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1.Urban Problems and Urban Policy

The decade from 1965 until 1975 was a time of explosive eruption of urban problems in Japan. Starting with pollution, land, housing, transportation, welfare, urban finance, and many other issues were raised. However, each of these problems is only a phenomenon, and in reality, the problems are much deeper and interrelated. Urban problems are holistic problems that include such deeper issues, and are by no means a simple set of individual problems.

Urban problems are the result of economic growth, which has brought about the inter-industry shift of population to secondary and tertiary industries, and the accompanying urbanization phenomenon of population concentration in urban areas, which has impacted both the hard and soft systems of established cities, creating an imbalance. On the side of hard system, various problems caused by urban overcrowding brings disadvantages such as excessive concentration. On the soft side, while the number of people seeking relief increases, the breakdown of the community leads to the socialization of all communal processes and the overloading of responsibility on the part of government agencies, which cannot cope with the increased uniformity and individualization. This causes mental deterioration in society.

This imbalance usually occurs first in the weakest part of the system. As is typical of Engels' "The State of the Working Class in England," written during the rise of capitalism in the 19th century, and Yokoyama Gennosuke's "Japan's Lower Class Society," which was still in its early capitalist period, the problems were shifted to the workers who flowed into the cities and to the lower class, the small and mismanaged people, and an unsanitary and miserable state emerged. As is typical of "Japan's lower class society," the problems have been piled up on the workers who have flowed into the cities and on the lower class of the micro people. The structure that concentrates problems on weak areas has not fundamentally changed, but the urban problems of the latter half of the 20th century are characterized by the fact that problems are not only concentrated in certain areas but also erupt and expand everywhere, and that they do not occur only in weak areas but often touch on structural contradictions of the system itself or the city itself. It has developed into civilization-historical problems that question the very nature of the city itself.

In the case of Japan, urbanization was much slower than in Western countries. However, as a result of the policy of rapid economic growth since 1955, urbanization has been carried out so rapidly that the country has been left with both the urban problems of the 19th century, which have been solved to some extent in the West, and the more difficult urban problems of the late 20th century, which have not yet been solved. For this reason, the complexity and seriousness of Japan's urban problems are unparalleled in the world.

From 1955 to 1970, only 15 years later, the population of the three major metropolitan areas increased by 14.81 million. This means that one million cities have been created every year. It is nothing short of astonishing, and it would be a wonder if problems did not occur. In the same 15-year period, the city population increased by approximately 25 million, and in 1970, 73% of the population lived in cities.

Furthermore, during the 50 years between 1920, when the first national census was conducted, and 1970, the total population of the four islands increased by 48.3 million from 55 million, exceeding 100 million. And since cities with the population of more than 100,000 people increased by 46.8 million during this period, this means that the total population increase has been absorbed by all these cities. However, the population of cities and towns with population of 50,000 or more has increased by 60.5 million during the past 50 years, and cities have dismantled rural areas and absorbed more than the net increase in population into the cities. Thus, if we cannot deny the trend toward urban

concentration of population, not only in large cities, then urban problems should not appear only in large cities, but should be a problem for all cities. Furthermore, urban problems do not occur only in cities. The problem of depopulation is the flip side of the urban problem, and the clash between recreation for urbanized people and nature conservation is another aspect of the urban problem. Today, when the urban population far exceeds half of the total population, urban problems have become not only a comprehensive problem but also a universal one, and there is no person or region in Japan that is not at least somewhat related to urban problems.

Under these circumstances, it is only natural that there is a call for the establishment of urban policies to fundamentally solve urban problems. In Japan, urbanization began much later than in Europe and the United States, urban problems remained localized, and civil society and local governments were not fully developed. Urban policy must be fundamentally designed to restore the welfare of citizens who have been thrown into the contradictions of urban problems, and to adapt and further improve them in the new era. Since the Meiji era, the central government has not had such a conception of the welfare of citizens, and has exclusively pursued a policy of national wealth and military power, leaving no room for the urban policy referred to here. However, now that Japan has finally been thrown into the crucible of decisive urbanization, citizen welfare is an issue for the entire nation, and urban policies have no choice but to be taken up. In fact, in 1968, all political parties announced their urban policies. However, it is the citizens, not the central government, who should be responsible for formulating and implementing urban policies. It is necessary to reestablish local governments that are in the hands of the citizens, and these local governments must become the implementing agencies. The opportunity has arisen for local governments to finally break free from the national government's vertical subcontracting system and become management entities. Now is the time to take advantage of this opportunity and make it a reality.

2.The Idea of Urban Management

In order to become the main actors of urban policies and to put them into practice, city governments must become the agents of urban management, not merely the executors of urban administration.

