

Shifting Paradigms for International NGOs and Constituency Building
Evolving Scene from Japan

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Introduction

In a roundtable discussion of Japanese non-governmental organizations (NGOs) organized by the CSO Network Japan (www.csonj.org) in May 2002 in Tokyo, a point was made repeatedly by more than a few participants that Japanese NGOs need to accelerate their efforts to gain more support from the general public. The point was presented as a corollary to the view that Japanese NGOs are still weak when it comes to their capacity to lead the public in such efforts as to bring about change in Japanese foreign assistance policy. In short, it was presented that Japanese NGOs still lack a broad support base or constituency.

In order to understand this point, the discussion needs to be situated in the context of NGOs in Japan being suddenly brought to heightened visibility in the last few years. With the initiative of the Japanese Ministry of Foreign Affairs (MOFA), to take a most notable example, new networks of Japanese international development NGOs have been formed by sector – in humanitarian assistance, education, health/population, and agriculture/rural development – in order to strengthen their management capacity and to raise their presence in the international development scene. In these efforts of MOFA and other funders, the emphasis is being placed on NGOs' capabilities to deliver services and implement projects, rather than on their capacity in policymaking and constituency building. This in effect is creating a fertile ground for an increased awareness among Japanese NGOs that they need a stronger support base, both in a monetary and non-monetary sense, in order to achieve and maintain independence from the government and its development agenda.

The efforts to strengthen NGOs in Japan of course coincide with the global trend of giving NGOs more active roles in solving global issues. However, Japan is unique in that it has had a rather weak private voluntary sector historically and in that various initiatives by the government, by the for-profit private sector and by the nonprofit sector itself to build a stronger nonprofit sector have only been active in the last 15 years or so.

But is there anything we can learn from Japan in its evolving process to build a stronger constituency for NGOs? Japanese NGOs may be “weak” among the industrial nations, but is there anything *unique* that we should be paying attention to? In this short paper, the authors would like to point out 1) constituency building of “northern” NGOs (NNGOs) has only recently become a topic of primary importance in international development; and 2) the “weakness” of Japanese NGOs may be used as an *advantage* particularly with regard to this particular topic. In order to do this, the authors will begin by depicting the notion of constituency building and by explaining the political and societal background in which Japanese NGOs operate.

2. Changing Roles of Northern NGOs

From the early 1990s, building a domestic constituency and gaining support from the general public has become a topic of growing interest among international NGOs (I-NGOs) whose headquarters reside in a “northern” country. David Korten asked in 1990 a set of poignant questions

“Will they (NGOs) continue to act primarily as humanitarian assistance agencies, or will they become *agents of transformation* (italics added)– even at the risk of alienating funders? Will they function primarily as professionally staffed bureaucracies engaged in the funding and implementation of projects, or will they build their capacities to strengthen global citizenship among their domestic constituencies and to serve as a support system for a voluntary people’s development movement?” (Korten, 1990, 202)

These points have been explored by many other practitioners and scholars in recent years. In *Future Positive*, for example, Michael Edwards argues that the traditional development model -- where projects overseas were viewed as the motor of development, financial transfers were regarded as the best means of support, and people in the rich world were seen as contributors of funds -- has been questioned since the mid-1990s and that “NGOs began to experience more and more confusion about their roles and identity.” (Edwards, 1999: 198) In his view, I-NGOs are asked to make a choice – they need to either try to survive by doing what they have been doing harder and capturing a larger slice of the foreign-aid cake, or become “change agents in their own countries.” (Ibid: 200)

Edwards’ *change agents* corresponds precisely with Korten’s *agents of transformation*. In both, NNGOs’ primary roles are found less and less in project implementation and overseas service delivery, and more and more in transforming larger political and economic structures, and creating social movements with strong domestic roots. At the Third CSO Forum held in Washington, D.C. in September 2002, Edwards delivered the keynote speech and depicted this transforming model for NNGOs as “development as delivery” to “development as leverage.” (Edwards, 2002) Indeed, service delivery will remain a major task for NNGOs at least for the next decade or so, but they also need to be looking at how effectively they should use their limited resources – using them as a lever – to make structural changes in the global political and social environment.

