo Obuchi proclaimed in May 1998 that Japan would provide foreign aid to the vulnerable citizens of Asian countries affected by the financial crisis to improve their human security. By providing this rubric for Japanese efforts, the Japanese government was attempting to impress upon its Asian partners and the international community generally that it was making a substantial effort to help its neighbors recover from the financial crisis.10 Since that time, human security has remained the primary purpose of Japanese foreign aid.

Because democracy assistance is intended to help foster freedom from fear, human security assistance can be understood as naturally subsuming democracy assistance. In fact, Kofi Annan, when he was secretary general of the
United Nations, stated that human security includes such issues as human rights and good governance.¹¹

Emphasizing that the primary aim of human security should be the prevention of conflicts and wars, some donors, such as Canada, Norway, and Switzerland, understand human security primarily in terms of freedom from fear and protection from threats to human rights in countries that face military conflicts.¹² A central means of these countries to protect human security is humanitarian intervention, although the means are not necessarily military. Democracy assistance is a part of these efforts.

In contrast, the Japanese understanding of human security focuses more on economic development than on democracy or human rights. Japan adopted the argument of the Development Assistance Committee’s 1996 “New Development Strategy,” which emphasizes the goals of human-centered development, economic welfare, social development, and environmental sustainability. The ODA Mid-Term Policy of 2005 noted the following factors as threats to human security—conflict, terrorism, crime, human rights violations, the risk of becoming a refugee, infectious diseases, environmental degradation, economic crises, natural disasters, poverty, starvation, and the lack of education, health, and medical services. Among these human security issues, Japan defines four priorities: 1) poverty reduction, 2) sustainable development, 3) addressing global issues, and 4) peace-building. Although human rights issues are not excluded from the Japanese understanding of human security, they are not among its priorities. Japan’s approach is development-based and emphasizes freedom from want as opposed to the rights-based approach of Canada and some European donors. The approach excludes democracy assistance from the methods Japan pursues to promote human security.

Two factors inclined Japan to follow a development-based approach focused on freedom from want. One was Asia’s difficult economic condition in the late 1990s. The Asian financial crisis posed a serious threat to the economies of Asian countries, the lives of those countries’ inhabitants, the region’s stability, and international financial health. Although Japan was not directly affected by the financial crisis, the perceived danger to the Japanese economy was great. Because it was created under such circumstances, the Japanese interpretation of human security naturally focused on those areas that were threatened by the Asian financial crisis. Second, limits on the use of military force defined in the Constitution of Japan constrained the state’s role in humanitarian intervention. Seeking a practical way to contribute to human security but unable to intervene militarily, Japan adopted a development-based approach that did not require the use of force.
Aid Allocations

The predominant focus of Japanese aid on assistance for economic infrastructure and human security are key reasons the share of democracy assistance in Japan’s overall foreign aid remains small.

Figure 1 shows the share of democracy aid compared with other types of aid. The figure categorizes foreign aid provided for social infrastructure, humanitarian aid, and development food aid/food security assistance as human security aid and shows that economic infrastructure aid has declined slightly since the early 1990s. Aid for production, which covers all production-related sectors, such as agriculture and fisheries, has declined more substantially. However, aid in areas such as social infrastructure and humanitarian assistance, which is categorized as “human security” in this figure, has increased. The share of this type of human security aid began climbing in the early 1970s as the international aid community’s concern for basic human needs increased, and it continues to increase today.

In contrast, the share of democracy assistance has been and continues to be small. Although the share of democracy assistance began increasing in the early 2000s, it remains far below the level of human security assistance.
Figure 1. *Share of Foreign Aid for Different Purposes (percent)*

Note 1: “Human Security” includes social infrastructure, humanitarian aid, and development food aid/food security assistance.

Note 2: “Democracy Assistance” is the sum of assistance for government & civil society.

Note 3: This figure excludes multi-sector/cross-cutting, commodity aid/general progress assistance, general budget support, action relating to debt, and unallocated/unspecified costs.