Why should we introduce the term "management" in place of the traditional "administration" here? Until now, urban administration has been broadly defined within the framework of local administration. Local is, of course, a term for the central government, and "local autonomy" was first and foremost only "local" rather than "self-governing." Therefore, first there is the "administration" of the central government, and then the "local administration" is positioned as a subordinate executive organ of the central government. Of course, the Constitution of Japan clearly stipulated local autonomy, the Local Autonomy Law was newly created, the head of the local government was directly elected by the local residents, and many other autonomous systems were created. The reality, however, is far from being self-governing, and local governments are regarded only as subcontractors of central government ministries and agencies. Among them, many delegated duties have positioned local governments as executive bodies under the guidance and supervision of the central government, and even for inherent duties, local governments are often effectively guided and supervised by means of government subsidies and other means. In addition, in terms of personnel and other aspects, local governments were not only in name, but also served as a branch of the central ministries and agencies, and became a hand and foot of the central government.

Under these conditions, "city administration" is tightly integrated into the national (ministries) → prefectural → city system, and is not carried out under the initiative of the city. The "administration" is based on the law and is given a fairly broad scope of state activities aimed at the active realization of state objectives, but its functions are first monopolized by the central government, and then "local administration" is positioned as a subordinate organ of state administration. In this way, cities do not have their own initiatives at administrative bodies, and even though the national government has a wide range of administrative functions, cities as localities are limited to faithfully executing the national government's administration.

Of course, the Local Autonomy Law allowed for the independent administration of local autonomy, but it did not effectively remove the long period of prewar state-oriented government administration. Local governments are bound by not only the law, but also by government ordinances, ministerial ordinances, notices, approvals and all other means, including meetings. Therefore, a new framework is needed to remove the conventional system of "city administration" and to position cities as self-governing organizations that "govern themselves. The term "urban management" provides the basis for such a new perspective, one that sees the city as a cohesive management entity. The city as an independent and cohesive municipality, not as a subordinate institution to the central government, nor as a disparate outlet for the directives of individual ministries and agencies.

The city as a municipality is naturally composed of and run by its citizens. In the past, the concept of "administration" was centered on the national government, and as a result, its effects were directed toward the very vague concept of national goals, which were called "publicness." Under the name of "administration" citizens were mere subjects to be governed. Therefore, executive body was seen as "superior." In contrast, "urban management" reaffirms the rights and responsibilities of citizens as subjects of management, and is an ideology that directly links the city to its citizens. However, while "administration" meant nothing to do with citizens and was seen antagonist to them. Unless citizens reconsider the concept of "administration" as their own, and give appropriate positioning and methods to the work of local governments as the rule of citizens, it will be impossible to implement modern urban policies.

Furthermore, "urban administration" has been exclusively interpreting and applying the law, and has set itself within the framework of the law. First of all, they make a sharp distinction between "what to do" and "what not to do. What is not written in the law is not "to do" and should not be done. The "things to do" should be as narrow as possible, and nothing unnecessary should be done. The past local governments have been considered amateurs who do not know anything about public administration if they try to exceed the boundaries of the law. They adhere to the letter of the law, and if they have any doubts, they ask the central government to interpret the law for them. It is truly a passive administration that is bound by the rules of the game. However, the government officials are relieved of all responsibility because they are not responsible for their own actions, and they use the authority granted by the central government to take a coercive attitude toward the citizens. In such a situation, for example, when pollution occurred or threatened to occur more than a decade ago, the city would take the position that it had no need to do anything because it had no legal regulatory power of any kind.

However, if a city is a municipality, it should not operate only within the framework of the law. Citizens cannot sit idly by while their health is being compromised. When active action such as this is necessary, conventional "public administration" will be a hindrance. This is also where the concept of "urban management" becomes necessary.

If the city administration is limited to the application of laws and individual projects, laws and projects will be under the jurisdiction of different ministries, and they will not be interrelated. Urban administration is only consisted of disparate organizations such as road, port, welfare departments. Under the national government's system of vertically-divided organization by ministry, department, and bureau, each local government department is not responsible to the head of the local government for the execution of its own laws and budget, but rather to its counterpart in the national government. This makes it impossible to achieve the comprehensiveness of the entire community and the welfare of citizens. The national "administration" is not actually a coherent country, but rather a "ministry administration." In order to reintegrate what has only been a "ministry administration" into the city as a whole, we must stand on the concept of "city management" from the perspective of more comprehensive management. In the "city departmental administration" that has taken over from the "ministry administration" of the past, there is only individual responsibility, and there is only efficiency within the individual administration, not the municipality as a whole. To summarize, the shift from

"city administration" to "city management" is about correcting the deficiencies in city administration, realizing more active and proactive municipal reform, and reconstructing the city as the center of urban policy implementation in these difficult times.

"Urban management" is firstly based on the subjectivity of the urban municipality; secondly, it turns citizens from the governed into responsible management actors. Third, it moves away from fixed legal operations to allow dynamic action in response to the times. Fourth, it focuses on comprehensive and effective operations. And fifth, it clearly directs its goals toward the welfare of citizens. When a city stands on the concept of "city management," it becomes a "municipality that governs itself," rather than a "municipality governed by others" as in the past.

