

From New Public Management to “THE THIRD WAY” and the Theory of “SYMBIOSIS”

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I. INTRODUCTION

In December 1999, the “Research Committee on Symbiosis”⁽¹⁾ had a symposium⁽²⁾ in Bonn, Germany, the theme of which was “Global Interdisciplinary Research for New Public Management — The Role of the Private, the Public and the Bureaucracy in the Symbiosis of Government and Market”. Under this subject, we have a common purpose to view and try to construct a new “Society of the 21st Century”, widely examining how the society should be from many disciplines. This is also the theme of this article.

How should we view future society? Under which theory should it be constructed? We have to be a bridge-builder to the next generations academic, hearing the countdown to the 21st century and being before the birth of new century’s society. Now there is a large tide of academic approach to build a new society, *not only* in the field of social science, but also that of the medical science or technical science.

⁽¹⁾ “Projected Study”, receiving Grants-in-Aid for Scientific Research from Ministry of Education (Scientific Research (B)(2)-10420016), which members major in local autonomy, economics, administration, legal science, management science, medical science, urban development science, social anthropology, welfare and so on.

⁽²⁾ An international symposium, hold in University of Bonn in Germany, from December 17 to 19, which is composed of following concepts. Session 1: “Interdisciplinary Research of Community Well-being and University Governance”; Session 2: “Concept of Community Well-being and Implementation”; Session 3: “The Role of Politics, Law and Economics in Community Well-being”. The participants were from University of Bonn, University of Manheim, University of Cambridge, Harvard University, University of Zurich, University of Copenhagen and so on, the result of which is published in the UK.

To understand how society in the 21st century's society should be, we must first consider how society was in the 20th century. What has been neglected? What has been ignored? When we find them, give them 'social' "value" and give the academic place, we can build a bridge to the new society of the 21st century.

On this premise, we will at first review the 20th century's society in this article to derive 'human' "value" which was not given academic (systematic) value in the 20th century' society developed as material civilization. This 'human' "value" by nature must be key of society constructed by the human. Therefore it must be thought the key idea to systematize this "value" academically.

One of its results is society-construction based on "Symbiosis" theory, which is the academic development of the realization of "Community Well-Being". Though this is a result derived from analysis of the stormy society in the 20th century and of the movement of economical social theory, we originally noted *the linkage between the development of the economical social theory and the process of the real-life social revolution*. New Public Management theory, based on Neoliberalism and commenced in the 1980s, reconstructed capitalism's over-expanded economic system, and inspired the beginnings of the New Left which contemplates propulsion a new welfare policy. The realization of "Community Well-Being" society based on "Symbiosis" theory, we think, the goal of such a flow. This article offers a theory of social construction based on such a basis.

[Additional Remark]

I have written an article, *The Role of Political, Legal and Economic Science in Community Well-being — Academic Tendency to Realize the Society of Community Well-being —*, which was published in June 2001, included in *A Memoir in Celebration of Kazuo Kunii's 60th Birthday*. In this article, I will present enlarged theory, based on the preceding article and the basic viewpoint of the symposium in Bonn.

II. PREMISE

At the end of the 20th century, it is argued to redefine "Market Mechanism" from both socialistic and capitalistic economy systems. From which the argument results? What is the premise of the argument?

i Capitalism came out in the 18–19th century gloriously, which has a basis "Freedom & Abandon → Competition" necessarily justified the denial of Feudality. However, at the beginning of the 20th century, it had already revealed "contradiction",⁽³⁾ which caused foundation of the "Socialistic" government denying the Competition. This Socialistic and Planned Economy theory superiors as an economic system to dissolve the social economical injustice. It collapsed at the end of the 20th century for political reasons rather than the economical reasons.

Capitalism couldn't avoid the appearance of contradiction such as distortion of the process of production (recursive inflation and deflation), social welfare problem to contend with, increase of the unemployed, etc. Therefore Governments have intervened and regulated the economic system to solve the contradiction. But, this way that denied the "competition" principle in the concerned area leads to the maldistribution and stagnation of "wealth", which leads each Government to cruel deficit financing to almost go into bankruptcy (the so-called "large government"). The self-recovery of capitalistic theory itself is thought to be in crisis.

ii In front of such a situation, a movement toward re-evaluating the "competitive" theory arose from both socialistic and capitalistic economic systems to make a basis of social reconstruction. As for socialistic economies, China, Vietnam and Laos actively introduced a

⁽³⁾ "Exploitation of human by human" inevitably generates in Capitalism, the basis of which is said to be on the personal ownership of production facility. "Socialism" is the system that exterminates "exploitation of human by human" based on the idea of "denial of the personal ownership of production facility." Planned economy is based on this idea.

“competitive” theory based on planned economy (“A nation with two systems”).⁽⁴⁾ As for capitalistic economies, post — cold war, people awaked the poison of “Large Government” in face of crucial financial pressure by “welfare state” constitution. Monetarism of Prime Minister Thatcher as well as Supply-side Economics of President Reagan blazed a trail to realize the “Small Government”, though there are differences in the economic theory they based on in detail.

New Public Management that is at the core of reform theory today has developed as a method-theory of administrative renewal. This theory adopt the method to maximize Cost-effectiveness, that leads to “Success of Government, Success of Market”. This theory is the origin of The Third Way which was proposed as social renewal by the New Left in the 1990s.

iii The administrative reform based on the Neoliberalism idea also became popular in Japan. Rather, it is, I feel, argued to the utmost. The Japanese government became “Large Government” by way of “Public Ownership” rather than welfarism. Then it revealed a terrible financial pressure on occasion of the collapse of Bubble Economy at the beginning of 1990s. Rushing into the deflation, the reconstruction of national economy was hurried. The radical reform based on the Market Mechanism was begun under influence (and pressure) of the Neoliberalism of Europe and the US. It was the distinctive policy, the privatization of National enterprises (such as the National Railway or the Telephone Service Public Company), adoption of the Third Sector, and reorganization of National Enterprises (such as national universities) into Independent Administrative Entities. On the other hand, In a special situation, the collapse of Bubble Economy, an idea that even “Labor” Market may be culled under the market theory has appeared, that has been justified.⁽⁵⁾ Extensive dismissal has been justified in the

⁽⁴⁾ In this connection, I visited Thai, Laos and Vietnam, in March 10–20, 1999, as a member of Research Committee of “International Market and Law” (receiving Subsidy of Waseda University), where I researched international economy and law and participated in a symposium (particularly with Economics department of Chulalongkorn University, Department of Justice of Laos and “Institute of State and Law” and Supreme Court in Vietnam.

⁽⁵⁾ See, HIROSHI YOSHIKAWA, JAPANESE ECONOMY AT THE TURNING POINT

name of Restructuring, and both the Labor Act and the Labor Movement have been extinguished. However almost all arguments in our nation are that "Market Mechanism" is all to solve the problem. There are no developments of the arguments.⁽⁶⁾ That is problem.

iv However, "Market Mechanism" is just a theory which approve of a behavioral pattern based on "Competition" of people (who have desires). "Competition" means wining or losing, which must produce "Loser". He is relegated to the bottom of society. Actually, Capitalist Theory itself doesn't have mechanisms to realize whole society's happiness and welfare.⁽⁷⁾ It has to rely on "another" system, to which there are some ideas such as enriching the welfare state based on market mechanism, imposing restrictions within the scope of welfare state.⁽⁸⁾ But they are not satisfactorily as to construction of "Society". We must not forget that protecting the social loser and leading to welfare are the essential "Roles" of the "Nation". Therefore, the problem of "the vulnerable" that are produced by market mechanism economy has to be solved as a problem within the capitalist system and society

141 (Iwanami Press, 1999).

(6) Japanese government and bureaucracy do not necessarily grasp "market mechanism" properly. Introduction of "market theory" is composed of not only "competition" but also a method that provides next enforcement plan based and reflected the management of "effect". In short, it means introduction of private management, which is management method of private firms. To slim the machinery of government and reconstruct the national treasure, it is necessary for "performance review" of each governmental department to be reflected to next planning.

January 6, 2001, Japanese government dramatically reorganized the departments, from One Prefecture 22 Departments to One Prefecture 12 Departments. Originally Performance Review System was expected to be introduced. But government decided to cancel it.

(7) Market theory inevitably produces loser (the vulnerable). Capitalist economic system depends on welfare "policies" to resolve this problem. However, when the enforcement of policies lose balance, "stagnation" take place, which is the "contradiction" of capitalistic economy.

(8) The former idea is actually effective. But it depends on expensive tax, which cause insufficiency of the social security system. On the other hand, the latter idea has something in common with planned economy (socialist economy), which also has a contradiction, as same as traditional one, that the more market theory is regarded, the less social security is reduced.

itself.

v In this context, at first, we have to examine “*Symbiosis*” of *economic theory (competition theory)* and *state theory (non-competition theory)*. New Public Management theory, which offered privatization of national organizations and optimization-model based on cost-effectiveness, suggests good hint. We have to reach “Success of Market and Government” as macro-analysis.

Secondly, we have to examine how the “social” construction should be, relating to the first examination. To form the optimization model of administrative government, it is need to structure for all members to take part in and to reflect the opinion. We have experiences that prove the importance of such a structure. In the structure, the intent of all social members must be reflected and the reasonable, active and independent behavior must be expected as social behavior pattern. It will *generate “Synergy Effect” by the participation of all members, i.e. “Reasonable Behavior” of all members*. It is desirable to expect the “synergistic” effect, solving the problem of “how society should be”. It is the development of “Symbiosis” theory (and it is also our answer as to “another” system”).

III. FROM THE 20TH CENTURY TO THE 21ST CENTURY

At first, we have to evaluate how society of the 20th century was, and then, look at how society of the 21st century “should be”, based on that.

At the turning point of a year or a century, people are apt to ask for the bringing about of “something new or something improved”, based on urge to be satisfied in future by something not to be satisfied yet. We have to remember that coming “society of the 21st century” is also desired to be “better society”. Of course, a new social system will have to be designed under new sense of value, keeping up the traditional “good”. We have to respond from the academic perspective.

We will now examine the state of society and academic discipline in the 20th century.

(1) Society and Academic Discipline of the 20th Century

(a) Prosperity of Material Civilization

In the 20th century, material civilization was highly developed, such as the development of energy, transportation and communication technology, which has certainly formed the course of coming “the material society of the 21st century”. In the 21st century, based on the civilization, the “higher material civilization”, which we cannot imagine yet, ought to be developed, which include high technology, information technology, nano engineering and new energy development.

(b) Sense of Value Based on Material Civilization (Academic Discipline)

“Material Civilization” in the 20th century, therefore, had “material” value as a standard of value (materialism). It is natural that the economics of the 20th century, in particular the Neo-classical school, had “economic value” as a standard of growth for the economy (or economic society).