Source: OECD, aggregate official and private flows.
Emphasis on Top-Down Assistance

Why has Japan emphasized the state institutions sector within its democracy assistance? This question is significant because civil society assistance, an important additional area of democracy aid, is considered by many aid practitioners and observers to be an effective method of democracy promotion. This is true particularly since the democratization of the Central and Eastern European countries, where civil society groups played a leading pro-democratic role.

The growing enthusiasm for funding civil society groups stems from the fact that sustained pressure for improving governance tends to be exerted by citizens rather than by governmental actors themselves. Religious and student groups, as well as other parts of civil society, are often the leading forces for democratization. In recent years, China has witnessed citizen protests involving demands for democratization, a halt to corruption, increased accountability, and human rights protection. The same pattern can be observed in various North African and Middle Eastern countries such as Egypt, Libya, Oman, Tunisia, and Yemen. In all of these cases, it is the citizens who push for democratic change while the governments have been responsible, in some cases, for antidemocratic resistance, including detaining and killing protesters.

Japan, however, has opted to emphasize the state-institutions sector over the civil society sector within its democracy assistance. It determines the adequacy and necessity of assistance to other countries based on requests or the lack thereof from recipient-country governments, following what is known in Japan as a request-based aid policy. Japan has followed this policy from the outset of Japanese ODA provision in the mid-1950s, when it began providing foreign aid as war reparations. Because Japan provided aid as a means to apologize to its Asian neighbors, the recipients were given the role of determining the content of aid projects and formulating specific aid requests.

The war-reparations aspect of Japanese foreign aid diminished over time, and the international aid community started criticizing the lack of quality control in Japanese aid in the late 1980s and the 1990s. This criticism increased when multiple instances of corruption related to Japanese ODA provision came to light. These corruption cases revealed a lack of transparency and quality control in the use of aid money and indicated that Japan afforded its aid recipients too much power in determining aid content.

Although the request-based policy was officially removed from Japan’s foreign aid policy in 1997 in response to the corruption scandals, in reality it continues to this day. In the case of democracy assistance, Japan provides aid based on requests from recipients, both in keeping with the legacy of its request-based approach and to ensure the political autonomy of the recipient countries. JICA states that the agency considers it important for developing countries to adopt proactive and spontaneous actions with regard to aid.
The question then becomes which actors does the Japanese government consider qualified to adopt such proactive and spontaneous actions regarding democratization? According to JICA, the agency considers “the proactive and spontaneous improvement of governance, democratization, and the consolidation of democracy undertaken by governments of developing countries” to be important. Here, the action is taken by recipient governments, and the statement does not mention the necessity or sufficiency of such actions by citizens. The same understanding also appears in other JICA publications on democracy assistance. The agency believes that providing citizens with increased opportunities to express their opinions should be conducted at the recipient government’s discretion. By extension, JICA aims to strengthen the role played by citizens by assisting their governments.

Therefore, Japanese democracy assistance is generally provided based on requests from the governments of recipient countries. While most projects are conducted based on requests from recipient governments, certain projects are conducted according to requests from individuals—but ones who are past participants in democracy assistance projects and employees of public administrations in recipient countries. For example, Japanese legal assistance to Vietnam was initiated on the basis of a request from Vietnam’s minister of justice for assistance with drafting the civil law in 1993. This request resulted in the expansion of such requests from other countries. In 1996, Cambodian Minister of Justice H. E. Chem Sgnoun asked the Japanese government (through Akio Morishima, a prominent figure in the Japanese legal field) for assistance revising Cambodia’s civil procedure and drafting its civil law. This resulted in the start of Japan’s legal assistance program in Cambodia in March 1999. In both these cases, governmental actors made the democracy assistance requests to Japan.

Not all requests come to Japan spontaneously. Officials will occasionally conduct preliminary research on foreign aid needs in recipient countries and exchange ideas with actors in those countries, many of whom go on to make official requests to Japan. For example, Japan’s police assistance for Pakistan began at Japan’s initiative. Japan sent a preliminary research unit to Pakistan in 1996. Based on the research this team collected, Japan proposed the establishment of a national public safety commission to the Pakistani government, which eventually accepted the proposal.