3. Conventional Theories of Urban Management

"Urban management" is not an entirely new concept created today. From the end of the Meiji period to the Taisho period, there were already several papers on "urban management theory" by Ikeda Hiroshi, Oka Minoru, and others. These papers were based on the idea of introducing a stronger concept of "efficiency" into urban administration, and discussed the business aspect, particularly municipal enterprises, but they also began to look at urban municipalities as a large management entity that encompassed these entities. This period happened to be a time of rapid urban expansion triggered by World War I and the emergence of urban problems, albeit on a small scale, when more operational efficiency was expected of cities rather than simply viewing them as public administrations.

As private enterprises are trying to improve their business management efficiency, it is only natural for city management to consider efficient operation and to take advantage of the balance of resources and expenditures. Some, such as Hajime Seki, believe that public enterprises should be more proactive in generating profits. If the private sector can make a profit, the public sector can also make a profit through efficient management and allocate it to other public investments, which is an efficient management of urban administration in general. However, such a "theory of urban management" is difficult to develop in the context of prewar subcontracting government rule. In the very conventional administration, the pattern of inefficiency, bureaucracy, and authoritarianism was the norm, so "urban management theory" had a very advanced meaning. Even today, it is a basic principle of municipal management that the city government should serve its citizens by making effective use of the money and resources given to it for the welfare of its citizens.

After the war, the local government administration entered a new stage with the provision of local autonomy in the new Constitution. In the 1960s, "urban management theory" was revived again. Compared to the prewar management theory, this theory was more inclined toward the technical theory of business administration. In the latter half of the 1940s, some local governments had already begun to set up efficiency departments and to introduce IBM computers. These were probably management efforts based on both the efficiency principle recommended by the Shoup mission (1949) and a sense of autonomy on the part of local governments. However, the term "municipal management" was actively used by the Ministry of Home Affairs as a guiding principle for the modernization, rationalization, and streamlining of local administration that followed the subsequent municipal mergers led by the Ministry of Home Affairs.

In 1961, the Ministry of Home Affairs issued a notice entitled "Items to be Considered in Guiding Municipal Management Improvement." This notice focused on the similarities between urban administration in general and corporate management in particular, and used corporate management as a model for improving administrative efficiency and raising administrative standards. Municipal management theory is a methodology that allows municipalities to make the most effective use of the resources they have been given to maximize the services they provide to their residents. (Fumio Endo, "Municipal Management"). For this reason, various methods from business management studies that were popular at the time were introduced into municipalities, including mechanization and streamlining of office management, introduction of computers, implementation of long-term

comprehensive municipal plans, and consideration of introducing MIS (management information system) and PPB (planning, programming, and budgeting system). The elimination of inefficient "bureaucratic work" is of course desirable for citizen services. In the meantime, new government buildings are being constructed, and municipalities are being redesigned to look more like brightly lit banks than the dimly lit town halls of the past, giving them an air of functionality.

It is only natural that a municipality, which operates on the basis of taxes paid by citizens, needs to be efficient. Compared to the private sector, it is easy to compare transportation companies and hospitals, which have exactly the same operations, but even general administrative work, when broken down, is no different from that of private enterprises. Basic activities such as filling out forms, organizing documents, cashiering, customer service, computer operations, fact-finding surveys, design, site supervision, etc. are the same in the private sector, and if performed inefficiently and sluggishly in a local government, it is an act of distrust toward the taxpayers, the citizens, and should not be tolerated. In addition, there are many points that need to be improved in today's municipalities, such as administrative management systems and wage systems to facilitate these activities.

However, this does not mean that local government officials should be forced to pay unreasonably low wages, or that their personnel costs should be higher than those of the national government. In fact, employees who have descended from the central government are given higher positions and salaries than native local government employees. If national public servants are discriminated against municipal employees based on the place of employment where they started working upon graduation from university, rather than on their personal abilities, this will discourage municipal employees from being more efficient. In order to make local governments efficient and proactive organizations that work for the citizens, rather than subcontractors as they have been in the past, they must be attractive workplaces, but to do so, they must be able to recruit talented people not only for the attractiveness of the work, but also at a substantial salary. Municipalities are more directly and comprehensively involved in urban affairs than the central government. Without the development of top-notch human resources here, they will forever be ineffective and useless to their citizens.

However, while "city management" has some points in common with private-sector business management, they are not identical. The purpose of a private company is the pursuit of profit, whereas the purpose of a city is to improve the welfare of all citizens and the overall environment for the community. Therefore, the private sector's approach of "maximum service at minimum cost" may be partially applicable to a municipality, but it cannot be applied to the entire municipality on that basis. In the private sector, expenses are always invested in anticipation of the next income. A good manager invests not only in short-term revenues and expenditures, but also in those that will be recovered over a long period of time, those that avoid fluctuations and provide a stable income, and those that increase the company's credibility and indirectly benefit the company. However, these expenses are always intended to be recovered as income at some point, and can therefore be measured in the short or long term as the efficiency of the relationship between expenses and income.

