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Editorial Note

Meiji University Graduate School of Governance Studies was established in 2004, and since then it has been providing highly professional and pragmatic courses to the students who are engaged in or interested in public policy. The school also started English track in 2006 and it has been received more than 150 students from 20 countries in the world. Most of the foreign students are either central or local government officials who are actively engaged in public policy planning and implementation in their home countries. Since its inauguration, the Graduate School of Governance Studies has built an important and creative arena of mutual learning and exchange of ideas among the professionals across the boundaries engaged in public policy. In 2014, a Doctoral Program in English, the Graduate School of Global Governance was started to receive students from all over the world.

The *Meiji Journal of Governance Studies* is an annual journal in English edited and published by the Graduate School of Governance Studies, and it accepts contributed manuscripts on various issues related to public policy and governance written by the Faculty members and the students of Doctoral Program. This is the third volume of the journal, and we are happy to introduce excellent and professional papers by three of our professors in the School. Professor Sasaoka contributed an article on global governance through his professional perspective based on more than 30 years practical experience in the field of development cooperation. Two of our foreign professors, Dr. Laratta and Dr. Jones also contributed valuable papers from their fields of interest, social enterprise and environmental governance respectively.

As the editor in chief of this journal, I would like to express my sincere appreciation to the Faculty members participating in the editorial Board actively, and also to the Professional Graduate School Office for their logistic support. The School of Governance Studies hopes that the *Meiji Journal of Governance Studies* will continue to facilitate meaningful discussions and insights among academics and practitioners engaged in governance domain.

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Governance Revisited: Its Multiplicity in a Globalized Era

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1. Introduction

The meaning of governance is multi-faceted. Governance is associated with private company management, government capacity and pressing global issues. It is close but not equal to the government. The word “*governance*” itself has gained magnified and complicated meanings. Moreover, these complications have tended to afford practicality for some circles, because the concept has ranged among many academic fields; politicians, practitioners and scholars have found this word useful and attached special connotation to it. Therefore, the concept of governance has been widely used in many academic and practical fields, and its meaning has both varied between the different fields and even been one of contrast within the same field. There are two roots of the concept of governance, namely, corporate governance in business sectors, and global governance in international relations. However, governance is not such a familiar word for ordinary citizens, except for occasions of inauguration ceremonies conducted by a company or university for new entrants. Since presidents usually need to pretend that they know world trends very well, they often tell pretentious stories to impress newcomers with buzzwords like governance.

In daily life, governance usually refers to the act and manner of managing organizations and governments. Corporate governance was first addressed in the 1960s within business sectors, and its widely used definition is, “the system by which companies are directed and controlled” (Cadbury Committee, 1992). More specifically, it is the framework by which various stakeholders’ interests are balanced. Corporate governance also contains the meaning of Corporate Social Responsibility (CSR), especially in Europe. In political science, the theoretical development of governance was advanced in international relations studies, and thereafter the concept has been utilized in the domestic politics and administration. This shift had a sensational impact on debates we will be analyzing later.

This chapter attempts to provide a critical review of the concept of governance and extract its future challenges. In the next section, the theoretical development of governance is discussed, to examine when the theory was first proposed and how it has evolved. Next, section 3 will examine the meta-theory of global governance.

This concept has clearly demonstrated the political crises and challenges that emerged with the rise of globalization in the 20th and 21st centuries. The author attempts to extract the challenges of the theoretical development of this concept, and examine the relationship between it and multi-layer governance as proposed by the author.

2. Transition of Governance Theory and the Politics of Governance

The word governance was often used in public administrations, international organizations and environmental protection in international settings following the Second World War. However, its meaning was restricted to a general management term until the 1980s. For example, a former United States diplomat wrote a commentary titled, *The Governance of International Affairs in the Journal of International Security* and the word governance was given any special meaning at that time. More eye-catchingly, the word *governability* was invented, as it implied an authoritative structure's governing ability. The word became popular in journalism here and there. Claude (1984), while researching about the United Nations, invented two contrasting sub-concepts that constituted governance: the governing ability of rulers, and the governability of the ruled. The word governance had been frequently used in international relations since the 1980s for a variety of reasons. In particular, the terms international governance and global governance appeared often in academic journals.