This means that something irreducible to “material” value, i.e. the value of use, is excluded from the “value” system. Therefore mental/ideal value, such as happiness, comfort and satisfaction, is inevitably excluded from social “value”. The criticism⁽⁹⁾ that the leading academic discipline of the 20th century (economics) ignored humanity arose from these circumstances.

(2) The Principle of Social Structure in the 21st Century

What kind of principles should society in the 21st century have? I think, in general, that following two points should be the principles of the social structure.

(a) Breakdown of the Socialism/Stagnation of Capitalism and Return to “Competition” Theory

The first point is recognition of “competition” theory as a social behavior pattern. As mentioned above (II), fluctuation caused by the oil crisis reduced the world economies (capitalist economic system) to a lower rate of economic growth, while capitalist economic states at-

⁽⁹⁾ See, S. TAMURA & H. SUGITA, HEALTH ECONOMICS — WHAT CAN WE DO AGAINST A METAMORPHIC ECONOMIC CHANGE? — 1 (SEIBUNDO PRESS, 1995).

tended to the nationalization of firms and the increase of social and welfare policies since 1960s. This led the states to expose a serious financial crisis caused by "Big Government". The Neo-conservatism (Thatcherism and Reaganomics), which was established about the beginning of 1980s, succeeded to minimize the fleshy "Big Government".

On the other hand, the breakdown of the Socialist economic system in 1989–91 created an advantage for Capitalism, i.e. the absoluteness of "market mechanism"(competition mechanism). Then, states holding a socialist economic system (China, Vietnam) adopted "One Country, Two Systems". They began to try to adopt the "Market Mechanism" under the socialist economy. China makes out the good results of the policy.

"The Success of the Government" caused by the return to market theory (competition theory) also proves the *validity of "competition" as principle of people's behavior (economic behavior)*. Although "competition" theory means victory or defeat, it is judged in the market. The result is that demand provides the production, improves the quality and uplifts the mental state of concerned people. We also have to pay attention to these results. In this context, we can find the principle of social behavior pattern in the market theory (competition theory).

(b) Realization of "Social Justice"

The second point is that it is not advisable to place absolute trust in "Market Mechanism". The market mechanism is a social principle in which only the winner of the competition survives and the production of a lot of "loser" is admitted.⁽¹⁰⁾ The market theory essentially doesn't have the theory "to relieve the loser". At the end of the 20th century and the termination of Cold War, some commentators stated that the termination of cold war meant the defeat by Capitalism of Socialism. However, market theory is unfeeling in respect of humanity and the realization of welfare, though it is an important theory to realize the improvement of the material quality of production and the ef-

⁽¹⁰⁾ Professor Naohiko Jinno said "essence of 'competition' is that, for one's victory, others must fail". N. JINNO, *POLITICS AND ECONOMICS OF SYSTEM REFORM* 3 (Iwanami Press, 1998).

iciency of human affairs. Therefore, we remark that social change in the latter half of the 20th century means "neither a victory for Capitalism nor a defeat of Socialism itself". This is our common recognition.

Now, under which theory and policy should we relieve the social loser, groping the construction of society? This role is the responsibility of not only the government but also society itself. A social system must be constructed which accepts the social loser as an equal "member" of society. In this situation we need a conversion of thinking as to "social welfare". "Social welfare" must be a *realization of a "symbiosis" state essentially as a social "member"*. This is the "Symbiosis" theory we support. This is also a realization of "Social Justice" in the phrase of "Social Economy".

* * *

As discussed further below, my answer to the question "how society should exist" is (1) the most desirable principle of social behavior pattern is the "competition theory", which must be accomplished as the basis of economic behavior, and (2) a system to relieve the social loser must be lead from "society" itself. One of conclusions is the "Role Synergistic Society" which finds as its basis the "Synergistic Effect" of "Symbiosis".

(3) An Idea of "Positive Well-Being" of Society of the 21st Century and a Reform of "Citizen" Consciousness.

(a) Academic Position of <Humanity> which was Ignored in the 20th Century

In the 20th Century, not only in the Capitalist Economy but also in the Socialist Economy,⁽¹¹⁾ the "value" which was the basis of the mechanism was "material" value. Under this sense of value, "human value", non-material/mental value such as happiness/health/relief/satisfaction/sympathy, was out of range. <Humanity> was sacrificed for material civilization. Therefore, in the 21st century, this "human value" i.e. <humanity> must be given priority. This is recognized in any aca-

⁽¹¹⁾ Socialism also views material value as "a fixed point", which the term of "historical materialism (Historische Materialismus)" represents. T. SAWA, DEATH OF MARKET SOCIETY — WHERE SHOULD WE LEAD JAPANESE ECONOMY? — 69 (Iwanami Press, 2000).

demic discipline.

However the problem is how we should discover this “value” and how we should put it in place in the academic system as a sense of value. <Humanity> is an abstract consciousness which is difficult to measure. It is impossible to compare “satisfaction” which is different among every one. However some economic theories define such a mental idea as an important element of the academic system.⁽¹²⁾ This is not necessarily impossible. As discussed below, “Economics for Positive Health” asserted by Professor Tamura is a theory which gives the sense of value placement in the academic system, in order to construct a new academic system which seeks the value in <humanity> in the higher rated material society. “Positive Welfare” theory asserted by Giddens⁽¹³⁾ or Sawa⁽¹⁴⁾ is also a “prior/positive” security theory.

“Positive” is a very important key word. We structure a basic framework to realize a society which respects <humanity> as a value. It is “a realization of the <Role Synergistic Society> based on the Synergy theory”. To realize such a society, radical reform is needed also in the aspect of administration, which means the construction of an environment in which the “private sector” as a fundamental unit of society can actively <take part in> “society”.

(b) Demand for Revolution of the Consciousness of “Citizens”

“Society” i.e. “civic society” was built by citizens themselves, in Europe and the US. Frankly speaking, it is a home-place that was won through war against the feudal lord or king by citizens at the risk of their lives. Therefore, “society” is a “better home-place” of citizens themselves to live in peace. “*Citizen*” *consciousness to improve society* is based on such a sense as is fostered in precious history. This is the origin of the “civic society” which respects “humanity” won by citizens and is based on the idea of human freedom/equality.

⁽¹²⁾ Socialism and Communism defined so. Professor Tamura said that Fabian Socialist, Labour Party and “Social Security Plan” of Beveridge also define so.

Cf. S. TAMURA & H. SUGITA, *supra* note 9, at 309 (As to “Beveridge Report”).

⁽¹³⁾ Anthony Giddens (1938–), Director of the London School of Economics and Political Science.

⁽¹⁴⁾ Takamitsu Sawa (1942–), Director of the Institute of Economic Research at Kyoto University.

However, in Asian countries of course which includes Japan, there is no experience of the realization of "civil society" in such a way. Citizens themselves have not had an experience to realize a "society", although "modernized society" came into existence under the pressure of the powers (government/nation). In such a "modernization" the revolution of the consciousness of citizens couldn't arise. An idea of feudalistic <rule> still penetrated. Under the feudal system, "society" is an important route for the feudal lord to exploit, people are continuously exploited by "society" which substance is a machinery of "nation". Although society became a "modernized" society, the substance of "modernized society" was also still just a machinery of exploitation.

Under such consciousness based on the social-structure/rule-machinery, who wants to improve society?⁽¹⁵⁾ "Society" equals the "state", which is not a "home-place to live in peace" but a machinery to rule, restrain and exploit people. Opposite of Europe and the US, there was no consciousness of "citizen" for a long time or the movement of "social reorganization" from the people, which entirely was caused by the absence of "civic society".

In Japan, such was the case at least until 1960, and a lot still remains everywhere. In general, the consciousness of the "citizen" and "civic society" arose after the 1970s when we could have some ease.

However, at last in the 21st century, "society" by our hand is being realized. The "symbiosis" effect, i.e. symbiosis society, will be realized at first based on the "citizen or civic society".

⁽¹⁵⁾ For example, as to waste disposal, Japanese people, I suppose, sometimes tolerate throwing garbage to public space. In short, They don't care society, except own territory, which mean society is not own territory in conscious of Japanese people.

IV. FROM NEW PUBLIC MANAGEMENT TO “THE THIRD WAY”/ THE THEORY OF “SYMBIOSIS”

(1) Development of the New Public Management Theory⁽¹⁶⁾

(a) Historical Background of The Appearance of NPM Theory

After World War II, capitalist economic societies have strongly promoted welfare policy to solve contradiction generated by capitalist (competitive) theory itself. “Welfare policy” was considered as the way to go even in capitalism. The welfare policy has been practiced in north Europe exemplarily. In the UK in the 1960s, an inclusive welfare policy designed by Beveridge⁽¹⁷⁾ was enforced under the Labour Party administration. On the other hand, the nationalization of enterprises is quite often. From the 1960s to the 1970s, not only a lot of public enterprises but basic industries were “nationalized”. Capitalism had been changed to modified capitalism or a mixed economy system; the state has become a “Big Government”.

However, the world economy was struck by the Oil Crisis from 1973. In particular the capitalist economic states had to convert to a system of a lower rate of economic growth, confronted with the end of continuing economic growth. As a matter of course, welfare policy, which presumes continuing economic growth, put pressure on the finances of the state. The current balance of the state rapidly went into the red; cumulative debts of public enterprises became larger. The finances of the states were in crisis. An increase in “Big Government” was impatiently confronted with opposition as the state got.

In such a financial emergency, the Conservative Party was elected to office with Thatcher, which proposed the return to the free market economy and took economic policies of radical Cost-effectiveness. Advocating the reliance on the free market mechanism and “Small Gov-

⁽¹⁶⁾ See e.g., E. FERLIE ET AL., *NEW PUBLIC MANAGEMENT IN ACTION* (Oxford University Press, 1996); S. Osumi, *Development and Issue of New Public Management*, 44 KOBE UNIVERSITY ANNUAL REPORT OF ECONOMICS 33 (1998).

⁽¹⁷⁾ William Beveridge (1879–1963), Baron, Chairman of Committee of Social Security (House) in 1941; He wrote his Report on Social Insurance and Allied Services (Beveridge Report) in 1942. Giddens blames Beveridge’s social security theory for “negative”. A. GIDDENS, *THE THIRD WAY* 117, 128 (Polity Press, 1998).

ernment" theory, they privatized national enterprises as well as cut welfare policies drastically. Thatcherism (monetarism) could achieve success to recover the finances of the state. On the other hand, an inequality in society brought about new problems such as the increase of unemployed people, because of the abandonment of welfare policy, as is generally known.

By the way, the approach and method of this Neo-liberalism affected not only public administration but also economics and sociology. In particular, it was in the nature of things admired as the method of "reform of public enterprises". This method «privatization of public enterprises → importation of the management method of private enterprises» was developing as the micro-method of administrative reform, having new "economics of institutions" theories, such as agency maximization theory, principal agency theory, transaction cost theory and so on, as the backbone.⁽¹⁸⁾ In this context, New Public Management (hereafter NPM) theory has been formed as a method of administrative reform.