If we consider city management from this point of view alone, the best way is to confine ourselves within the framework of the laws and regulations mentioned earlier in which the least bureaucratic and least service-intensive means the most efficient, with the best balance of payments and by the most unfriendly and unworkable. However, this would limit the municipality to a local subcontracting agency of the era of government rule and leave the lives of citizens troubled by serious urban problems unattended to, thereby abandoning both its original *raison d'être* and its original duties as a municipality. Laws and ordinances exist only as a process, and various measures are necessary to protect and improve the lives of citizens in the midst of the turbulent urbanization. Especially now that the minimum necessary services have not been realized as a civil minimum, it is not possible to keep the municipality within the minimum expenditure. However, since no revenues can be expected from the various services provided to citizens, city management is in a contradictory position in that the more aggressive it is, the more unbalanced the balance of income and expenditures will be. Attacks from the national government on municipal welfare policies, for example, are an attempt to hold

municipalities down as subcontracting agencies, which is a denial of the essential functions of local governments. So-called efficiency improvement is not the result of autonomous local government management, but is the result of the central government's guidance to local governments. If efficiency is to be improved, the government must first redistribute basic stable financial resources as fiscal autonomy and give local governments the authority to issue municipal bonds. If the city is not given these powers, it will remain in a quasi-incarcerated state, and the desire to actively improve welfare will be considered excessive and overdone.

In the United States at the end of the 19th century, the citizens' movement for municipal reform demanded more efficient city management. This was done against the backdrop of a civic movement to reform the corruption caused by the domination of city government by some of the posse, to free the city government from the posse, and to make it run efficiently for the benefit of all citizens. It was a political and administrative reform aimed at restoring the city government by the citizens, and was different from a mere efficiency or effective movement. However, in Japan, where civil society has not yet developed, and where autonomous local governments have not yet been established, efficiency is a reform from above, and there is even a risk that efficiency will lead to the loss of what is most necessary for a municipality.

Whether we like it or not, in actual municipal management, the income and expenditure for a single fiscal year is the most important factor. For this reason, each municipality has made considerable efforts to improve its income and expenditures, not to mention internal efficiency.

The first step is to reduce expenditures, but as mentioned earlier, it is not possible to reduce citizen services. Therefore, the local governments are trying to avoid paying for their own expenses by upgrading roads and rivers to the status of national highways or first-class rivers, and relinquishing the right to manage them. Such moves are being made in many places. While this may reduce local government expenditures, it is a retrograde phenomenon for local governments, which are supposed to manage the region comprehensively, and will eventually contradict the *raison d'être* of local governments.

The next step is to increase financial revenue. In the 1960s, so-called "enticement of companies" was carried out. This was the quickest way to increase revenue. In reality, however, before the increase in revenues could be realized, the financial burden of industrial infrastructure development had to be borne, new expenditures were required for pollution and disaster countermeasures, and the rise in land prices and commodity prices increased expenses, leading to the dismantling of local communities and jeopardizing the foundation of self-governance.

In addition, the local government will have to increase its gambling revenues or increase public works projects. The former may affect the finances of some local governments, but its positioning is not fair, and it may be socially inappropriate and problematic. The latter is a project from the central government's point of view, which may increase central control, but in some cases may not be truly beneficial to citizens. Other options include issuing bonds and new taxes, but these are subject to strict central government regulations and are not very effective.

In the end, local governments lose their reason for existence if they do not aim for the welfare of citizens, rather than just the principle of efficient management with minimum costs and maximum revenues. In this respect, "city management" has no meaning as management if it is only based on the Ministry of Home Affairs-guided efficiency and the measurement of efficiency as a single fiscal year's income or expenditure.

4. Two Theories of Urban Management

If the first theory of urban management is based on the balance of income and expenditure, administrative efficiency, and the introduction of computers, then a second theory of urban

management becomes necessary. This second type of "urban management," as described in the philosophy of urban management, is basically an attempt to overcome difficult urban problems and implement urban policies by making cities take the initiative in their own right as municipalities and making them active management entities. Modern "urban management" was born primarily from this second meaning, and should not be reduced to the efficient management theory of the Ministry of Home Affairs.

Viewed from a different perspective, the first type of urban management is a theory of operational efficiency within a municipality, a theory of efficiency that is limited to the framework of a given goal. In contrast, city management in the second sense is a regional management theory that considers how to make the best use of the region and its citizens through the organization of the municipality by the citizens themselves. To this end, the question must be asked not in terms of narrow efficiency, but in terms of "effectiveness" for the region and its citizens.