In this changing environment, it is not only NNGOs that are being asked to change. The relationships among NNGOs, “southern” NGOs (SNGOs), and donors (bilateral and multilateral donors and international foundations) have been changing as well, as the norm in the development world has shifted to focus on empowering the local communities of less developed nations. This is related to the increasing roles that SNGOs and local organizations have begun to play and their enhanced capacity and professional work that has evolved. When SNGOs and local organizations are strong enough, there may be little value for NNGOs in continuing operational roles. Instead, NNGOs may have a comparative advantage as well as moral obligation to build stronger links between their own publics at home and development issues through development education, networking, advocacy and campaigning, and lobbying their own governments. Moreover, NNGOs should try to raise the level of accountability of their own ODA through their work in policy monitoring and advocacy (Lewis & Sobhan, 1999). They should also try to influence/monitor the flow of private money into less developed countries, which has massively increased and is expected to increase even more.

Ironically, the overall trend among Japanese I-NGOs and the norm that surrounds them has in recent years been in the direction of more government funding, capacity building for more effective project implementation, and acceleration of staff and organizational professionalization. This is mainly because the efforts of NGO capacity building in Japan have largely been led by the government and because there are formidable obstacles for I-NGOs and other nonprofit organizations in Japan to initiate their own capacity building programs.

General Overview of I-NGOs in Japan

International Non-Governmental Organizations (I-NGOs) in Japan are a diverse group of organizations as they tend to be elsewhere (Lewis, 2001), which range from a handful of large in size and budget, professional, and formal organizations such as Foster Plan (Japan division of Plan International), World Vision Japan and Peace Winds Japan to many small, grassroots-oriented, and informal groups whose operations depend largely on unpaid staff or volunteers. Activities undertaken by I-NGOs include mainly service provision to people in less developed countries, advocacy and campaigning work at the local, national and international levels and the provision of global education to their own communities. The fields in which I-NGOs work include development, environment, human rights and peace (JANIC, 2002). Although precise statistics are very difficult to come by due to the large number of unincorporated organizations, it may be estimated that more than 400 organizations are engaged in international cooperation and exchange

(Yamauchi 1999, 142).

I-NGOs in Japan have rather a short history. I-NGOs began to emerge around the time when Japan became a donor country of official aid in early 1960s. Nevertheless, only a handful of I-NGOs were established in the 1960s. I-NGOs gradually increased in number and became diverse in response to increasingly complex needs from the development world in the 1970s. In 1979-1980, many I-NGOs were established as in many other countries to respond to the outpouring of hundreds of thousands of refugees from the Indo-China region. When Japan became an economic power in the 1980s an increasing number of affluent citizens turned their eyes to the rest of the world and philanthropic activities became prevalent in the corporate sector. Against the backdrop of these events, I-NGOs mushroomed during the decade.

In the 1990s, third sector organizations grew significantly and NGOs became increasingly visible in Japan. I-NGOs dramatically grew in number and became globalized during this period. Most organizations networked among themselves and with local, regional and international NGOs, and partnered with other civil society organizations, business corporations and central and local governments in order to meet challenges at the local, regional and global level. Their activities became even more diverse based on the on-the-ground needs and priorities set by donor organizations. An increasing number of organizations began to deal with emergency and humanitarian aid, democratization processes such as election monitoring, conflict prevention and peace building. As the NGO sector grew, NGOs' profiles were heightened dramatically mainly through the mass media.

Despite the rapid growth of I-NGOs for the past decade or so, the social, legal and political environment under which I-NGOs operate does not seem to have kept pace with it. Today, I-NGOs in Japan face the following challenges:

First, the legal environment for non-profit organizations is not sufficiently supportive of any private, nonprofit activities. The enactment of the Specified Nonprofit Corporation Law or the so-called NPO law in 1998 was significant in that it substantially simplified the process of incorporation (JCIE, 1999) and took away the regulatory oversight structure for nonprofit entities that was the prevailing norm under the pre-NPO law era. As a result, it encouraged small and emerging nonprofit organizations to obtain a legal status for which they would otherwise have had difficulty qualifying. A tax law to give nonprofits some advantage was discussed separately from the NPO law and finally took effect in October 2001 in a limited form. This law provides tax-deductions to donors for qualified nonprofit corporations. However, requirements to satisfy in order to become a qualified nonprofit corporation present arduous obstacles for most organizations (Asahi Shimbun, December 11, 2001). This tax law is being reviewed for improvement.