(b) Approach of NPM

NPM began in the UK, was supported in New Zealand, Australia, Canada and so on, in particular in the Anglo-American countries, and became a leading theory of administrative reform.⁽¹⁹⁾

The concept of NPM is a combination of "public" which is from public administration and "management" which is from business management, trying to introduce the business method (based in the competition theory) into the machinery of government. However it is based on Market Liberalism. NPM tries to realize small and strong government by the strengthening of administrative management, concentrating on management which is the problem of micro.⁽²⁰⁾ The efficiency of this method and effect of administrative reform was admired by a lot of countries and in the 1990s it attracted a great deal of attention all over the world. Also in Japan, some theories are based on the NPM approach, such as the agency model and revitalization of private econ-

⁽¹⁸⁾ S. Osumi, *supra* note 16, at 38.

⁽¹⁹⁾ *Id.* at 33 (as to development of NPM in Anglo-American states).

⁽²⁰⁾ H. KATAOKA, *Administrative Reform and NPM*, REPORT OF SYMPOSIUM OF RESEARCH COMMITTEE ON SYMBIOSIS IN MARCH 18, 1999.

omy.⁽²¹⁾

Although there are some variations of the NPM theory dependent on state, era, and commentator, a common theme is that “it tries to *apply the management theory used in private enterprises to public enterprises as much as possible*”. The basic framework consists of following three points.⁽²²⁾

i Trying to apply the “competition theory” as much as possible, dividing the administrative service sector into “unit” activities which are more decentralized.

ii Separating the planning from the execution of policies. The former is decided centrally, viewed consistently with the whole. The power of the latter is dependent on the units.

iii Applying the administrative methods based on the results.

Therefore, the main points of the NPM approach are ① application of *competition theory* to administrative services, ② *privatization or contracting out* of decentralized enforcement sector of policies and ③ application of a system to *value performance by results*. With respect to this point, Ohsumi⁽²³⁾ made a comparative study of the NPM approach and the traditional bureaucratic system. This raises a lot of questions.

[Comparative Review between Traditional Bureaucracy and NPM System]⁽²⁴⁾

Traditional Bureaucracy	NPM
Control by Laws and Regulations	Control by Goal/Performance
Specialization System	Flexible System for Efficiency as Service Provider
Typical Hierarchy System	Management by Contract with Unit Organizations which are Valued Independently
Absence of Strategy Management	Management Reflecting Customer Needs

⁽²¹⁾ In Japan, rationale for neo-conservatism is influential. It is not necessarily to be observed Close succession from NPM.

⁽²²⁾ S. Osumi, *supra* note 16, at 34.

⁽²³⁾ Soshiro Osumi (1951–), Professor of Economics, Niigata University.

⁽²⁴⁾ S. Osumi, *supra* note 16, at 36.

(c) Physical Methods of NPM

The micro-methods of NPM theory in administration are set forth below:⁽²⁵⁾

- ① Expansion of choice to the extent that "consumer as No. 1 principal" or "freedom of choice" can be applied.
- ② Establishment of a method to realize the value of money.
- ③ Building a structure which offers administration to the people and allows for accountability.
- ④ Giving a budget flexibility.
- ⑤ Introduction of Performance-Related-Pay

In this article I will discuss the "Process of Privatization" (in connection with ①) and "Performance Management System" (in connection with ⑤).

i Process of privatization (the way to introduce the market theory)

"Privatization" such as privatization of public enterprises and "contracting out" to the public sector is a typical method to "introduce market theory". It is the method of how the state functions that has been exaggerated by modified capitalism in its efforts to create "Small Government". So, I will try to explain the process of privatization in the UK, which is the leading state on the basis of an article written by Osumi.⁽²⁶⁾

① Privatization of public enterprises (corporatization)

The UK took a nationalization policy which affected not only the transportation sector and energy sector but also basic industries. This put pressure on national finance. These sectors were privatized in the 1980s. This is a model of the privatization of Japan National Railways and the public enterprise of telephone and telegraph.

② Mandate to the private sector/Voucher

This means the introduction of the privatization method to the specific service sector. "Mandate to the private sector" is a mandate of specified service to private enterprises. An Administrator is obligated to provide services and supervise the quality of service provided by the private enterprises. The UK adopted the forced competitive gov-

⁽²⁵⁾ H. KATAOKA, *supra* note 20.

⁽²⁶⁾ S. Osumi, *supra* note 16, at 45.

ernment procurement system by The Local Government, Planning and Land Act of 1980, which was expanded to cleansing department. The “voucher” system is one that subsidizes consumers to choose a trader that provides specific services.

③ PFI (Private Financial Initiative)

This is a method to introduce private funds to the area of social overhead capital, trying to leave planning, financing, construction, operation (and so on) of the social overhead capital, that was traditionally funded by tax revenues, to private enterprises.

In our country, recently, this method is being actively discussed. Indeed, some enterprises are trying to operate by the method of PFI in Tokyo and other actively local autonomies.

④ Agency⁽²⁷⁾

The UK introduced this method by “The Next Steps” reform in 1988. It was said “only 5% of government officials are taking part in the planning of policies, the others are taking part in execution of enterprises”. “Agency” is an idea that separates the latter into self-supporting organizations to improve the efficiency of administration and quality of services”.⁽²⁸⁾ As of 1997, it is said that there are over 130 agencies and 70% of government officials are working for these agencies.⁽²⁹⁾ Of course this is a model of the argument of the independent administrative corporation in our country.

ii Control based on performance

The other important element of NPM theory is adoption of an “evaluation system based on performance or results”. This attempts Cost-effectiveness, which forms the most suitable model of execution process.

In the UK., performance control became effective by structural reform of administrative organs under the “The Next Steps” of 1988. This consisted of “the ministry” as the core organ that is in charge of planning policies and “the business agency” that is in charge of

⁽²⁷⁾ As to legal framework of Agency in the UK, See, A. Kimijima, *Administrative Reform in Contemporary The UK*, 255 DOSHISHA LAW REVIEW 6 (1998); S. Okamura, *Ideal and Reality of Administrative Reform in The UK*, 1161 JURIST 34 (1999).

⁽²⁸⁾ S. Osumi, *supra* note 16, at 52.

⁽²⁹⁾ *Id.* S. Okamura, *supra* note 27, at 37.

actions independent from “the ministry”. The framework documents exchanged between “The ministry” and “The business agency” provide “policy, goal and result, benchmarks, effect and available resources”.⁽³⁰⁾

This is of course the application of business management to private firms.

(d) What We Learned from NPM.

What can we learn and extract from this NPM theory that led administrative reforms to success and reconstructed the national treasury. We have to remember that the NPM method is used not only to introduce the market mechanism into the service sector but also to practice the most suitable process that makes decisions by results.

i The role of market and government — from the confronting framework to the “success of both of them”

Traditionally it was thought that “Market” and “Government (State)” were contradictory. The liberalists, such as F. A. Hayek, argued that state intervention in the market denies competition theory, prevents the efficiency of the market and leads to Socialism. They have been market mechanism supremacists. On the other hand, socialists also formed a theory taking the form of (economy control by) state against capitalism (modified capitalist and mixed capitalist also have the same form of thinking). Thus traditionally it was generally thought that *the market and the government (state) are contradictory*.⁽³¹⁾ This is caused by the competition mechanism of the “market” (the principal of behavior of the Private) and the administrative mechanism of the “government” (the principal of the Public) being based on different nature principals.

But there must be a difference between the role of “market” and “government”. The “market” revitalizes economic activities, brings

⁽³⁰⁾ H. KATAOKA, BUREAUCRAT AS PROFESSION 244–45 (Waseda University Press, 1998). Professor Kataoka asserted performance-percentage pay system to control plan of human resources based on NPM.

⁽³¹⁾ As to “View Point”, See e.g., D. YERGIN & J. STANISLAW, MARKET V. STATE (Nikkei Press, 1998); M. AOKI ET AL., ROLE OF MARKET AND STATE (Toyo Keizai Shinpo Press, 1999); N. TANAKA, MARKET AND GOVERNMENT — DESIGN OF JAPANESE ECONOMY IN 21ST CENTURY (Toyo Keizai Shinpo Press, 2000).

about improvements in the quality of products and resolves stagnation by way of “competition” and “selection”. This function of the market is a model of behavior patterns of people, societies and states. Therefore the competition theory must be secured in society as a behavior theory of society. The essential role of the “market” is here.

On the other hand, what is the state in relation to the market? The market theory is itself nothing but competition theory. Because it is the logic of the strong, the market itself will be in danger of destruction, if applied consistently. The “market theory” itself doesn’t protect the weak but the strong. Because it excludes the weak, it will finally lead the “market and state to death”. But, it must be the “role of the government” to protect the weak in the competitive society. It must be also the “role of the government” to promote the market and lead suitable competitive society. To operate independently as the basis of economic activity in society, the market needs “suitable regulation by the government”.⁽³²⁾ The essential function of the government is here.

It is important to understand that suitable society will be realized when the “market” and the “government” play essential roles. The NPM method directly proves the possibility. It actively introduces the competitive theory (market theory) into areas of the administrative enforcement sector that didn’t have competition. That is the harmony of both logics.

ii The formation of the most suited model by cost-effectiveness and the suggestion of how society should be formed.

The theory of NPM is composed of not only the introduction of the market mechanism but also the formation of the most suited model of the decision-making and enforcement of policies, valuing results or performance. The standard of value is Cost-effectiveness. It is a kind of “Economic values”.

But, there must be an “important sense” in the “privatization/commission to the private sector” (= introduction of market theory) and the “performance control (control based on performance)”. Though the

⁽³²⁾ See also, M. KANEKO, *ANTI-ECONOMICS — LIMITATION OF LIBERALISM BASED ON MARKET THEORY* 64, 80–81 (Shinshokan Press, 1999); T. Sawa, *Market and State Complement Each Other*, Nikkei News Paper, December 20, 2000, at 7.

economic meaning of "privatization" is the introduction of the market mechanism, the manager is the private (enterprises, people or residents). This means *that services to be provided and distributed are decided by "the private (customers)" who receive the services and provided to suit the needs of people.*⁽³³⁾ (When private enterprises ignore this, they will go into bankruptcy.) In short, as to the area of services of the private sector, the best way *to provide valuable services is to reflect the will of the people* who are in the position to receive the services. The "performance control system" which is the valuation of results keeps the efficiency of this provide/distribution system. NPM theory *forms the most suitable model to provide the services.*

This suggests the process to realize the most suitability by reflection and participation of the will of the people, is the way to form "society". It's an important suggestion to reform the social structure. It is a matter of course that this brings the success of policies, i.e. the success of government.

(2) The Third Way

(a) The Two Approaches — Social Market Economy (Germany) and the New Left (The New Labour Party in the UK.)