In such cases, ODA task forces in Japanese embassies in recipient countries, local JICA offices, and recipient governments, in addition to preliminary research teams dispatched from JICA headquarters, function as the main sources of information on the aid needs of recipient countries. The task forces are expected to gather opinions from and exchange ideas with local societal actors regarding aid needs. However, members of the ODA task forces meet very few NGO representatives, especially when compared to the number of government officials with whom they have contact. For example, Masahiko
Kiya, a former member of the ODA task force in Bangladesh, lists 71 agents of the Japanese government who met with the ODA task force in Bangladesh from 2003 to 2006. Additionally, he lists 34 international organization staff members, thirteen representatives from other donor-country governments, and eleven Bangladeshi governmental officials. However, only eight NGO representatives—some Bangladeshi and some Japanese—are mentioned as having attended meetings with the ODA task force. Although NGOs are not structurally excluded from such dialogues, they tend to be a minor source of information for Japan.

In 2010, the Ministry of Foreign Affairs published an ODA white paper to make explicit the Japanese government’s intention to transform its foreign aid approach from a request-based policy to the more common program approach. In this new approach, foreign aid targets will be determined through policy dialogues with developing countries. The apparent hope is that by establishing an overall framework for foreign aid programs before determining specific aid projects within that framework, the program approach will avoid the problem of inconsistencies among specific projects, which is characteristic of the request-based approach.

However, even under the new program approach Japanese aid officials choose programs through dialogue with governmental actors in developing countries rather than with civil society actors. This means that whether the Japanese government adopts the request-based or the program approach, the voices of recipient governments are likely to be dominant in foreign aid projects and the voices of civil society are less likely to be heard.

The inadequate information collection on foreign aid needs by civil society actors is a striking difference between Japanese aid and the approach of more active providers of democracy assistance, who often obtain significant amounts of information from a wide range of sources, including civil society actors. For example, the Rockefeller Brothers Fund created a team of Americans and Hungarians to travel across Hungary at the beginning of the country’s democratization process after 1989. The team drafted a number of reports regarding the factors that were necessary for democratic consolidation in the country and shared the results with other private funders and U.S. government agencies. In addition, government agencies, such as the U.S. Agency for International Development (USAID), regularly consult with NGO partners operating in recipient countries to collect information on aid needs. Face-to-face interactions between USAID and U.S. State Department staff members on the one hand and NGO actors on the other occur daily, and the participants exchange information regarding the state of democracy in developing countries and possible aid responses. In Sweden, the staff of the Swedish International Development Agency telephones NGOs daily to obtain information regarding recipient countries. There is a high level of trust and interaction between civil society and governmental actors.
Japanese Democracy Assistance as Development Assistance

This paper has analyzed the origins, motivations, and current profile of Japanese democracy assistance—including why Japan provides relatively little of it and why it emphasizes aid to state institutions within the larger range of possible types of democracy aid. This concluding section attempts to consolidate the above analysis into a single overarching conclusion: Japan provides democracy assistance as a form of development assistance. In other words, its democracy aid is not a form of political engagement aimed primarily at political goals but rather a development activity strongly oriented toward socioeconomic effects and goals.

Japan has provided democracy assistance in harmony with a trend that took root in the international aid community starting in the late 1980s of viewing good governance as a critical factor facilitating socioeconomic development. JICA’s position as the leading agency in charge of Japanese democracy assistance reflects the Japanese developmental perspective on the topic. This approach is different from that of the United States, for example, where the State Department and the National Endowment for Democracy play significant roles in the country’s democracy aid, alongside and sometimes even primary to the role of USAID. As a JICA publication on democracy assistance states, “A characteristic of Japanese assistance is that, unlike the United States, Japan does not aim at the expansion of democratic government itself. Japan provides assistance to protect the democratic progress of developing countries as a part of developmental aid through the protection of basic liberties and the promotion of human rights.”

