CRITICAL ASSESSMENT OF CIVIL SOCIETY GOVERNANCE IN JAPAN AND NEPAL: A COMPARATIVE STUDY
Tek Nath Dhakal, Ph.D.

The last quarter of the twentieth century has witnessed a change in the traditional basis of political power, the rise of nongovernmental organizations (NGOs), the increase in partnership relations between public, non-profit and the profit organizations, and the emergence of a new order in global governance have changed the entire institutional landscape practically, more or less, everywhere in the world. It is obvious that several reasons are attributed to the emergence of civil society organizations such as nonprofit organizations (NPOs). Comparative advantage of the NGOs/NPOs (both of these terminologies are taken as the same meaning) is well-documented in development aid literature. The OECD countries have also from time to time used such NPOs as channels for resource transfer in the form of foreign aid. The restructuring policies of the World Bank and other influential donor agencies led to a planned reduction of the role of state and increased space for NPOs. As a result, new discussion about governance has intensified and acquired new dimensions. For this, collective role among the various institutional actors have been felt necessary to establish improved governance system.

Due to the favorable policies adopted to expand the nonprofit sector, the growth of civil society organizations like NPO both in developed and developing countries such as in Japan and Nepal have rapidly been increasing during last decade of the 20th century. In Nepal, following the adoption of government-NPO partnership policy, simplifying the legal instrument for the creation of such organizations, and provision made to incorporate their space in local development planning process there has been a rapid proliferation in the number of NPOs and expansion of their activities at the grassroots level. The current number of NPOs in Nepal is around 37,000 as compared to 220 in 1990. These NPOs are registered at District Administration Office and may affiliate with Social Welfare Council. The Organization and Association Act 1977 and Social Welfare Act 1992 are major legal instruments to govern NPOs in Nepal. In addition, there are other numerous legal instruments and organizational structures which directly or indirectly play their roles for governing NPOs. On the other hand, Japanese NPOs are also considered recent origin which has been taken a faster momentum only after late 1990s. The aftermath of Kobe Earthquake in 1995 there has been an overwhelming increase both in spirit of voluntarism and in number of voluntary groups in Japan. The present number of Japanese NPOs is around 29,000 as compared with 1000 in 1999. The proliferation has take momentum as a result of the enactment of NPO Law 1998 which has been supporting to social capital generation and community building. The central government and the local governmental bodies in Japan try to involve the NPOs in various activities such as care service for the elderly, nursery schools, social education, environmental information, peer group supports, promotion of senior citizens’ participation to the society and many other services provided. As a result, NPOs has become an integral part of Japanese society. However, Japanese NPOs are considered as ‘members without advocates’ as the sector is largely lack sizable professional groups that influence the public sphere or policymaking.

The proliferated number of NPOs both in Nepal and Japan shows the growing tendencies of civic engagement as they are supposed to articulate people’s sentiments both at the policy making and its implementation which is important for sustaining democracy and development. It is obvious that they could evolve in the course of time and space to play important role for establishing good governance. The favourable policies pursued both by the government of Japan and Nepal has increasingly been linked for making the NPOs more responsible along the principles of good governance. However, the academicians and also the practitioners often agree that the ineffectiveness and/or mismanagement of NPOs in society often occurred in the absence of NPO governance. In this context, this study assesses to answer what is the status of NPO governance in developed countries like in Japan and developing countries like Nepal? What are the commonality and differences of NPO governance in these counties? What are major bottlenecks of NPO governance in these countries? As the literatures in civil society governance are limited, this paper discusses on various issues such as management, transparency, accountability and efficiency of NPO governance. The findings of this study indicate the environmental factors such as political, economic, social, and the institutional are more responsible for making these institutions strong or weak to govern their business. However, issues in the developed country like Japan and developing country like Nepal are,
of course, differ both in content and volume. Thus, such study would be helpful to understand the dynamics of NPO governance both in developed and developing societies.

This study critically reviews the available literatures that discusses on civil society governance, and the challenges for governing NPOs for making them more effective to play their established roles. Reform initiatives on NPO governance spearheaded by the government in both countries have been gone thoroughly. For collecting primary data, altogether 10 NGOs both from Nepal Japan were selected purposively. The stakeholders such as 10 NGO executives, 5 concerned governmental authorities, 15 general members and the employees of the NPOs, and 10 academicians and 30 general citizens both from Japan and Nepal were selected purposively to generate primary information. This exploratory study used the qualitative design to capture reality based on the perceptions and experiences of informants. The primary source of data was interviews. The selected persons were interviewed both formally and informally. There were, however, no predetermined sampling categories in the study. Rather, data collection procedures were flexible and emergent. The researcher conducted face-to-face interviews with the key informants. However, the general citizens were distributed a semi-structured questionnaire for generating primary information.