There are two approaches as to "The Third Way" idea to the effect of merger of the market mechanism and welfare policies. One of them is "Social Market Economy (Soziale Marktwirtschaft)" which is the principle of the CDU (Christlich-Demokratische Union) the government party of postwar West Germany. The other is "The Third Way" theory asserted by British Prime Minister Blair and Giddens. The latter is "The Third Way" idea that presupposes the NPM method. We will mainly discuss this. However, before then, we have to generally view the former, because it is also a good idea.

"Social market economy"⁽³⁴⁾ is based on the idea of Ordo liberalism that arose from the Freiburg school. The idea established the

⁽³³⁾ See, S. Osumi, *supra* note 16, at 33, 37.

⁽³⁴⁾ K. DEMIZU, GERMAN POST-WAR HISTORY OF ECONOMY 251 (Toyo Keizai Shinpo Press, 1978); T. Inoue, *Social Market Economy*, GERMAN ECONOMY 11 (T. Onishi ed., Waseda University Press, 1992); G. SHTORPER ET AL., CONTEMPORARY HISTORY OF GERMAN ECONOMY 253, 296 (Takeuchi Press, 1969); (H. ONOE & K. NIINO, ECONOMIC POLITICS (Yuhikaku Press, 1975).

principle of “compensation” for inequality by the state as a realization of social justice, keeping basically the “order of the free competition economy”. At first, keeping of the “order of free competition economy” means accomplishment of competition theory and is based on competition theory as a pure model of market economy. To keep the competition order working, they assert the need of endeavor by economic policies and drive forward various “regulation by the state” policies, which include intervention to the market, protection of the (human/material) resources and modification of the income distribution. Secondly, as correction of the social inequality, various social politic bills are legislated, which includes labor, social security, housing, worker’s property accumulation and job concerns.

“Social Market Economy” theory has a background “going the third way” which is neither disordered Capitalist Economy System of the 19th and 20th century nor the restrictive Controlled Economy System of Nazism and socialism. Based on this idea, the economic political theory⁽³⁵⁾ merged “the economic freedom, the social stability and need of social justice as social state (Sozialstaat)”. It is an economic politic theory.

We have to pay attention to bringing up the idea of “social justice”, “compensation” theory, as a way of realization, and recognition of an active role of “state/government” as enforcement. This idea and theory must be referred to realization of “symbiosis” society.

(b) “The Third Way” of Blair/Giddens

Since World War II, the man who has used the term “The Third Way” is Prime Minister Blair, who was elected to office in 1997. Giddens, who was one of the advisors of the Prime Minister, made the concept of “The Third Way” clear, publishing “*The Third Way: The Renewal of Social Democracy*”⁽³⁶⁾ in 1998 and “*The Third Way and its Crisis*”⁽³⁷⁾ in 2000. Giddens explains that the concept of “The Third Way” arose after the peak of the Asian Crisis in 1997, except the tendency in 1920s–50s. In such a situation, political ideas that are influenced by the right wing were decreased, and the conservatism re-

⁽³⁵⁾ K. DEMIZU, *supra* note 34, at 251.

⁽³⁶⁾ A. GIDDENS, *supra* note 17.

⁽³⁷⁾ A. GIDDENS, *THIRD WAY AND ITS CRISIS* (Polity Press, 2000).

treated, while most of the energy of the left wing is applied to the defensive counterarguments. "The Third Way" is an idea that tries to apply the energy to more "positive" direction.⁽³⁸⁾ From the first, this concept is an argument of sociologist Giddens and it is a theory of "construction of society" based on social democracy (New Left). President Clinton (democrat/US) approves of the idea of "The Third Way", because liberalism is underlies it. In Japan, the approaches of Tamura⁽³⁹⁾ and Sawa⁽⁴⁰⁾ follow this idea.

What is the meaning and concept of "The Third Way"? Now we will try to explore it from the viewpoint of this article, from the two works of Giddens op. cit. and "The end of the Marketalism" written by Sawa. Giddens criticizes the Thatcherism, as well as makes it clear where "The Third Way" differs from "The Old Labour". This style is natural because he puts himself in New Labour's position which took over social democracy. See the comparison table.

i Harmonization of neo-liberalism and social democracy

"The Third Way" requests the harmonization of market theory as economic theory with the socialistic welfare policies politically and administratively. Traditional economic theory of socialism sacrificed "efficiency" for "justice/equality". It stiffly underestimated the technological innovation, the ability for adaptation and the ability to increase productivity. It couldn't understand the role of the market as a device of communication. On the other hand, Thatcherism/Neo-liberalism gave "efficiency" priority and reconstructed the national treasury, but it was at the sacrifice of welfare policies. "The Third Way" approach asserts the construction of "social basis" from the "justice/equality" professed by the social democracy, in the market economy. The meaning of "to construct social justice" is concerned with ii, iii and iv as below. It was asserted as "New Mixed Economic" theory.

ii Relationship between the state and the civil society

"The Third Way" aims at restructuring the government, getting

⁽³⁸⁾ See, A. GIDDENS, *supra* note 17, "preface".

⁽³⁹⁾ Discussed in V (1).

⁽⁴⁰⁾ A. GIDDENS, *supra* note 17, was translated by SAWA, which was published by NIKKEI PRESS in 1999. Sawa also published a lot of articles. He clearly asserted "The Third Way" in *supra* note 11.

[Comparative Review between Classical Social Democracy and Neo-liberalism (the new right)] ⁽⁴¹⁾

Classical Social Democracy (The Old Left)	Thatcherism, or Neo-liberalism (The New Right)
Pervasive State Involvement in Social and Economic Life	Minimal Government
State Dominates over Civil Society	Autonomous Civil Society
Collectivism Keynesian Demand Management, Plus Corporatism	Market Fundamentalism Moral Authoritarianism, Plus Strong Economic Individualism
Confined Role for Markets: the Mixed or Social Economy	Labour Market Clears Like Any Other
Full Employment	Acceptance of Inequality
Strong Egalitarianism	Traditional Nationalism
Comprehensive Welfare State, Protecting Citizens 'From Cradle to Grave'	Welfare State as Safety Net
Linear Modernization	Linear Modernization
Low Ecological Consciousness	Low Ecological Consciousness
Internationalism	Realist Theory of International Order
Belongs to Bipolar World	Belong to Bipolar World

over both "Small Government" by the Neo-liberalism and "Big Government" by the Social Democracy. Giddens said "the issue isn't more government or less, but recognizing that governance must adjust to the new circumstances of the global age; and that authority, including state legitimacy, has to be renewed on an active basis." He asserts the following way to reform democracy: ① Devolution; ② Renewal of the public sphere—transparency; ③ Administrative efficiency; ④ Mechanisms of direct democracy; ⑤ Government as risk manager; and ⑥ Double democratization.

On the other hand, he asserts that the following elements are needed to foster an active civil society which is a basic part of the politics of the third way: ① Government and civil society in partnership; ② Community renewal through harnessing local initiative; ③ Involvement of the third sector; ④ Protection of the local public sphere;

⁽⁴¹⁾ GIDDENS, *supra* note 17, at 7–8 (interpreted in T. SAWA, *Id.* at 26–27).

- ⑤ Community-based crime prevention; and ⑥ The democratic family.

These are the concrete elements of the reform of political, economic and social structures. It is clear that the third way succeeds the most suitable model fostered in NPM theory.

iii The social investment state/society of positive welfare

The Neo-liberalism approach brought about "inequality of the results" and swayed social unity. But the third way approach defines equality as "inclusion" and inequality as "exclusion". This requires state policies including positive effects. For example, as to the problem of pollution of the environment, the issue for the public interest is not beginning with the elimination but protection and maintenance. As to the problem of poverty, the issue is not welfare that directly provides living expenses, but asking for democratic participation, which means advance "joint-control of the risks". He said "Positive welfare would replace each of Beveridge's negatives with a positive: in place of Want, autonomy; not Disease but active health; instead of Ignorance, education, as a continuing part of life; rather than Squalor, well-being; and in place of Idleness, initiative".⁽⁴²⁾

Giddens defined such social welfare policies as "Positive Welfare Society" which invests in "human capital", based on which he formulates the "social investment state". As Prime Minister Blair said "Education! Education! Education!", the guideline for enterprises and government to be successful is, he said, investment in human capital wherever possible. He defined the following elements as integrally important: ① Entrepreneurial initiatives, ② Life-long education, ③ Public project partnerships, ④ Portability and ⑤ Family-friendly workplace policies.

Of course, "Positive" is a very important concept. Under the same idea, it is called "positive health" by Professor Tamura and "Positive Welfare State" by Professor Sawa who succeeds to Giddens.

* * *

As to "The Third Way" theory, we can point out the following three elements. First, it tries to symbiotically merge market mechanisms and welfare society policies. In this regard, it is within the same

⁽⁴²⁾ *Id.* at 128 (T. SAWA, *Id.* at 213).

framework of NPM theory, only “the third way” is as socialist approach, and NPM is a liberalist approach. Second, in all aspects to enforce welfare state policies, it actively introduced “performance value control” based on cost-effectiveness fostered and developed in NPM. Of course, it is the eminent method to enforce the welfare policies. Third, it actively promotes realization of “Positive Welfare” society.

(3) Tendency of Reform in US —“Osborne-Gore Rego Moement”

(a) Relationship with NPM

Some commentator said that in the US the methods of privatization and administrative management prevailed until the 1970s, and there is little influence of NPM theory.⁽⁴³⁾ However, the NPM theory is the whole of administrative reform ideas that consist of accomplishment of market mechanism principle by neo-liberalism and the introduction of performance valuation for the efficiency of the administrative sectors. This idea was fostered and developed mainly in the UK, New Zealand and Canada. But, the fact is that the method was well known to the administrative sectors in about the 1990.

President Clinton (Democrat) abolished “Council on Competitiveness” as soon as he was inaugurated as President in January 1993. Then, he enforced the executive order 12866. Based on the principles set forth in this executive order, he created “National Performance Review” and appointed Vice President Al Gore as its leader. In August 1993, he enacted Government Performance and Result Act.⁽⁴⁴⁾

Then, Gore wrote his first report *From Red Tape to Results: Creating a Government That Works Better and Costs Less*.⁽⁴⁵⁾ In this report, he presented “the 384 recommendations by detailing 1,250 specific actions, by the sphere of administrative system and the 24 largest

⁽⁴³⁾ S. Osumi, *supra* note 16, at 58, 68.

⁽⁴⁴⁾ Government Performance And Results Act of 1993, Pub. L. 103-62, 107 Stat 285.

⁽⁴⁵⁾ A. GORE, FROM RED TAPE TO RESULTS: CREATING A GOVERNMENT THAT WORKS BETTER AND COSTS LESS (GOVERNMENT PUBLISHING HOUSE WASHINGTON D.C., 1993).

agencies”.⁽⁴⁶⁾ Osborne,⁽⁴⁷⁾ who was co-author of “*Reinventing Government*”,⁽⁴⁸⁾ , served as a key advisor. Then, Gore wrote his second report *Putting Customers First: Standards for Serving the American People* in 1994, and his third report *Common Sense Government: Works Better & Costs Less* in 1995.