Second, a majority of NGOs suffers from financial instability. Although a portion of

Official Development Assistance (ODA) has been channeled to I-NGOs since 1989, only 0.51 percent of the total ODA budget goes to I-NGOs as of April 2002. Moreover, since government subsidies and grants are heavily restricted under Japanese Constitution Article 89, government money was not allowed to cover overhead or personnel costs until very recently. Besides, due to the long sluggish economy, private foundations and private businesses have reduced their financial support to I-NGOs. Thus, I-NGOs are still suffering financial difficulties despite their heightened visibility.

Third, I-NGOs still need to secure understanding and support from the general public. A recent survey carried out by the Foster Plan shows that while I-NGOs' visibility has gone up, those who show sympathy or trust in them have not increased (Asahi Shimbun, August 6, 2002). With the exception of a handful of large international NGOs, most Japanese I-NGOs struggle to increase their members and supporters. Another survey indicates that NGOs do not bother so much to increase individual donors (Matsubara, 2001). This tendency seems more true for I-NGOs, since, unlike domestic nonprofits, their supporters at home and beneficiaries abroad are often thousands of miles apart geographically and psychologically, and thus I-NGOs need to make a considerable staff and resource investment in order to expand and maintain a strong domestic support base.

Changing Environment

As we briefly mentioned, building constituency has become as crucial as ever for I-NGOs in recent years in Japan. What are the main factors for this recent need for building constituency? This can be attributed to the recent changes in domestic political, legal and social structures as discussed below.

The issue of independence of I-NGOs with government's increasing interest in partnering with I-NGOs

In an upsurge of worldwide interest in the voluntary sector, the government of Japan has gradually shifted its policy towards NGOs to include them in pursuit of the public interest (Kuroda, 2002). The Japanese government, which formerly neglected NGOs in the Japanese Official Development Assistance (ODA) Program, came to recognize their value in helping to distribute ODA (Orr, 1993). Subsequently, the Ministry of Foreign Affairs (MOFA) launched its NGO support programs in 1989. MOFA has increased its funding support to NGOs despite the fact that the total budget of ODA has decreased by 10 per cent since 1997. According to a new support scheme for I-NGOs, launched by MOFA in April 2002, it is projected that the ODA budget channeled to NGOs will

increase and regulations surrounding government funding will be reduced to a certain extent from this fiscal year (MOFA, 2002). With an increase in the ODA budget for I-NGOs in the late 1990s, members of the NGO community began to participate in consultation meetings to discuss ODA policy and the implementation of ODA programs. These included several ODA-related agencies, including MOFA, Japan International Cooperation Agency (JICA), the Ministry of Finance (MOF) and the Japan Bank for International Cooperation (JBIC). MOFA also invited NGO representatives together with representatives of private businesses, media, think tanks and academia to discuss ODA policy issues in some ad-hoc committees to improve ODA programs. These recent changes in government attitude towards I-NGOs are welcomed by the overall NGO sector since an increase of government funding for I-NGOs will certainly give NGOs a much needed financial boost. At the same time, some have begun to express concern about the implications of increased government funding for the following reasons.

First, an increase in government funding might lead to NGOs becoming implementing arms of ODA, impairing their independence. For this reason, many NGOs limit government funding to a certain level in order to maintain their independence. If government funding increases while other funding sources decline or remain unchanged, however, the relative portion of government money will increase automatically.

Second, government funding tends to be channeled disproportionately to service delivery organizations and on a project basis. NGOs challenging government policies may not receive money from the government unless it is related to a project delivery, or they may not wish to receive funding from the government in the first place. This partly explains why advocacy NGOs in international development and environment issues in Japan often suffer financial instability.

These recent changes in the government's attitude towards I-NGOs have encouraged them to increase the support of the general public to maintain their autonomy and expand their influence.

(2) Recent tax relief measures on contribution to NGOs

Traditionally, individual giving to voluntary organizations is very small in Japan. The statistics issued by the National Tax Bureau (NTB) in 1996 show that out of the total contribution of 577.9 billion yen or 4.8 billion dollars, individual giving including bequests and inheritance is only 26.9 billion yen or about 220 million dollars, which only accounts for 5 % of the total (Yamauchi, 1999). This is very small if compared with the size of individual giving in the U.S., which was 121.89 billion dollars in 1997 (Ibid). There is a caveat here, however, that the actual figure of individual giving in Japan is likely to be higher, because less than 1 percent of those who file a tax return claim a tax

deduction for contributions, and those who file annual tax returns in the first place are a minority among those who pay income taxes in Japan. Nevertheless, it is often argued that the size of individual charitable giving is very small in Japan and that it might be attributable to a lack of a 'giving culture' in Japan. Yet, there are customs of giving ingrained in today's Japanese culture that are not usually tracked in official statistics. They include contributions to temples and other religious organizations; *kyodo bokin* (Japanese version of national community chest); neighborhood associations; parents and teachers associations; various end-of-the-year benefit drives, and others that are incorporated in daily lives as somewhat involuntary acts of charity.