The second meaning of "urban management" is to establish the city as a municipality run by its citizens, and this is the direction in which we should aim. For such an autonomous municipality, it must strictly avoid "paternalism management" that involves unnecessary expenses and extra personnel, as well as wasteful and irresponsible investments. If the municipality has autonomy and real management independence is established, it is only natural for it, as an organization entrusted by the citizens, to make more effective use of its resources.

If "city management" in the second sense is implemented in this way, efficiency and effectiveness in the first sense will become even more critical, and the issue will be not only monetary balance but also the actual effectiveness for the welfare of the citizens. Efficiency must come from within self-governance, rather than being imposed from above. Only then can the first and the second be meaningful together.

The central government has a strong notion that urban management cannot be left to local governments. They say that this is because they are inefficient, lack managerial skills in the first sense, and are prone to making unfair decisions. However, it is no good saying that a city lacks the ability to manage itself if it has its hands and feet tied without allowing it to try. The first priority is to establish the basic conditions for a city to establish its own management authority as a municipality. Certainly, there have been cases of fraud and suspicion within local governments. While this is a sad state of affairs, it is a pathology that haunts the power of public administration, whether central or local. While there are various means of monitoring this situation, in the end, autonomy cannot be called self-government unless it is carried out by the citizens themselves. City governments are the closest to citizens. If they are not able to pay attention to them and check their inefficiencies, they will not be able to check problems at the national level, which is very far away, and if that happens, democracy itself will be in a state of limbo. The city as a managerial entity is supported and checked by its citizens. It was the citizens of the U.S. who forgave the corruption of 19th century city government, and it was also the citizens who reformed the corruption. "Tammany Hall" can exist anywhere in the U.S. or Japan, in the center of the country or in the city. But it is the citizens who either allow it or do not allow it. That is self-government and civil society.

Moreover, from the standpoint of efficient operation, it can no longer be said that today's city governments lack capacity. The universalization of education has also placed considerable human resources in the hands of local governments, and all that remains is to wait for the opportunity to implement it. Furthermore, in order to respond to increasingly complex urban issues and implement comprehensive urban policies, it is necessary to be in close contact with the local community at all times, and to make flexible overall decisions that are not based on a vertically divided system. A person who sits behind a desk at the center of a ministry or bureau may be skilled in one thing, but he or she does not have the ability to manage a city in this way. The only people who can be expected to do so are city governments.

5. Urban Management in a Low-growth Economy

The oil shock at the end of 1973 triggered a severe recession and slowdown of the Japanese economy, which had been growing at a high rate. The impact of the recession was felt immediately by local governments, and it is estimated that in FY 1975, local allocation taxes and local taxes decreased by 1.1 trillion yen, respectively, for a total decrease of 2.2 trillion yen in revenues. The impact of this decrease is particularly significant for prefectures. This is because prefectural taxes, which are mainly based on corporate profits, grow remarkably during booms and high-growth periods but decline sharply during recessions. However, municipal finances are also subject to relatively small fluctuations, but the decline is even more serious because municipalities must first and foremost pay for direct services in response to the urbanization of the population caused by rapid economic growth. The municipalities, on the other hand, had to bear an enormous amount of expenses for the welfare of their citizens, including compulsory education facilities, roads, waterways, sewage systems, garbage collection, nursery schools, etc. In 1973, prefectural tax revenue was 196 times higher than it was 100 in 1955, while municipal tax revenue was only 10.5 times higher, or about half of that amount. While prefectural finances have suffered from the acute symptoms of the gap between high growth and zero growth, municipalities have been suffering from the chronic symptoms of the high growth period. Both are ultimately a consequence of past economic policies and a reaction to the state of the Japanese economy itself, and are due to fundamental flaws in the local tax and fiscal systems that have failed to respond to these changes. For the same reason, the national government also expects a revenue decrease of about 3.5 trillion yen in fiscal year 2005.

First, the imbalance between local governments' revenues and expenditures, as seen in the current fiscal year, is a nationwide phenomenon and is not the result of a failure in the management of individual local governments, but rather an indication of the fragile structure of local government finances, which are subject to the economic policies of the national government and the economic environment. The previous year's money must be all spent. However, the following year, municipalities are forced to spend the same amount as the previous year, and if there is a decrease in revenue due to economic deterioration, that is the end of the matter. This requires a fundamental reform of the system.

Second, it is clear that efficient and effective urban management alone will not solve this problem. Failure of economic policies leads to concentrated distortions in the weakest parts of the city's citizens, while revenues to remedy these distortions are reduced. It is precisely in times like these that municipalities must take the initiative in urban management to help the weak and correct the distortions. If this is discussed only in terms of revenue and expenditure, and management is discussed only in terms of efficiency, the original purpose of local governments will be forgotten.