In *Reinventing Government*, Osborne asserted the importance of optimizing market theory, reforming the organization, and deciding the distribution of funds based on results, introducing the performance review system, which is based on the key concept of “from the rowing administration to steering state”. This includes, in detail, “① Catalytic Government, ② Community-Owned Government, ③ Competitive Government, ④ Mission-Driven Government, ⑤ Results-Oriented Government, ⑥ Customer-Driven Government, ⑦ Enterprising Government, ⑧ Anticipatory Government and ⑨ Market-Oriented Government”,⁽⁴⁹⁾ which include the method of revitalization of private economy and that of performance review are actually the same methods of that of NPM.⁽⁵⁰⁾

Therefore, NPM theory much influenced Clinton’s administrative reform of “National Performance Review”. This is the general view.⁽⁵¹⁾

⁽⁴⁶⁾ T. Honda, *Ideal and Reality of Administrative Reform in The UK*, 1161 JURIST 40 (1999). As to Executive Order 12866, See, *Reformation of Regulatory Review System in the Clinton Administration*, 40 ADMINISTRATIVE AND ECONOMIC RESEARCH JOURNAL 24 (1999).

⁽⁴⁷⁾ David Osborne, Administration Consultant, who was a speech writer for President Clinton during the campaign and is the editor of the NPR Report.

⁽⁴⁸⁾ D. OSBORNE & T. GAEBLER, *REINVESTING GOVERNMENT: HOW THE ENTREPRENEURIAL SPIRIT IS TRANSFORMING THE PUBLIC SECTOR* (MA: Addison-Wesley) (translated into Japanese by T. NOMURA & K. TAKATI and published by NIHON-NORITSU-KYOKAI MANAGEMENT CENTER in 1995). As to development of “Government Reinvention”, See, J. Brudney et al., *Reinventing Government in the American States: Measuring and Explaining Administrative Reform*, 59 PUBLIC ADMINISTRATION REVIEW 1, 19 (1999).

⁽⁴⁹⁾ See, OSBORNE & GAEBLER, *supra* note 48.

⁽⁵⁰⁾ FERLIE, *supra* note 16, included cited OSBORNE & GAEBLER, *supra* note 48, as one of literatures.

⁽⁵¹⁾ Remark of Kim Jong-sool, Professor of Chonnam National University (Korea), in his report, *Public Administration for the Twenty-First Century: New Trends, at Symposium, New Trend of Studies toward the New Millennium*, in October 18, 1999. The title of this chapter, “Osborne — Gore REGO Movement” also depends on his articles. See, also, KATAOKA, *supra* note 30.

(b) Relationship with “The Third Way”

President Clinton referred to “The Third Way”, sympathizing with Prime Minister Blair. To tell the truth, We couldn’t support his logic. But I think, he has common foundation in his theory with “The Third Way”, because the Democrats depend on liberalism, which is the same in the situation of reformation based on the market mechanism and promotion of its effectiveness. On reflection, the starting point of “The Third Way” is not socialism itself, but eclectic liberalism.⁽⁵²⁾

(4) “Symbiosis” Theory as a Goal

(a) What is “Symbiosis”?

As mentioned above, “Research Committee on Symbiosis” defined the mechanism of Symbiosis as a principle and was named after it. What is the meaning of “Symbiosis”?

“Symbiosis” means coexistence of different organisms, as a term. But, if different organisms “merely” coexist, they must be in a feud, because different means the state conflicting interests. This was proved by historical experience, i.e. confrontation between capitalism and socialism under the cold war, religious conflict in one nation in east Europe, the Middle East or the south Asia. The relationship between Government and Market is also at odds. Thus merely “coexistence” risks the relationship of the subjects.

However, “Symbiosis” academically defined by us is an intention (Sollen) based on the experience that “Synergy” must come into existence when the subjects who are co-existing behave in the “place” they are co-existing, being aware of each other’s roles. That is we are human beings who live in “society”, and society is where human beings should live happily. We believe that in excellent and ideal society will be formed, when all subjects (members) who construct the <society> actively take part in the <society> in every aspect, such as planning, decision making, enforcement of enterprises and so on. Such approach surely provides more suitable effects for social members, than one for the administrative sector to make decisions and enforce them. Such “effect” is of course the “Synergy” *that is generated when the*

⁽⁵²⁾ See, T. SAWA, *supra* note 11, at 135.

social members play every role. A society constructed under such idea, we define as "Symbiotic" society or "Role synergetic society".

The idea to form civic society by the effect of "Role Synergetic Effect" was advocated long ago by Professor Yorimoto from a public administration standpoint. An example of his idea is the waste disposal case. Once Kawasaki-City constructed the most up-to-date waste disposal equipment to dispose of a lot of rubbish. But it couldn't work well, because of the increase of volume of wastes, atmospheric pollution and financial pressure because of the cost. In addition the city has been dealing with the problem of cooperation by citizens (cutting down the volume of wastes/ separating garbage), declaring a state of emergency for the rubbish disposal problem. This brought about good results, as to not only the waste disposal problem but also the problem how a local government should be.⁽⁵³⁾ From this case, Professor Yorimoto concludes that administrative enforcement function is supported by the partnership of "citizens", "enterprises" and "administration", and it is most important for enterprises and government employees to have a sense as "citizens". He develops the "Three Citizens" theory as a system of administration.⁽⁵⁴⁾ After all, the role synergetic society is a "symbiotic" society in which synergetic effect is expected.

(b) Merging of NPM, "The Third Way" and "Symbiosis" theory = "The New Third Way"

At first, from the NPM mechanism, we understood following points: (1) "Market" that is developed by the competition theory and "Government" being constructed based on the total interests of people have each role, and are able to be consisted, though they are thought to be conflict in the mechanism of activity. (2) In the sphere of public services, reflection of the will of the people (customers) who receive the services improve the provision of the services (= forming the most suitable model).

⁽⁵³⁾ K. YORIMOTO, *POLICY MAKING AND CITIZENS* 96 (Yuhikaku Press, 1998).

⁽⁵⁴⁾ See, *Id.* at 1; K. Yorimoto, *Treatment to Environment Problem and "Corporate Citizens"*, AIM AT "SYMBIOTIC SOCIETY OF ENVIRONMENT, RESOURCE AND POSITIVE HEALTH" 49 (K. Yorimoto & S. Tamura ed., Seibundo Press, 1999). In detail at V (2). As to Economic Approach of "Symbiosis", See, K. OTSUKA, *ECONOMY IN THE DAY OF SYMBIOSIS — WHAT IS THE REAL WEALTHY?* 49 (Seibundo Press, 1999).

Next, from the “The Third Way” idea, we understood the following points: (1) The idea tries to merge and co-exist market mechanism with welfare policies, which is within the same framework of NPM theory. (2) In any macro-aspects in which welfare policies are enforced, “performance value control” that is fostered and developed in NPM theory is actively introduced. (3) The realization of “Positive Welfare” society is being developed actively as how “civic society” should be.

“Symbiosis” theory tries to realize the role synergetic “society”, absorbing the fruits of above theories and expecting Synergy by participation of all members. In the coming 21st century, societies considering “humanity” such as welfare and happiness should be constructed, rising above the confronting relationship.

This prototype —“Symbiosis” theory which is based on the NPM theory and “The third way” theory — was found by Tamura.⁽⁵⁵⁾ We discuss it logically and empirically.

V. REALIZATION OF SOCIETY OF “POSITIVE WELL-BEING”

(1) “Economics for Positive Health” Based on “Health Economics”

(a) The Starting-Point of Tamura Theory

To understand the Tamura theory, it is important to understand his approach to the “health” problem which is premise of his theory. Sadao Tamura met Taro Takemi who is the GP of Tamura’s advisor Iichiro Nakayama in the early 1970s. Takemi was periodically holding society for the interdisciplinary study of “the law of human life” that is the subject of Takemi’s opinion. Tamura took part in society, being interested in the economics for welfare.⁽⁵⁶⁾

Takemi’s opinion was that medical treatment should be *one before*

⁽⁵⁵⁾ S. Tamura, *Social Anthropology in Symbiosis of Welfare and Economy*, SOCIAL ANTHROPOLOGY 166 (N. Kobayashi & S. Tamura ed., Seibundo Press, 1997); S. Tamura, *Process of Change from Modern Economics to Economics for Positive Health*, 56 WASEDA JOURNAL OF SOCIETY SCIENCE 95 (1998). As to in detail of Tamura’s theory, See *infra* V (1).

⁽⁵⁶⁾ In those days, Welfare Economics was trend issue, studied the welfare economics of Pigou and the social security theory of Beveridge.

the fact, i.e. "medical treatment to keep the life and health", though the existing medical system is medical treatment after the fact. This is the basis of his idea "the law of human life". Based on this idea, he advocated the "Bio-insurance" theory. This theory is that the medical treatment should be the positive health that *insures life and health before the fact* by the medical treatment.

Then he brought up the idea of "life science" and the practice method that is from the finding of medical method based on the inspection to the application to medical treatment. The inspection is a inductive method. He asserted that it is the most important method in the sphere of life science to observe a lot of paradigms generally in this method and lay the foundation of quantification.⁽⁵⁷⁾

Dedicated Takemi argued this theory at medical conferences and study associations. After he was inaugurated as the president of the Japan Medical Association, he elaborated a plan of community comprehensive medicine based on his opinion of "Welfare Location" theory, asserting construction of a social economic system supporting the plan. To "realize Positive Health", there is need of "the formation and practice of region inclusive medical treatment. The community comprehensive medicine system is planned, done and valued, around the offer of medical welfare by organizations to practice comprehensive medicine and the related organizations and on the practice-based interaction of individuals, families, industry, administration and non profit organizations".⁽⁵⁸⁾ This idea had a great impact on the medical community then, and formed a basic idea of a comprehensive medical system.

Then, the idea formation of comprehensive medicine by Takemi's theory and JMA was practiced by Hajime Sugita (vice president of Oita-City Medical Association), in the area of Oita. Sugita formulated a plan of and practiced "Multi-Channel Medical System (MMS)", based the theory of the value of positive health" that was based on the two years investigation of the medical system in Oita-Prefecture.

⁽⁵⁷⁾ Recently, a Research Group in the Ministry of Education presented a reform plan as to the medical education system. In this plan, students learn remedies by symptoms. See, NIKKEI NEWS PAPER, November 18, 2000.

⁽⁵⁸⁾ S. TAMURA & H. SUGITA, *supra* note 9, at 142.