This statement indicates why the necessity of assisting democracy abroad has been primarily included in policy frameworks on development aid in Japan, such as the ODA Charter and the Partnership for Democratic Development. In addition, it illustrates why Japan regards proactive requests from recipient governments as a prerequisite for its democracy assistance. Japan considers providing such aid only when a recipient government aims to democratize or to consolidate democracy as a development goal.

The development plans of some of the countries to which Japan provides aid help to determine the areas that receive the assistance. Japan provides foreign countries with democracy aid in a manner that fits the development plans of the recipient governments.

An examination of the national development plans of the top ten recipients of Japanese democracy assistance from 2003 to 2009 reveals that nearly every country lists improvement of democracy or governance among its aims. The national development plans of Indonesia, Kenya, and Ghana include the...
promotion of democracy, while those of Afghanistan, Cambodia, Ghana, and Pakistan cite the improvement of governance as an aim. Most of these nations also incorporate more specific elements of democracy or governance improvement in their development plans. The rule of law appears in the planning aims of Afghanistan, Cambodia, Jordan, and Laos. Eliminating corruption is declared a goal in the plans of Afghanistan, Cambodia, and Kenya. Public administration reform is part of the plans of Cambodia, Ghana, Kenya, and Laos. Political participation is an aim in Jordan. The Philippines establishes decentralization as one of its development aims, and Afghanistan includes human rights protection among its aims. The only exception is Vietnam, which establishes industrialization and economic growth as its aims but does not include the improvement of democracy or governance in its national plan.

Japan’s aid to Indonesia, for example, reflects that country’s commitment to the consolidation of democracy and includes a wide range of areas from elections to public administration, law, and local government. In Laos and Cambodia, two countries that include the rule of law and public administration reform as aims in their development plans, Japan’s assistance focuses on these two areas. Japan’s assistance to Vietnam is primarily focused on market-oriented economic reform in areas such as law and public administration.

In a 2009 article, Thomas Carothers contrasted two core approaches to democracy aid among major democracy supporters—the developmental approach and the political approach. He argued that while European and U.S. democracy support has elements of both approaches, on the whole, European work in this domain tends to follow the developmental approach, whereas U.S. democracy support more frequently aligns with the political approach. Carothers notes that the methods of democracy assistance tend to be different between countries that adopt the political approach and those that adopt the developmental approach. Countries that adopt the political approach tend to regard democratization as a political struggle in which democratic forces seek to defeat nondemocratic actors. This perspective naturally results in democracy assistance being directed to elections, political parties, and civil society.

In contrast, Carothers notes, countries that adopt the developmental approach to democracy assistance tend to emphasize transparency, accountability, and responsibility in economic development. They primarily provide aid to political institutions and to support capacity building for government officials. It seems clear that Japan has a strong tendency to follow the developmental approach, even more exclusively than Europe. The pronounced Japanese emphasis on directing democracy assistance to the state-institutions sector particularly reflects this fact.

It is possible that Japan will change its democracy assistance to reflect greater use of a political approach. Under the leadership of Shinzo Abe, the Liberal Democratic Party achieved an overwhelming victory in Japan’s 2012 House of Representatives election, and Abe has returned to the post of prime
Given that it was Abe who established Japan’s first and only political framework for democracy assistance (the Arc of Freedom and Prosperity), he may attempt to reintroduce this strategy. The future of Japanese democracy assistance might therefore be a combination of political and developmental approaches, although it is not yet clear whether this will occur and what it might mean in practice.
Notes


5 OECD, “Creditor Reporting System,” http://stats.oecd.org/Index.aspx?DatasetCode=CRSNEW. This statement does not include South Korea because South Korea joined the Development Assistance Committee in 2008. The data cited here are for the period up to 2008.

6 Ibid.


8 OECD, “Creditor Reporting System.”


14 Ibid.


19 JICA, Governance Assistance at JICA, 2004, 4.


21 Ibid., 5–9.
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