Third, it is now necessary to clarify what the goals of local governments were. During the high-growth period, the municipality was so driven by demand that it could simply carry out individual projects without much time to think. In extreme cases, the budget was simply used for the purpose of spending without any time to really think about the future in a comprehensive manner. Rather than considering whether or not the budget would be effective in the future, all efforts were focused on the execution of the budget. In this way, even if the budget is large, the government is a passive administration driven by individual projects.

Now, however, as autonomous management entities, they are forced to set clear goals and choose their actions proactively. They need "effectiveness" rather than "efficiency" and "stock" rather than "flow". If local government departments are to work under the guidance of government ministries and agencies, they will not be able to operate as a municipality.

Tearful efforts are being made by those in charge to maintain fiscal balance parity. However, as long as the cause of the problem is structural and institutional, it is necessary to turn the energy into drastic reforms as a common problem in addition to individual efforts. And it would be quite the opposite if

we lose confidence in the management of efficiency and the balance of take-back and payback, which is trivialized in a low-growth economy. It is precisely at this time that we need a theory of urban management that clarifies the essential contradictions and reexamines the goals.

6.Means of Urban Management

As we have already mentioned, the conditions for cities to proactively conduct urban management as the center of citizen autonomy are still insufficient. First, a fundamental allocation of administrative tasks among cities, prefectures, and the national government, and the accompanying reform of the local tax and fiscal systems, must be carried out from the viewpoint of citizen welfare. This will enable local governments, which have been constrained by laws and regulations, to engage in independent activities, secure stable financial resources and fiscal autonomy for local governments, and mitigate the waves caused by economic fluctuations due to the single fiscal year accounting principle.

Second, in order for local governments to be able to engage in comprehensive activities for the welfare of citizens as independent organizations that are no longer subcontractors to the central government, they must reform the consciousness of local government officials, enable total administration without sectionalism, and possess warm hearts, calm minds, and creativity with a rich sense of humanity.

Third, and most important of all, city citizens should not just happen to live there, but should be aware of their rights and responsibilities as citizens, and participate in the local government with that awareness. A city without citizens is a city in form.

By the way, is it impossible to manage a city unless such a state of affairs is created? If so, then our inadequate cities will never be able to manage their cities. The three points mentioned above are not only the conditions that make urban management possible, but also the goals of urban management. Goals are goals precisely because they have not been fully achieved, and urban management should not be abandoned simply because conditions are inadequate.

Despite the various difficulties that already exist, urban management is being carried out in each municipality in ways that go beyond efficiency. The reality is that we cannot deal with real urban problems if we remain confined to the old, fixed system of urban administration. In particular, publicly elected city leaders are in a position to manage their cities in response to real problems, not within the confines of a legal framework. Complicated urban problems arise where there is no legal response, and they cannot be dealt with by laws and regulations alone. Therefore, conventional law-abiding urban administration cannot deal with real problems, no matter how much efficiency is achieved within that framework.

We must first assess the problem, and then use all possible means in accordance with the management objectives. To this end, the leadership of the city leaders is necessary first, and by setting goals and a course to be followed, new motivation and action will be generated. Furthermore, a planning and coordination department is needed to enable disparate organizations to deal with problems as one, and task forces and project teams should be actively utilized for atypical and fluid management. In this context, comprehensive management of the municipality will be carried out, and I would like to touch on a few measures that will enable the municipality to go beyond the current framework and carry out proactive management.

The first is to review the legal system according to the goals of urban management and to make use of it. It is obvious that the existing laws and ordinances cannot cope with today's problems, but some of them can be used, even if only partially. These should be utilized to the fullest extent. The conventional bureaucratic style, in which the city is bound by laws, government ordinances, and even circulars, is simply being used by and bound to laws and ordinances, and does not really make the best use of laws and ordinances. Laws are alive. We should look at laws not as something given to us from the outside, but from the perspective of what they are and what they can do for us.

For example, a few years ago, a new city planning law was enacted to draw lines between urbanized and development control areas. Although there are various criticisms of this law from an objective point of view, it should be evaluated from the standpoint of whether or not it can be used as a means to solve real problems. For the city of Yokohama, which happens to be suffering from rapid population growth and overdevelopment of residential areas, this is a good thing. The city of Yokohama has a management goal of population control and has decided to use the law as a means of preventing this. Therefore, the city decided to draw its own line of demarcation, not based on the general interpretation of the Ministry of Construction's laws and ordinances, but rather on the city's own policy, and drew a very fine line. In some areas, where the national standard requires a minimum of 20 hectares per area, the city made a hole of 8 hectares to allow prime agricultural land to be designated as development control zone. If local governments were to operate according to their own standards, problems such as the taxation of agricultural land in urbanized areas as residential land would not occur. Laws and regulations and guidance that were created only within the framework of the Ministry of Construction, without giving local governments overall responsibility for land use, created inconsistencies in farmland and taxation issues, and proved that although central ministries can cope with "administration," it is difficult for them to conduct "regional management." If proactive management is to be achieved, it is necessary to create a way to simultaneously secure financial resources and respond to the contradictions in current laws by using zoning ordinances under the revised Building Standards Law for different management purposes or by imposing a non-uniform excess taxation of the two corporate taxes.