He asserted that the “value of positive health” should be understood and valued in plural. In order to apply the optimization of the positive health process, he asserted the necessary of following two elements. One is the mutual relationship between “community/family”, which is a place individuals live in, and “Oita City Regional Positive Health Committee” in Oita. The other is systematic relationship between “Community Health Committee”, which makes plans, and “Almeida Memorial Hospital” and related organizations, which practice medicine.

Tamura supported this theory and practice in the aspect of economics and promoted it with Sugita. The practice of “Comprehensive Medicine” based on the MMS is a remarkable medical care system and a model for the way a “comprehensive medicine” should be in the future. Tamura and Sugita published *“Health Economics — What can we do against the sharp economic fluctuation”* which explained the basic idea logically and systematically and the progress of their study.⁽⁵⁹⁾

Then, based on results of their study, Tamura tried to theorize about the economic system based on the principle of “Positive Health”, in the sphere of economics. The consequence is the “Economics for Positive Health” as an economic theory.

(b) The “Economics for Positive Health” as Economic Theory

i Process Toward the Theorization

As discussed above, the basic idea of Tamura’s “economic theory” is based on ideological value such as “health/welfare” which is opposed to the traditional popular idea of “economic value theory”. Traditionally there were some economic theories similar to Tamura’s, but they were actually against logic. But Tamura proved optimization process of “Positive Health” as a “theory of value of positive health”⁽⁶⁰⁾ able to be realized, succeeding in the development of MMS with Sugita.

In the 1990s, as discussed in II and III, various countries began

⁽⁵⁹⁾ See, S. TAMURA & H. SUGITA, *HEALTH ECONOMICS — WHAT CAN WE DO AGAINST THE SHARP ECONOMIC FLUCTUATION*, at n. 9 (Seibundo Press, 1995). See also, S. Tamura, *Development of Positive Health and Review of Health — Introduction to The Economics for Positive Health*, 1 [2] WASEDA SOCIAL SCIENCE GENERAL REVIEW 39 (2000).

⁽⁶⁰⁾ I think this theory is that of beforehand and “feedback style”.

to assert the recurrence to “market mechanism”, aiming at economic contradiction and fiscal consolidation, before the collapse of socialism and the limit of modified capitalism. But, after economic policies based on the exhaustive market mechanism, such as Thatcherism and Reaganomics, NPM theory as a “administrative” reform swept over the whole world, expected to have a large economic effect, with the freshness of the method.

Tamura promptly analyzed NPM theory and the basis that is the tendency of economic and politic system (particularly of the UK) and concluded that both “Government (welfare policies)” and “Market (economic behavior)” could become successful. This is the understanding of the model of “Pure Capitalism = <Success of Market and Failure of Government>; Modified Capitalism (Mixed Economy) and Socialism = <Failure of Market and Success of Government>; NPM leads <Success of both Market and Government>”.

Then “The Third Way” theory by the Blair Administration and Giddens provided the logical appropriateness, as to “‘positive’ society” that guarantees the “living of human beings”, which Tamura encouraged.

This logical process leads to “Symbiosis” society/“Role synergetic” society.

ii The idea of “Positive Health” — merging of reductionism and holism⁽⁶¹⁾

Tamura’s “Economics for Positive Health” is a theory that deals with the economic mechanism. Therefore it starts with criticism of the traditional economic idea. At first, Tamura dealt with the academic standard of values that supported society of the 20th century. The standard that supported the material civic “value” was the “economic” value, i.e. “consumption” value, of the objects (because “consumption” rules the distribution and after all the production). But this “value” was evaluated after the fact, the standard of value is based on the feedback

⁽⁶¹⁾ See, S. Tamura (1998), *supra* note 55, at 95; S. TAMURA (1997), *supra* note 55, at 166; S. Tamura, *Review of Optimization and Understanding of Pattern — Merge of Holism and Reductionism* —, 58 WASEDA JOURNAL OF SOCIAL SCIENCE 83 (1999). As to basic theory of reductionism and holism in human science, See, N. Kobayashi, *Life, Human Beings, People and Society — From The Human Society*, N. KOBAYASHI & S. TAMURA ED., *supra* note 55, at 1.

approach. Economics (Neo-classical school) is based on the “theory of value of positive health”, which has evaluated the whole society. Such a value standard reduces the value of objects to “economic value”, based on the idea of “Reductionism”.

Based on the idea of medicine since Takemi’s theory and the practice in Oita, we can now understand the following idea. The issue of medicine is to construct a system that comprehensively guarantees to human beings the right to “live happily and reach sound death”. And, the academic “value” must be “*Positive Health*” = *value of positive health*. These ideas are not based on the “Reductionism” but on “Holism”. The standard of value⁽⁶²⁾ is just “to live a sound life”, starting from <living>. This is, as it were, not an idea of feedback but of feed-forward.⁽⁶³⁾ Therefore, “Economics for Positive Health” as an economic theory is asserted from a perspective that economic value and the value of positive health must be understood together.

Of course Tamura’s idea⁽⁶⁴⁾ is being developed under the theories discussed above. Therefore we have to understand that the concept of “positive” is very important.⁽⁶⁵⁾

iii Practice and Valuation Method of “Positive Health”

How should we develop, practice and evaluate the new standard of value “Positive Health”?

At first, the basic character of the “positive health” concept and the academic response are listed on [Table 1]. The academic response to “positive health” is clearly different from the method used to value economic goods.

Second, the value method of “Economics for Positive Health” based on the “value for positive health” is indicated [Table 2] from the

⁽⁶²⁾ “Materialism”/“Post-materialism” in Sawa’s theory is also same concept as “Economic Value”/“Value of Positive Health”. Cf., T. SAWA, *supra* note 11, at 63–65.

⁽⁶³⁾ S. TAMURA & H. SUGITA, *supra* note 9, at 345.

⁽⁶⁴⁾ See, S. Tamura, *Symbiotic Community of Health and Economy — Examples in Kagoshima and Oita*, S. TAMURA & K. YORIMOTO ED., *supra* note 54, at 137. In this article, he discussed Community Well-being in the sphere of environment, resource and health, which was key concept of our symposium in Bonn.

⁽⁶⁵⁾ A. Giddens also use this concept of “positive”. See, *BEYOND LEFT AND RIGHT* 151 (Polity Press, 1994); A. GIDDENS, *supra* note 17, at 111.

⁽⁶⁶⁾ This basic feature accepted Takemi’s theory directly.

[Table 1: The Basic Feature of Positive Health] ⁽⁶⁶⁾

	Academic Treatment
Biological Feature	Biological norm, which needs to theorize and systematize.
Individual Feature	Freedom and variety, which is the basic element to develop positive health, because it is the basis of human activity.
Public Feature	Social contribution, which is based on the human feature as a species.
Comprehensive Feature	Comprehensive accumulation of technology, which broods cooperation is needed to "live a healthy life".
Continuous Feature	Accumulation of the effect of time, with which future-oriented behavior has a good effect.
Uncertain Feature	Future-oriented behavior, which causes the uncertain feature of realization of positive health.

perspective of comparison with contemporary economics (neo-classical school).

Third, we must try to construct a comprehensive system to develop and practice "Positive Health". It is a future-oriented and prevention-oriented comprehensive medical system. Therefore, its basis must be construction of "a system to 'provide' community comprehensive medicine technology accumulation, based on the importance of, supporting and conducting prevention-oriented behavior for human life". Then, the "technology accumulated health development system" may be advocated as a comprehensive medical system to realize optimization of investment to "health" of residents. The system consists of three elements as follows (elements A, B and C).

Element A is "health development-oriented technology accumulated system". The system is accumulation of technology to develop positive health. It is formed by the systematic relationship between the medical related organizations, such as general hospitals, general practitioners, rehabilitation centers and so on.

Element B is "value system/behavior of the community's health committee". It is construction of a "political system" to develop positive health. In developing positive health, the development of public

[Table 2: A Comparative Review between Neo-liberalism and Theory for Positive Health]

	Theory of Value for Maximization of Consumption Goods & Services	Theory of Value for Positive Health
Academic Method	<ul style="list-style-type: none"> –Goods & Services-oriented Value –Natural Science-oriented Analysis 	<ul style="list-style-type: none"> –Value for Positive Health –Human Science
Feature of Evaluation	<ul style="list-style-type: none"> –Money (Market)-based 7 oriented –Short Period Analysis 	<ul style="list-style-type: none"> –Multi-channel Value –Long Period Analysis
Wealth	<ul style="list-style-type: none"> –GNP (Flow) –Capital, Resources, Technology (Stock) 	<ul style="list-style-type: none"> –Attainment of Positive Health (Flow) –Actual Conditions of Positive Health/Environment/Stock
Method of Empirical Verification	–Logical Positivism	–Logical Positivism by Practice
Feature of System Formation	–Mixed System based Market Organization and Non-Market Organization	–Integrated System based on Positive Health-oriented Market Economy
Hypothesis of System Formation	<ul style="list-style-type: none"> –Maximizing Behavior for Self-interest –Non Existing of Leeway 	<ul style="list-style-type: none"> –Human Adaptability Hypothesis by Positive Health-oriented Norm –Existing of Leeway
Stability	Cumulative Effect of Instability	Homeostasis
Management System	Priority for Economic Efficiency	New Management System based on Hypothesis of Human Adaptability
Social/Political/Economical Institution	Capitalism by Neo-Liberalism	Neonatal Capitalism by Positive Health-oriented Norm

system is needed to independently adjust the “Plan/Do/See”. This is asserted to be the goal of “community’s health committee”, to effec-

tively match "provide" with "enjoyment" of positive health.

Element C is "Social/Economic system (share the role of non-market and market mechanisms)". This is construction of an "economic system". It consists of a market mechanism (market economy to develop the positive health-enterprise culture/stay/self-sacrificing market economy) and non-market mechanism (social contribution mechanism-self selection/self-help social security). They are controlled by community's health committee (as mentioned in element B).

It is asserted that investment behavior to "positive health" is comprehensively grasped in these three elements which realize the optimization.

iv Academic value of "Economics for Positive Health"

How should "Economics for Positive Health" theory be academically valued which was advocated based on theories and practices as mentioned above? This theory has the following two characteristics. ① This theory ultimately aims at "Positive" <Community Well-Being>, and advocates academically constructing the standard of "positive" "value". (As to the understanding of "value", it is a logical understanding to merge Reductionism and Holism.) ② As a logical framework to realize <Community Well-Being>, it succeeds NPM theory as well as being based on the "Symbiosis" theory. Therefore, it is natural that the academic value is examined by combining these together this two points.

At first, how should the ideological idea of <Community Well-Being> be valued? <Community Well-Being>, i.e. "positive" (feed-forward) value, is, as discussed above, mental concept that indicates people's state of living with happiness and health. This concept has actually the same meaning as "Positive Welfare" that is used in "The Third Way" written by Giddens and means concept to direct welfare concept as it ought to be next.⁽⁶⁷⁾ It also has a same meaning as "Positive Welfare State" used by Sawa.⁽⁶⁸⁾ Both of these articles assert the realization of "Positive" society. This proves "positive" value to be able to be established as an academic value standard.