Naturally, with the current movement to provide more financial resources for the nonprofit sector, the fact that there are still insufficient tax relief measures for voluntary organizations has been a topic of heated debate. The new tax law mentioned earlier allows individuals and corporations to deduct contributions to qualified non-profit corporations from their taxes including property bequests. A qualified non-profit corporation is a corporation that has been given legal personality under the Specified Nonprofit Corporation law (the "NPO" Law) for more than two years and that is certified by the Commissioner of the National Tax Administration as having satisfied certain requirements (Ministry of Finance, 2000). However, satisfying such requirements in the current form presents difficult obstacles for most organizations as mentioned earlier. In fact, not many organizations have even tried to apply for the qualification. As of July 31, 2002, only 8 organizations out of almost 8,000 specified nonprofit corporations have been approved as qualified nonprofit corporation.

Although there are problems in the current tax relief mechanism for nonprofit corporations, it is worth mentioning that the major requirements of this law encourage nonprofit corporations to increase the number of small contributions in proportion to their total revenue. In fact, more and more I-NGOs have launched fundraising campaigns to increase revenue from individual contributions since the enactment of this law, probably with an eye toward applying for the qualified nonprofit corporation status.

Visibility is one thing; constituency building is another.

Media attention towards NGOs and the nonprofit sector as a whole has been on the increase since around the mid-1990s, but the profile of I-NGOs in particular was sharply heightened by the broad media coverage of an incident where two I-NGOs were excluded by the Ministry of Foreign Affairs from the International Conference on Reconstruction Assistance to Afghanistan held in Tokyo on January 21-22, 2002. The roles of I-NGOs in international relief efforts have widely been discussed, and consequently, the acronym 'NGO' has come into daily use. As an inevitable byproduct of this NGO fervor, some

negative views of NGOs have also appeared. For example, Sankei Shimbun carried a story of inappropriate bookkeeping by two I-NGOs (Sankei Shimbun, February 8, 2002). The result of the survey conducted by the Foster Plan mentioned earlier showed to members of the NGO Community that NGOs have not yet earned basic trust and an overall positive impression from the general public in Japan. It appears that visibility itself is not sufficient to help build support. This of course has a lot to do with the short history of Japanese I-NGOs but it also demonstrates that Japanese I-NGOs, precisely because of their heightened visibility, need to strengthen their efforts to garner support by a larger number of people by implementing effective strategies for constituency development. Although media coverage can drastically change the image of NGOs in the short-term, this is a long-term effort. The media can of course have an adverse impact on NGOs due to its mixed record of both supporting and undermining activists (Reimann, 2002).

Cases of the I-NGOs in Japan to Obtain Domestic Support

As we have observed, Japanese I-NGOs still have to fight an uphill battle and have a multitude of difficulties in obtaining understanding and support from the general public. On top of all, Japan is still experiencing an unprecedented decade of economic recession and currently is far from an amenable environment for any fundraising efforts.

However, there are several notable I-NGOs in Japan that have enjoyed successful support building during these times. Let us now turn our attention to some examples of successes as well as notable efforts in constituency building among Japanese I-NGOs. They vary from campaigns with a particular focus on fundraising to longer-term attempts to connect I-NGO activities abroad and the lives of supporters at home thereby creating a mutually supportive relationship.

Branding and Strong Name Recognition

One of the most successful fundraising efforts of any I-NGOs in Japan has been achieved by the Nihon UNICEF Association. The Nihon UNICEF Association is a private nonprofit organization which raises money for UNICEF. With its fundraising campaigns, the Nihon UNICEF Association increased its contributions to UNICEF from 2.65 billion yen (22 million dollars) in 1992 to 8.9 billion yen (74 million dollars) in 2000. The Nihon UNICEF Association became the largest contributor to UNICEF among any private organizations in the world in 1999 and 2000. It launched what it calls “innovative” fundraising campaigns in the 1990s, which include fundraising through direct mail, by collecting coins of foreign currency brought back to Japan by Japanese overseas

travelers, and through a 'monthly pledge' program in which a pledged amount of money by a donor is automatically transferred monthly from the donor's bank account to the Association. In all of these efforts, the "UNICEF" brand is used vigorously to communicate the message that it is an established UN-affiliated organization that can be trusted.