The second example is to actively reinforce the inadequacies of the law from the standpoint of city management. Laws inevitably fail to take precedence over real problems, and the uniformity of laws may not suit local conditions. Moreover, the uniformity of the law may not be suitable for the actual situation of the region. Therefore, the following is a brief overview of the issues, in addition to the enactment of ordinances and regulations, recently, the enactment of guidelines, the conclusion of agreements, and other administrative guidance are being actively used to fill in these deficiencies and to respond to actual situations. The establishment of various kinds of guidelines and ordinances to respond to urgent situations is a kind of living wisdom born from the serious problems that have arisen in the welfare of citizens, and while it makes the most of the functions of local governments, it is also a positive management tool. If they are urgent and serve the welfare of citizens, they are not merely a means of defense, but can also be a more active force.

For example, the Housing Land Development Guideline, whose names vary from municipality to municipality, are designed to control development activities, set certain rules, and place the burden of development on the developer, including the burden of schools. In areas with rapidly growing populations, compulsory education could not be provided in time, and land was virtually and financially inaccessible, especially due to rising land prices. In order to remedy this situation, the main aim of the project was to provide developers with land for compulsory education facilities at low cost or free of charge. Initially implemented as a kind of emergency measure, the program aimed to provide adequate services to the residents without destroying the local government's finances. Even today, the emergency status has not changed. And the guidelines have already been recognized as a natural rule that accompanies development, at least as far as residential land is concerned. Developing residential land means giving residential land citizenship within the city, whereas laws and ordinances were limited to technical regulations for housing construction and partial development conditions.

In addition, there are various other regulations such as green space preservation, land transactions, golf course development, landslide prevention, sidewalk maintenance, and guidance on sunlight. These are either standards for local government operation based on laws, supplements to rules, or requirements, but all of them are effective for local government management if they have the support of citizens and society.

Civil agreements between cities and companies, such as pollution control agreements, have also become a completely nationwide practice. These were created in 1955 to supplement pollution laws

and regulations that were not yet in place. Later, in 1970, the so-called Pollution Parliament passed 14 pollution-related laws. Even so, the significance of the agreements has not been lost. The reason is that environmental problems in modern cities are still complex, and there are still things that are not covered by laws and regulations, and it is also necessary to seek standards that go beyond what is stipulated in laws and regulations. Although the nature of laws and regulations is not to stop pollution itself, but to set standards and further punish those who violate them, it is far more important for the welfare of citizens that they are not polluted in reality than whether or not the parties involved are punished. It is necessary for the government to intervene and guide companies to prevent pollution from the planning stage, rather than just following the procedures required by law. The agreement is meaningful for this kind of preliminary check. There is an argument that agreements may not be implemented as corporate management is struggling in this era of low growth. However, in the past, the strongest opposition to the conclusion of anti-pollution agreements was based on the fact that international competitiveness is necessary to achieve high growth, and therefore it is difficult to bear the social costs of pollution prevention. Now that the theory of high growth has been replaced by the theory of stable growth, this reason has disappeared, and bearing the necessary social costs will also ensure the right to fairness in international disputes, and in turn, will allow Japan to occupy a stable position in the international community.

The third method is to create new values. What used to have value may lose it, or it may no longer match reality, and it is also necessary to create new value in urban management. For example, the city of Yokohama has repositioned declining agriculture as a green administration within the context of urbanization, and has taken steps to restore a new and meaningful relationship between farmers and the city, creating the idea of urban agriculture. Even if the amount of agriculture decreases, the farmers' will to continue it should be kept alive, and it can also become a kind of open space for the city and a basis for supplying greenery and food to the city that is running dry. In contrast to the conventional planning theory that all farmland should be urbanized and not left as farmland, this positive positioning of urban agriculture is a shift in value from the conventional administration.

Asahikawa's shopping park in Hokkaido was a challenge to roads, and together with pedestrian zones in other areas, it represented a shift in the value of roads in the context of urban management, as opposed to the traditional priority given to cars by road administration. In this way, urban management takes various means and methods, and while these are connected to plans and projects, they are guiding the welfare of the entire citizenry in the midst of a multitude of conflicting interests.

7.Future Urban Management

As the autonomy of cities is established, the means of urban management will become more and more multifaceted and practical, and both more comprehensive and more detailed will become possible. Although we are just at the beginning of the process, local governments must overcome various difficulties to become truly self-governing organizations. Here, I would like to mention two important points that we must encounter among the many problems.