Whether the systematization based on such a value standard could

⁽⁶⁷⁾ A. GIDDENS, *supra* note 17, at 111.

⁽⁶⁸⁾ T. SAWA, *supra* note 11, at 178.

be completed depends on logical verification and practice proof. And we have to remember Tamura has proved it in practice, setting up the MMS in Oita from the later half of 1970s,⁽⁶⁹⁾ as discussed above in iii.

Secondary, can the NPM theory be used in the issue of reform of economic mechanism, because the theory is a “administrative” method to realize policies? This is most difficult problem logically. Actually, Eichhorn pointed out this in the Bonner Symposium.⁽⁷⁰⁾ But as a general problem, we proved that “Market” (competitive theory) and “Government” (non-competitive theory) could live together symbiotically, forming optimized model by the share of each roles. Such a method must be logically appropriate and the “Role Synergetic Society” developed on which must be most appropriate way society should be.

(2) The Structure of “Role Synergetic” Society as a Public Policy

(a) The Style of Civil Participation in Policies and “Three Citizens”

i Shift from public-private cooperation to cooperation among citizens, firms and administration

Katsumi Yorimoto asserted following points as an ideal way of public policy, based on his study of local self-governments. It is desirable for all members to participate in policies, classified into three types of members, i.e. “citizens”, “firms” and “administrations” that are connected under the conscious of “civic” (the theory of three citizens. Next, these three members share and take charge of each roles to find more desirable synergistic effect. Public Policies must plan to enlarge the effect.⁽⁷¹⁾

Traditionally, it was asserted that public issues need plan and administration by combination between public and the private sector. But, recently, more and more commentators assert the participation of firms, distinguishing between “individual citizens” and “firms” as to “the private sector”. Once, firms are opposed to individual citizens,

⁽⁶⁹⁾ S. TAMURA & H. SUGITA, *supra* note 9, at 155; S. Tamura, *supra* note 64, at 137.

⁽⁷⁰⁾ He criticized that the idea of social market economy and New Public Management is not request for change of economic principle itself, but intervention in the economic effect by administrative method.

⁽⁷¹⁾ K. YORIMOTO, *supra* note 53, at 2; K. Yorimoto, *supra* note 54, at 53.

and the local government are administrated taking care of individual citizens. But, Yorimoto supports the idea to classify "individual citizens", "firms" and "bureaucracy" based on following reasons.

At first, better policy-making became regarded as important in the sphere of public policy, step back ideological disputes around the social issues. Secondary, the more people are interested in public contribution of firms, the more liability or contribution of firms become clear. In particular, development of recycle-system must depend on the cooperation of firms. Thirdly, in the sphere of civic and consumer's movements, firms are still targets or enemies of protest. This is maintained in some issues. Fourth, to the future, the public consists of not only individual citizens and firms but also NPOs (non-profitable organizations) and NGOs (non-governmental organizations).⁽⁷²⁾ The role of firms must be distinguished from that of NPOs/NGOs.⁽⁷³⁾

ii "The Three Citizens" theory and role synergistic effect

Yorimoto, then, places all of the three constituent members as "citizens". Those are ① "Individuals as citizens (individual citizens)", ② "Firms as citizens (corporate citizens)" and ③ "administrative citizens (bureaucratic citizens)". He asserted that all of the "three citizens" should contribute to society, being in charge of each role, to solve the administrative issues.⁽⁷⁴⁾ The significance is as follows.

① As to "Individuals as citizens (individual citizens)": The contemporary environmental issues are very complicated and individual citizens are not always the victims, but the guilty parties (who bring about the environmental problems) in relation to daily lives. To solve the problem of noise pollution of neighborhood, wastes or air pollution of exhausts, Yorimoto asserts, it is very important for people to keep to criterion of daily life, voluntary restrain consumption and rather actively take part in activities to solve the problems.

② As to "Firms as citizens (corporate citizens)": In future firms have to produce the products that is waste less, energy-saving and

⁽⁷²⁾ Activity of NPO/NGO have a very important position, in respect of "participation of citizens", because the volunteer spirit in those activities become driving force of administrative reform.

⁽⁷³⁾ K. Yorimoto, *supra* note 54, at 54.

⁽⁷⁴⁾ *See, Id.* at 49.

easy to recycle. There maybe remains some anxiety whether individual firms respond to this demand. But, firms are not only responsible for making sure of continuing possibility of global environment, but also expected to contribute to construct local communities and to deal with environment problems as a member of citizens, holding a sense of citizens. Particularly, in the sphere of environmental and products-recycle problem, it is essential for firms to cooperate to solve the problems.

In this context, Yorimoto gave two examples to prove this.⁽⁷⁵⁾ One is a report titled “The Environmental Problem of Musashino-City at the Beginning of the 21st Century”, made by Task Force for Environmental Problem in Musashino-City in 1992. The report said that it is important to be spread the activities based on the voluntary will of citizens that include not only individual citizens but also ‘corporate citizens’ participated as a member of the community.

The other is “Plan of Kawasaki New Age 2010” of Kawasaki-City in 1993. The plan said that firms are expected not only to pursue the interests but also to widely contribute to society as a “corporate citizens” to realize a wealthy and high-quality community.

③ As to “administrative citizens (bureaucratic citizens)”: Yorimoto said it is as a matter of course that bureaucrats have abundant civic sense, and strengthen awareness as a member of citizens. Then, he said, there is no way but to foster and develop the democrats as citizens, to solve the problem of red tape, current rigid policies and vertical divisions of government agencies.

“Three citizens”, Yorimoto said, who are members constructing society based on the concept of “citizen”, take each roles and duty as to individual administrative problems, while administrative policies make plans to realize systematic relationship of them, which is the “Three Citizens” theory.

The most important is, Yorimoto said, to aim at public policies of “synergistic Role” as the common goal of the three citizens, that is to concretely describe the synergistic world with every public issues. He expects the effect of <synergy> by way of sharing of each role.⁽⁷⁶⁾

⁽⁷⁵⁾ As to another relationship between environment and “firms”, *See, Id.* at 55.

⁽⁷⁶⁾ *Id.* at 53.

(b) How Should be Administration with <Participation of Citizens>?

i Meaning of <Participation of Citizens> in “Symbiotic” society

How should be “society” as a place where people can live in peace? It is matter of course such a society is where the vulnerable can live in equal, well-equipped welfare and safe. It is explained by Tamura as a place that “leads healthy life and death in satisfaction”. It is entirely depends on state policies whether “welfare” is completed, the vulnerable is respected and social security is given. It is an issue of the balance of <enjoyment of distribution>.

Such policies must have the basis on “receiver-side”. It is a problem for the people/residents what is comfortable for them. Therefore, it is very important for the people/residents, i.e. citizens, to take part in decision-making. This is the starting point of “symbiotic” society.

As discussed before and before, it is expected that participation of all members of society in administrative system generate synergistic effect, on which “Role-Synergistic Society” is constructed. In this context, “synergistic” society is a model to construct a society presupposing <participation of citizens>.

Tamura said as follows about the interdependence system. “Administration is practiced based on the will of the people assembled into the local council. Here, it is needed for citizens to actively take part in exercising rights and duties, as well as to respect other’s manner of living for interdependence. Enlarged reproduction of the economic infrastructure of civic life needs market economy and industrial activity the motto of which is to coexist with natural and cultural environment of the community. Revitalization of private economy, which is so called, must be considered based on such industrial activities”.⁽⁷⁷⁾ Yorimoto also brings up a program based on “The Three Citizens” theory, as discussed above.

ii How should bureaucracy should be, compared with reality.

“Participation of citizens” is the most important issue for “soci-

⁽⁷⁷⁾ S. Tamura & K. Yorimoto, *New System of Autonomy Sponsored by The Community — To Create The Free, Democratic and Active Community* — (unpublished manuscript in our research committee; Statement of Tamura).

ety” itself. In the 20th century, it is very difficult for citizens to take part in administration, which was ignored. In this context, “participation of citizens” should become an essential premise of social structure, though the way of participation is not necessarily clear with constitutional problems of bureaucracy. This must be an issue of concrete method, as opposed to a slogan. Therefore we have to consider this problem in the aspect of bureaucracy.

“Participation of citizens in administration” is an ideal way of administration, which is an ideal type from the standpoint of the people/residents and scholarship. But there is a question: Could such administrative system be formed and operated in our state? I don’t think so, *except the waste disposal problem etc.* Far from that, Japanese administration, in general, doesn’t reflect even the will of citizens, in a lot of cases.

In fact, it is very burdensome for bureaucracy to admit participation of citizens. From a bureaucratic standpoint, “civic organizations” (and NPOs/NGOs) appears to be pressure groups or “nasty bodies”. In such circumstances, it is almost impossible for citizens to take part in administration. Bureaucracy, in the all process of planning, decision and enforcement, could carry out administration without a reflection of the will of the people, to say nothing of results.⁽⁷⁸⁾ Therefore, “participation of citizens” can be not easily admitted, contrary to the arguments of commentators. We must remember that some local governments, which are controlled by wise administrator, have actively admitted participation of citizens. But, in general, such bureaucracies are very rare in Japan.

What caused such bureaucracy in our state? Kimio Miyagawa asserts that Japanese decision-making model is “Elite Model” which reflects sense of value of governing elites. He said as follows. “In our democratic society, there are a lot of people who believe public policies reflect the will of the people, but this is just a myth of democracy and not fact. The people usually aren’t interested in public policies and

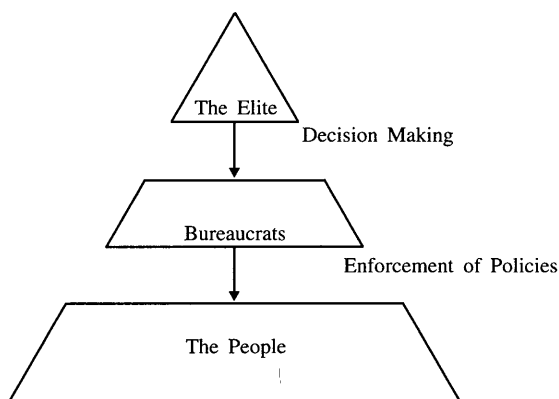
⁽⁷⁸⁾ On the other hand, in specific sphere, there is a tendency that a lot of people of experience or academic standing are in the employ of government, in which specific people control all aspects of the sphere long term. Of course, such a “fraudulent method” is not an issue of “participation of citizens”.

don't have plenty of information. As to policies, the elite make public opinion, rather than the people make the opinion of the elite. Therefore, public policies, in fact, reflect value of the elite. In this situation, bureaucrats just execute policies decided by the elite. Policies have direction from the elite to the people, rather than from the demand of the people to the elite”.⁽⁷⁹⁾

Hearing this, we should become aware that Japanese society is a very typical bureaucratic society.