Another organization that has recently started to use this "brand" approach is Peace Winds Japan (PWJ). PWJ is a rapidly growing I-NGO that specializes in emergency relief, humanitarian assistance, conflict resolution and development with an annual budget of a little over 1.1 billion yen (9.1 million dollars) in fiscal year 2001. It was brought to the center of national attention when its representatives were excluded from the Afghan Reconstruction meeting in Tokyo in January 2002 by MOFA officials and by the barrage of mostly sympathetic media reporting that followed.

After its inception in 1996, PWJ's core budget had traditionally come from a cosmetic company that committed 5% of its net income to be contributed annually as an unrestricted donation to PWJ. In an interview, Mr. Kensuke Onishi, representative of PWJ, said that the organization now has enough budget to strengthen its marketing and external relations. While it reinforces advocacy and training for potential social entrepreneurs, based on their own marketing research it creates special events to attract their target audience of young women in their 30s. One of the plans is to organize a concert with the Vienna Philharmonic Orchestra. It is often said that direct mail is not cost-effective as a tool for fundraising in Japan due to the fact that a lower postage rate is not given to most charity organizations, and that the response rate is usually quite low. However, PWJ gets a 15% return on their outreach through direct mail, with an average of 11,000 yen (about 95 dollars) (Onishi, 2002). This probably has to do with the exceptionally high visibility of the organization and thus with the fact that PWJ has become one of the most well-known NGO "brands" in Japan. As a result, PWJ is now able to raise money through various means despite the fact that it has not yet been granted qualified nonprofit corporation status.

As was shown in the case of PWJ, mass media is a powerful tool to raise the visibility of an organization. Peshawar no Kai was founded in 1984 to mainly provide medical assistance for an area of 300,000 people in Pakistan and Afghanistan. Dr. Tetsu Nakamura, head of this organization, became the center of attention in the media in the wake of September 11, 2001. Consequently, the number of visitors to its website exceeded 200,000 during the period from September 2001 to March 2002 and the contributions to this small organization totaled approximately 800 million yen (6.7 million dollars) for the past year which was 10 times as high as the average yearly contribution (Asahi Shimbun, September 8, 2002). Peshawar no Kai did not make any special efforts to fundraise in the aftermath of September 11, but Dr. Nakamura gained

popularity by appearing on television and speaking to the public in order to raise awareness and ask for support for the people of affected regions. As a result of the public showing support, money almost automatically flowed into the organization.

Child Sponsorship

Child sponsorship is a popular and often successful way of garnering financial support in western nations as well as in Japan. Foster Plan (Japanese division of Plan International) is the largest I-NGO operating in Japan with the total revenue of 4.6 billion yen (38 million dollars) for FY 2001 (July 2000 to June 2001). Its child sponsors include 49,477 individuals, 755 corporations and 3,400 monthly supporters. In an effort to be accountable to the supporters and the general public, Foster Plan runs advertisements with audited financial statements in national papers every year.

World Vision Japan (WVJ) is another child sponsorship organization that has steadily increased revenue from individual contributions in recent years. It increased from 832 million yen (6.9 million dollars) in 1999 to 925 million yen (7.7 million dollars) in 2001. The total revenue was approximately 1.73 billion yen (14.4 million dollars) in FY 2001 (October 2000 to September 2001), 53.6 % of which is revenue from its child sponsorship and 12% of which comes from individual donors through other fundraising campaigns. Its revenue is expected to further increase since WVJ has become a qualified nonprofit corporation under the new tax law. Besides its child sponsorship program, it has successfully increased individual contributions through other campaigns. “Love loaf” is a campaign to collect small coins to provide clean water and food assistance in Tanzania. This is a bread-shaped donation box to be placed in school classrooms, offices and bakery shops. The President and CEO of Yamazaki bakery, one of the largest bakeries in Japan, is Vice Chairman of the Board of Directors for WVJ who has placed 5,505 love loaf boxes at Yamazaki bakeries throughout the nation. Through this campaign, WVJ collected 35.6 million yen (300,000 dollars) in 2000-2001.