The first is the urgent need for local governments to take the initiative and manage their cities within the framework of local government, but at the same time, this must be done in relation to a wide range of issues such as transportation, water resources, and pollution, as well as to regional development policies and projects by the national government. However, the wide-area problems cannot be solved by merging municipalities, as has been done repeatedly in the past. First of all, a city must be a place where citizens feel a sense of closeness, and only then can it be managed as a city. It is precisely because the area is small that it is possible to take the perspective of regional comprehensiveness, which the national government is unable to do, and to ensure a sense of solidarity with citizens. Wide-area issues should be handled by a group of local governments on an issue-by-issue basis. Here, for example, the objectives are limited, as in the case of wide-area waterworks projects, and the emphasis is on management in the primary sense of efficient operation. Therefore, the autonomy of the local government as a comprehensive regional management entity must also be ensured.

In addition, various national land development and regional development policies have already been formulated by the national government, and it is said that in FY1976, three comprehensive regional development plans will be formulated in place of the new Comprehensive Plan of Japan. Until now, regional development policies have emphasized the logic that they are for the good of the nation, not for the good of the region, and in such cases there has been a short-circuiting phenomenon in which the nation equals industrial management. In order for the country as a whole to truly become better, each region and each city must first become better. To this end, a new kind of urban management entity must be created, otherwise there can be no better development of the country as a whole.

The second problem is how to make city management a citizen management that is connected to the citizens. There can be citizens without a city, but there is no city without citizens. And as individuals, they created their own municipalities in order to secure means of communal consumption and to establish and implement mutual rules, which citizens alone could not do. A municipality is not something that is somehow created by the government, but something that is created by the citizens. In Japan, which has not gone through such a process historically, ideologically, or practically, it would have been necessary to dismantle the government-established municipalities and reestablish them. Local governments do not exist from the beginning, but were created by the people who governed themselves. However, it would really be impossible to dismantle and rebuild them altogether. The only way to do this is to constantly repeat reforms that will make the existing municipalities into real municipalities.

This will be done by guiding them to do so for the welfare of their own bodies. At the same time, this will be realized in conjunction with the process of creating citizens who can govern themselves. The directly elected chiefs of government have taken root, and their leadership seems to have started the process. The difficult situation of a low-growth economy will, by excluding unnecessary things, make these problems clear.

Municipalities that seek efficiency within the framework given to them by the central government are little more than "superiors" with no connection to their citizens. The relationship between citizens and local governments has not changed since the days of the "old bureaucratic government," when citizens who did not govern themselves avoided their own responsibility and sought only the responsibility of the government. Citizens and local governments were unrelated and separate entities. The "urban management theory" calls for an intrinsic relationship between citizens and local government, in which the city is not run by an authority from outside, but by the citizens, who manage the city according to the inevitable demands of the citizens who make up the city.

Citizens are the managerial agents of the municipality. At the same time, however, they are also the management object of the municipality. In this relationship, the municipality is not, of course, a "top" for the citizens, nor is it a joint-stock company. It is more like a club organization where members can come and go as they please. However, if it is a club created by its members, it needs to be disciplined and each member has his or her own role to play.

Even before World War II, when there was no such thing as self-governing bodies, people cleaned the streets in front of their own houses and those of their three neighbors in a kind of neighborhood community. In Germany, the law makes people responsible for the sidewalk in front of their houses and even orders them to clean the windows facing the outside.

Although we are not usually aware of it, we need a road when we step out of our houses, and we are supported by various communal means such as water, sewage, schools, and garbage disposal. However, these things are never given to us, nor do they belong to others. They are made by the citizens themselves, by their own taxes, according to the decisions of the people they elect. They do not belong to others, nor to themselves alone. They belong to the citizens together, to us. The ideal form of a municipality is to be run by volunteers. If we stand on this principle, there is no way we can leave the

management of local government to others or leave it to something that has nothing to do with us.

If local government officials are responsible for policing the plucking of flowers and grass in parks and the littering of garbage on roads, the number of officials will only increase, and this will not be good management for the citizens. In addition, the officials will put in place many prohibitions to avoid responsibility and accordingly create boring parks. A municipality belongs to its citizens when autonomous and self-governing citizens grow up, run the city government, and become the main actors in the city management, with each citizen also sharing a role. In the famous Piazza del Campo in Siena of Italy, the height of the buildings around the square was already set by urban ordinance in the 14th century, and the facade of the square was made to match the design of the city hall. It regulates itself as the common will of the citizens, and at the same time, it gives them a change that is not uniform. When a building overhanged the square by a mere 45 centimeters, the city council ordered the wall to be taken down against the backdrop of the outrage of the entire citizenry. This was not an act of power from the state, but an act of the citizens themselves to improve their city, and that is why it is so strong. The management of a city is based on this original relationship between citizens and local government, and at the same time, it is an effort to bring the relationship as close as possible to the original relationship.

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