Following figure illustrates process of decision-making and execution of policies by the elite bureaucrats, the feature of which is as follows. First, the elite is usually conservative, because they have interests to keep the current system, but in a case that threatens them, they actively try to reform to keep the system that brings them their interests. Therefore, welfare of the people is an important element for decision-making of the elite, which leads elitism is not always against the welfare of the people.

Second, the elite seldom consider that decision-making depends on the people through the election and political strife, because they consider that the people are passive, apathy and ignorant. Therefore this means that democratic systems, such as election and parties, have just



[Figure : Model of the Elite]⁽⁸⁰⁾

⁽⁷⁹⁾ K. MIYAGAWA, INTRODUCTION TO POLITIC SCIENCE 140 (Toyo Keizai Press, 1995).

⁽⁸⁰⁾ *Id.* at 141.

symbolic meaning, and the people affect decision-making by the elite mere indirectly.

Third, the elitism theory is based on the theory that the elite is recognized to keep the basis of society by mutual consent. In such a theory, stability of society depends on the consensus of the elite, it is just policies within the scope of which to be considered seriously.

Such an elite model is firmly existing in Japanese society. Particularly, we have to remember that, before the World War II, this system had long formed the whole administrative system. After democratization, there remains this character, though it is not typical form. It is not so much easy for us to realize the ideal style of <participation of citizens>, because our administrative system has been formed as such a system and the bureaucrats have a strong sense of being one of the elite.

The public sector is not representative elected by the private sector. It is the elite that rule the country in Japan. The idea of “public sector is worthy, the private sector is humbly” is symbolic of Japanese society, not only in the sphere of administration but also that of education and academy.

As a result, “participation of citizens” has been realized in the sphere that is favorable for bureaucracy, such as the waste disposal systems, the recycling movements and the protection of the environment. Further, even in these spheres, citizens and firms are not positively taking part in the administration.

Observing this fact frankly, we should fully realize the necessity to construct a society in which the private sector has an equal standpoint to the public sector, which needs a conversion of the framework. This means the “symbiotic” society of “synergistic roles” of all members of society. To realize this, reasoning, as a theory of conversion of framework, is necessary to hold that the people have the “right” to participate in the administration as a “member” of society.

(3) Avocations of the “Member” Theory to Realize “Symbiosis”.

(a) A Suggestion from the Takayanagi Paper — Member Theory (Right for Student to Take Part in the Autonomy of University).

Student movements becoming more radical and universities not working, Shinich Takayanagi published an article named "*The autonomy of university and that of students*"⁽⁸¹⁾ in 1969, which is from the lecture at Tokyo Bar Association in November 6, 1968. In those days, student movements were very active all over the world. Particularly in France, Charles de Gaulle came up with policies that admit students' participation, which some states followed by enactment of statutes. Responding this situation, Japanese students (movements) had required to admit the "autonomy of students" based on the "autonomy of university" and to take part in the university system.

In various opinions of a lot of commentators, Takayanagi paper is outstanding, grasping the students' requirement as historical and logical argument. The paper discussed what is the problem of "autonomy of students".

Within the scope of this article, the Takayama paper is suggestive in following elements.

First, the basic viewpoint as to "students' participation" is very suggestive. In those days, the dominant theories were "students as restrictive members" theory,⁽⁸²⁾ which was a theory that students, as a matter of course, were limited freedom as students who received education, though they had complete freedom as citizens, and "the conventional view of universities" theory, which was asserted as follows. "Universities controlled by just professors are self-righteousness. Students and external people should also take part in the control of universities. The duty of universities has not been already the pursuit of truth. Therefore, universities should be a service-station now, which cause the necessary to reflect the requirement of users and whole society."

Criticizing the conventional view, Takayanagi explained that the basic viewpoint of students' participation must be "having the clear answer to the question what position students have in the autonomy of universities or in the universities that are guaranteed and have auton-

⁽⁸¹⁾ S. Takayanagi, *The Autonomy of University and That of Students*, 154 LEGAL SEMINAR 2 (1969), 155 LEGAL SEMINAR 2 (1969).

⁽⁸²⁾ The idea of the Central Council of Education, The League of National Universities, the University of Tokyo, and so on.

omy". Then, he said "we have to pursue the new image of university, understanding failure of the traditional idea of university's autonomy based on manager-side idea that the autonomy of university equals that of professors".⁽⁸³⁾

Second, Takayama paper arrived at students' participation theory by assessing the significance of students' membership of university. He said "The autonomy of the university leave study/education functions, which are separated from arbitral control of external power, to autonomous dealing. Therefore, all members of the university have the right and duty to participate in the autonomy of the university, to the extent and nature of relationship to the study/education functions. This is necessary to compel the university to perform its mission."⁽⁸⁴⁾ And, "control of the university is a premise of the unrestricted pursuit of the truth. All members should be able to participate in the decision-making in proportion to one's function. Securing autonomy of the university concerns the fundamental interests of both professors and students in each aspect. In this context, students should share the right and duty to obtain freedom of the university."⁽⁸⁵⁾

(b) Reasoning of <Participation of Citizens> as a "Right"

i Takayanagi paper — members' right in autonomous societies

The theory of "members" of autonomy of the university, as mentioned above, regarded "students' participation" as social requirement, which was reasoned as *essential right and duty*.

This theory of "members" of autonomy of the university⁽⁸⁶⁾ is very suggestive to our problem, i.e. reasoning of participation of citizens, who are members of the autonomous society, in administration. Ad-

⁽⁸³⁾ S. Takayanagi, *supra* note 81, 155 LEGAL SEMINAR 2, at 22.

⁽⁸⁴⁾ *Id.* at 17, 22.

⁽⁸⁵⁾ *Id.* at 22.

⁽⁸⁶⁾ University is composed of three essential elements, "professors" who take charge of education and research, "students" who enjoy the result of education/research and "general staff" who operate office and institution. Understanding this, students asserted to respect the position of "students" as a member of university, which, in detail, included reflection of the will of students to the president election, review of classes, reflectioin of the will of students to the educational system, review of teaching staff (such as professors), and participation in the management system of university.

ministration of an autonomous body is basically left to "autonomy". The problem, we are dealing with, is "participation of citizens" in the machinery of the government. In the machinery, as mentioned above, there still be classical nature (idea of "model of the elite"), constructing the world of the idea of "public sector is worthy, the private sector is humbly". We have to break the status quo, and reform the system/machinery of administration to reflect the will of the people. The theory of "membership" of the autonomous society is appropriate to this.

ii Development of the theory of "membership" of the autonomous society

In the traditional idea, "citizens" are the object of administration, as illustrated in "the model of the elite". But, primarily, "society", in which citizens live, must be autonomous society, which is administered by the members of society. This should be the start-point of discussion.

It is as a matter of course that the mission of administration is to give citizens, of which the autonomous society is made up, welfare, health, comfort to live and peace of mind (which is included "welfare", hereafter). This is *<distribution> by administration*. And, citizens have a right to "enjoy the distribution" from administration. The mission of public policies is planning and enforcement to maximize that effect. But the effect of "distribution" = "welfare", which citizens enjoy, depends on the success or failure of the policies. Thus, "citizens", who have right to enjoy distribution, should *have "right" and "duty" to take part in the process of decision-making* (process of public policies), because it is a problem to determine "welfare" of the citizens themselves.

Therefore, we citizens should become aware that we are a member of the autonomous society and "have right and duty to take part in society" to compel society to perform the "mission as society", i.e. better distribution. Under such idea, I think, administration must be reformed to realize "participation of citizens".

iii Necessary to establish the observation committee

To realize the participation as an ideal model ought to require reform of administrative organization. Traditionally, people (or parties)

of experience or academic standing, who were convenient to the bureaucracy, were called, as participation of citizens.⁽⁸⁷⁾ Such a participation guarding the power is, of course, not genuine. The point is to construct a structure of “participation of citizens” to reflect the will of whole citizens.

At last, in my opinion, the necessary structure to effectively realize “participation of citizens” and to impact citizens into administrative policies is, for example, as follows. “Observation Committee”, composed of representatives⁽⁸⁸⁾ of citizens, *discloses the information* about planning, enforcement and result of policies, giving its opinions, which bring about the optimization of effect. Establishment of such a bi-directional structure should realize “symbiotic” society of synergistic roles, realizing the symbiosis of administration and citizens.

VI. CONCLUSION

The theme of this study is, as mentioned initially, how society should be to the 21st century and what is the tendency of academic disciplines (administration, legal and political science), learning New Public Management theory, “The Third Way” and “Symbiosis” theory.

New Public Management theory, as to “government” that is machinery of control promoting policies and being unrelated to competition, reconstructed the national treasury and rescued the fleshy “government (administration)”, analyzing the functions/roles and introducing “market mechanism” into appropriate functions. At the same time, it formed optimized model of policy enforcement based on Cost-effectiveness. “Market theory” is in danger of destruction of “market”,

⁽⁸⁷⁾ See *supra* note 78 and accompanying text.

⁽⁸⁸⁾ These representatives may be not necessarily elected to the office, but citizens who are interested in the issue. In this meaning, the activity of NPO/NGO is put hopes. Of course, the basis is progress of “awareness as citizens”. By the way, there are 2763 NPOs as of day of December 20, 2000. *Economic White Paper* of 2000 said the economic scale of NPOs was 18 trillion yen in 1998, which was 3.6% of GDP (In US, it was over 7%). The essential cause of hanging low of NPOs’ activities is, I think, low level of volunteer spirit that is from low level of “awareness of citizenship”, though a lot of commentator explained the reason as an issue of taxes (In Japan, contributions from individual citizens to NPOs are not deductible from income taxes.).

going out of control, though it might be a basis of economic activity as a social behavior pattern. It is the mission of "government" to regulate "market" and compel it to be independent. This means that "market", which is developing based on the competition theory, and "government", which is originally unrelated to competition, achieve a great success each other, playing the each role.

"The Third Way" theory tries to realize social welfare, depended on the optimized model offered by New Public Management theory, and merge it into market theory. This theory advocated realizing "positive welfare" society, as it ought to be, by the way above mentioned.

Combination of results of those theories and synergistic effect of "Symbiosis" will make it possible to realize a "positive" society of "synergistic roles", i.e. society of Positive Well-being. When it comes to consider what was lack in society on the 20th century and what is expected in society of the 21st century as social structure, it is necessary to develop the positive "symbiotic" society and "role synergistic" society composed of whole members of society.

But, realization of such a society is not always easy, in view of current administration system of our country. It is necessary for us members to be aware of "right and duty" to participate in administration. Such a society ill be realize when the awareness is put in the social system. It is the first step to social reform.

Social reform must be directed to realization of human society that was forgotten by society of the 20th century, as well as high technology world.

(Finish writing, December 13, 2000)