Mr. Nobuhiko Katayama, Director of WVJ, said in an interview that WVJ once tried to raise money through direct mail but without much success. Instead, running ads in newspapers and magazines proved to be an effective fundraising method. This probably has to do with the trust factor – people generally assume that an organization that has enough financial resources to be able to run ads in regular newspapers must be stable and trustworthy. WVJ, a majority of whose supporters are in their 40s and 50s, is currently working with a large advertising company to find a way to attract more supporters from the younger generation.

Relationship Building

Some successful Japanese I-NGOs, especially those which are considered to be

“established” under the Japanese standard, strive to build, maintain and expand a strong relationship with their supporters.

OISCA (Organization for Industrial, Spiritual and Cultural Advancement) is one of the oldest and largest I-NGOs in Japan with an annual budget of approximately 1.4 billion yen (11.7 million dollars) in fiscal year 2001 (April 2001 to March 2002). It operates in more than 20 countries and territories in the Asia-Pacific, the Middle East, Africa and Central and South America and has four training centers and 33 prefectural branches in Japan. Branches are usually headed by a prominent figure in the prefecture.

One of OISCA's most successful campaigns is the Children's Forest Program (CFP) that started in 1999. By March 2002, it had grown to include more than 2,650 schools from 24 countries. This program promotes tree planting at schools in developing countries. Participating schools organize the tree planting activities with the assistance of about 250 volunteer coordinators. OISCA runs various kinds of fundraising campaigns in support of CFP. It encourages school pupils to collect 'bell mark', which is attached to certain products by supporting manufacturers of educational materials and equipment. OISCA uses this 'bell mark' system to have schoolchildren support CFP. Moreover, it invites shops and department stores to agree to put up posters publicizing CFP, and OISCA asks a major hotel chain, a large department store, an outlet store and other shops to support CFP in one way or another. One example is that Takashimaya Department Store, a store of long standing, sells a special bag designed by a famous singer, which is made out of recycled pet bottles. Part of the revenue from the sales of the special bag is contributed to CFP. OISCA also reaches out to individuals, corporations, and labor unions for donations to CFP. It recruits volunteers as well. In addition, branches of OISCA raise money locally and give contributions to CFP, too. In fact, OISCA's headquarters office encourages branch offices to compete with one another for fundraising. In many cases, the head of the office uses his or her contacts and networks to reach out to many people for donations. Like the sales division of an insurance company in the business sector, an office that successfully raises the largest amount is awarded an honor by the president, which functions well as incentives for employees and volunteers of each branch (Takahashi, 2002).

As in OISCA, some Japanese I-NGOs are very conscious about their support base and try to work with them closely. Shanti Volunteer Association (SVA) was established by Sotoshu, a Buddhist sect, in 1980 in response to the outpouring of Indo-Chinese refugees. SVA uses its nation-wide network of Sotoshu temples to raise money through numerous fundraising campaigns. SVA's revenue from private contributions for FY 2000 was approximately 263 million yen (2.2 million dollars), which accounts for 45.6 % of the total revenue of approximately 577 million yen (4.8 million dollars).

The Japan International Volunteer Center (JVC) is another well-established I-NGO.

Founded in Thailand in 1980, JVC uses fundraising tools, including direct mail and special events to raise money from individuals. JVC also makes use of its niche – not only as one of the oldest I-NGOs in Japan, but also as the one that boasts its “progressivism” and innovation in combining its service delivery and advocacy work. A unique fundraising event JVC holds every year is its charity concerts in Tokyo (*Messiah*) and Osaka (*Oratorio*). JVC recruits members of the choir from the general public every year who of course are already-committed or prospective supporters of JVC. JVC contracts a company to manage the concerts and the profit from ticket sales is contributed to JVC. JVC also creates volunteer groups in countries in which JVC operates and has each group recruit more volunteers through its newsletter, website and activities open to public.

Supporting advocacy

Although some I-NGOs have been successful in gaining support in Japan, advocacy NGOs in general in international development and environment issues in Japan often have difficulties in increasing their members and contributors. This probably has to do with the history of the “leftist” citizen’s movement which attracted some hardcore activists and, at the same time, alienated most of the general citizenry in the process.

Kim Reimann did an interesting study on Advocacy I-NGOs in Japan active in sustainable development. According to her study, funding from foreign sources has been an important lifeline for advocacy I-NGOs in Japan on global environmental issues (Reimann, 2001). The Friends of the Earth Japan (FoE Japan) has only 350 members including individuals, nonprofit and for-profit organizations. Its total revenue for FY 2000 was 78 million yen (650,000 dollars), of which foundation funding accounted for 65 %. The combined amount of individual contributions and membership fees accounted for only 2.5% of the total revenue (JANIC, 2002). Several other advocacy I-NGOs in Japan have from 50 to 1,000 members and contributions from individuals and membership fees are very low compared with funding from foreign foundations. Under these circumstances, some advocacy I-NGOs have begun to realize the importance of constituency building to gain leverage for their advocacy activities.

Mr. Naoto Anzai, Director of FoE Japan, has launched a campaign to increase its members and supporters to 100,000 in three years. He emphasizes the importance of networking with other like-minded organizations both domestically and internationally in order to achieve this rather challenging goal. FoE Japan started its “Love Islands 2002” campaign before the World Summit for Sustainable Development which was held from late August to early September in Johannesburg, South Africa, to reach out to ordinary people with pictures of beautiful islands in the South Pacific. This campaign particularly aims at educating young citizens in their 20s and 30s about serious environmental issues,

such as global climate change, and encouraging them to change their lifestyle and take some positive actions. FoE Japan has also launched many events and campaigns to get young people interested in environmental issues. It hires a large advertisement company in Japan to organize some events and to design FoE Japan's newsletters to attract young people. Although it is too early to tell the effect of the above campaigns, it seems that FoEJ is in the process of changing its corporate image from a group of dissatisfied activists to a friendly but 'cool' organization, under Anzai's leadership

Linking "North" and "South"

As shown in the last section, some Japanese I-NGOs share a common approach by which they seek to attract new groups of supporters. One of the target groups is the "untapped" young generation whose disposable income cannot be easily dismissed, although its entire assets might be smaller than the older generations.

Another trend that is observed among the successful I-NGOs in Japan is their effort to link up their domestic supporter base with their activities abroad as a way of not only raising monetary support but also cultivating interest, awareness and intangible support for their activities. In fact, many I-NGOs in Japan provide "study tours" for supporters to expose them to actual situations abroad and to network with and learn from people in local communities in less developed nations.

John Gaventa discusses the need to understand the increasing level of parallel that can be observed between poor communities in the North and the South by tracing the exchanges between NGOs and community-based organizations in poor regions in the U.S. and counterpart organizations in Mexico and India (Lewis, 1999). Gaventa argues, "For NGOs, globalization offers a series of challenges for developing new models for linking and learning on strategies for approaching common problems in both North and South." (Gaventa, 1999).

What Gaventa discusses here can be considered as one of the newest driving forces of constituency building efforts by I-NGOs among different countries of the North. The concept of crossing the North-South divide is increasingly shared among members of the global NGO community. Incidentally, it is an approach that is probably easily acceptable to Japanese I-NGOs, even if it may not be the approach that has traditionally been practiced by them.

Shapla Neer is one of the oldest Japanese I-NGOs and has long been involved in community-based development mainly in Bangladesh and Nepal. It currently emphasizes a reciprocal approach by linking communities in Bangladesh and in Japan, rather than a one-way approach where information, skills and resources flow from the North to the

South. Japanese local branch offices of Shapla Neer try to involve people in their community in their overseas community-based development programs. It tries to find common problems in communities in both countries. Mr. Takashi Shimosawa, former director of Shapla Neer who questions the role of NNGOs that provide assistance to poor countries as outsiders, advocates a two-way approach based on the concept of ‘Think Locally, Act Globally.’ (Shimosawa, 2001)

Similarly, Mr. Toshihiro Menju of Japan Center for International Exchange has proposed an initiative named “Community and Local International Cooperation (CLIC)” which promotes locally initiated exchanges at the international level. Menju insists that community-based programs be a two-way flow and thus benefit both communities, rather than a community of a rich nation providing assistance to a community in a poor nation (Menju, 2002). This idea is based on a concept of a new globalized world in which poverty, inequality and many other social issues exist within any community.

Community-based Development Initiative-Japan (CDI-Japan) also has a similar concept to CLIC and has promoted international exchanges and development cooperation at both local and municipal levels with the assistance of I-NGOs. As these few examples testify, an increasing number of I-NGOs are starting to consider it necessary to involve people in their own communities in linking up people globally in different communities. Nevertheless, Shimosawa reminded us that we ought to consider an inevitable power relationship that emerges when a Japanese NGO, as is the case with other NNGOs, is engaged with its counterpart in a developing country in such exchange situations (Shimosawa 2002).

7. Conclusion

Like it or not, Japanese I-NGOs nowadays, just like other NNGOs, need to ask themselves hard questions such as “will we become *agents of transformation*”? In other words, they are being asked how to assess the present state of international development and how they see their present and future roles. There have been many successes in development project implementation, but the wider geopolitical structure that reproduces poverty remains intact. There have been transfers of money, which might have achieved development goals in some cases but might also have created a few riches in developing countries and promoted corruption and other misuses of money in others (thus a call for “good governance” as we often hear today). Overall, many question if traditional development models have created healthy and sustainable economies in recipient countries.

In these shifting environments for development, the fact that the Japanese nonprofit

sector has not yet matured may be used as an advantage, rather than disadvantage. Because the Japanese government intends to accelerate its cooperation with NGOs in order to raise Japan's visibility in development, there is indeed a strong call for capacity building and professionalization of NGOs from the government. At the same time, however, there is also a growing suspicion, especially from within the NGO sector, about expanding too quickly and becoming a "government contractor" whose independence may become questionable. Instead of creating an international development industry of I-NGOs, Japanese NGOs are struggling to find a place where they can exert influence in national development and official assistance policymaking but at the same time where they can feel close to their supporters and the communities they serve, both at home and abroad. At times, this is manifested as resistance to growth and professionalization, but in this maturing process, the concept of crossing the North-South divide finds support among Japanese I-NGOs rather easily. This may be one thing that is *unique* about Japanese NGOs.

In the seminar organized by CDI-Japan in June 2002, Mr. Hiroshi Taniyama, former director of JVC, talked about a choice Japanese NGOs are asked to make. Because of the growing interest on the part of the Japanese government to partner with NGOs, coupled with a new set of mechanisms to funnel financial resources not only for development projects but also for programs to raise the capacity of NGOs, Japanese NGOs could make a choice to become or remain operational and seek government funding for projects, thereby enabling them to receive support that would strengthen their managerial capabilities. On the other hand, Mr. Taniyama mentioned, Japanese NGOs could choose not to be aggressive in acquiring project contracts or grants, and instead "choose to be small" and carry on their unique activities.

NGOs and the nonprofit sector in general in Japan are not well-established to form a recognizable "third sector" in the nation. It may, therefore, be easier for Japanese I-NGOs to consciously choose strategies to be the *agents of transformation*, rather than for other NNGOs in countries where NGOs occupy a more visible and accepted place and thus are more professionalized to constitute an established role in the development scene. The topic of constituency building has now begun to be carved out as an important ingredient for creating a strong NGO sector in Japan. The methods that some leading I-NGOs adopt in pursuing this task show a mix of different approaches. Success will depend on what kind of hybrid can be developed that fits their societal needs and characteristics. It is in this very process where Japanese I-NGOs could try to find their identity as *agents of transformation*.

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Keizai Kozo Shingikai's interim report on nonprofit organization on April 5 2002 shows 54.3 % of respondents to a questionnaire say financial difficulty is a main problem for their organizations.

Article 89 of the Japanese Constitution says 'No public money or other property shall be expended or appropriated for the use, benefit or maintenance of any religious institution or association, or for any charitable, educational or benevolent enterprises not under the control of public authority.'

In the survey, 32.2% of the respondents say that they recognize the term NGO and understand what it does. In the last survey in March 2000, the figure was 16.3%. Including those who at least recognize the term NGO, 90.6% of all know NGOs. Yet, only 27.8% of all respondents can "trust NGOs," (down from 33.3% in the last survey). Those who are "not interested in NGOs very much" and "not interested in NGOs at all" are 31% -- increase of 13.4% from the last survey.

The exchange rate used here is 120 yen to the dollar.

A list of qualified nonprofit corporation is available at the Japanese National Tax Agency's website at <http://www.nta.go.jp/category/npo/04/01.htm>. The list of specified nonprofit corporations is available at the website of Japanese Government Cabinet Office at <http://www5.cao.go.jp/98/c/19981217c-npojyuri.html>.

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