James Rosenau wrote an epoch-making book on this concept. His 1992 and 1995 article, *Governance without Government* provided a new meaning to the word (Rosenau, 1992 1995). His use of governance is global governance, where structural unipolar and compulsory power does not exist in the world. This word implied the state of the nature of international society and was a self-evident fact of the world for many scholars, especially realists. Rosenau is a liberalist, but he actually accepts the theoretical assumption of anarchy for explaining the world. The concept of global governance, meaning no authority at the center of the world, or the absence of central power, coincided with the end of the Cold War, when General Secretary Gorbachev advocated New Thinking diplomacy, and the conflicts between the US and the USSR ended. Governance theory was well conceived by the United Nations and shared the tasks of pushing forward its mission. The end of the Cold War naturally upgraded the expectations of people and member countries of the United Nations. Such trends attested to the fact that the Committee of Global Governance was established in 1992 in the U.N., and the *Global Governance Journal* began publishing in 1995. Rosenau wrote an article for the first issue of that journal that appeared after an opening essay of Boutros Boutros-Ghali, then the Secretary General of the UN (Rosenau, 1995).

Rosenau's concept of global governance is not an attempt to envisage a world government as the highest authority, but an assertion that actors including states, organizations, and companies around the world are mutually interacting and affecting each other without borders, even in anarchical societies, and that the rise of

innumerable control mechanisms working on multiple levels could possibly shape and facilitate interdependence of world actors. His assertion is actually a combination of realistic recognition of the original world and the liberalist's convictions about the evolving world. This combination creates the base of his originality. Control mechanisms, meaning a type of state and non-state collaborative influences, are considered to be rapidly expanding as the number of U.N. member countries and international non-governmental organizations (NGOs) increase. Institutionalization in many fields such as trade, finance and the environment has developed around the world, and cooperative and collective actions of many actors have been promulgated by their interdependence. One modality of control mechanisms that Rosenau did not mention is that of regional actors at various levels of regional organizations and agreements.

Rosenau's argument had a strong impact on the academic field. His argument of governance without government, which became a very famous phrase, means the absence of a world government or world-level authority. In that sense, his theory is unique in contrast to the regime theory, which was already a well-known approach to highlighting the institutionalization of organizations, rules and norms as important factors in creating a new interdependent world (Young, 1989). The phrase became surprisingly sensational in the areas of domestic political science and public administration when researchers began writing about governance without the government, because in this usage, "government" means the central government of a sovereign state. After the oil crisis of the 1970s, the decline of central governments' abilities to actually govern became serious in Europe and other regions. Big governments were regarded as inefficient and neoliberal, and the privatization approach dominated economic policy prescriptions for developed countries, while everyone mourned serious government budget deficits and the overburdening of the welfare society. Governance theory was accepted by academic circles of domestic politics and public administration when "from government to the market" arguments became attractive in Western societies. Some fought back against the governance approach's negative views of central governments, but many researchers nevertheless appreciated this approach and acknowledged that networks and partnership among multiple actors have the important role of opening a new age of public domain.

The governance approach flourished in the UK and Dutch domestic circles, in particular, where the quest for alternative governmental actors had been very keen. In the early 1990s, heated discussions took place over the provision of public services in the UK. Even John Major's administration agreed to introduce the Citizen's Charter, which recognized citizens as clients endowed with entitlements to public services. Similar approaches and trends were adopted during the wave of New Public Management (NPM). Market-based approaches of consumers and bottom-up approaches of the clients flourished, while the top-down approaches of politicians and central governments became unpopular. Rhodes (1997) applied the concept of governance to public administration and public policy to refer to the changed boundaries between public, private and voluntary actors. Governance is related to

governing with and through the actors' networks. He confirmed the argument that there had been a shift from government to governance, and that it was the mix of bureaucracy, markets and networks that mattered. Surely, there were opposing views about governance that stressed the importance of the government (Peters & Pierre, 1998).

The concept of governance has entered into debates about international development. The base of arguments mainly derived from corporate governance. The World Bank and the United Nations Development Programme (UNDP) have been promoters of the concept. The World Bank issued the report, *From crisis to sustainable growth — sub Saharan Africa: a long-term perspective study* in 1989, which pointed out that Africa's deteriorated economy was due to the failure of public institutions, and asked for governance as the remedy to its needs. The World Bank's use of the word governance instead of government was thought to obscure the vivid pictures of the struggles for political resources in African states. International organizations were asked to intervene in democratization by bilateral donors in the post-Cold war period, but they were still reluctant to harshly criticize the governments of recipient countries as clients. Governance is a convenient word for international organizations, because, by using that word, they can intervene into domestic politics while continuing to pretend to uphold political neutrality. Hyden and Bratton (1992) interpreted the World Bank's demand for governance as an implicit request for liberalization and democratization. This jargon is not the actual concept of governance in international relations, but the intentional usage of a familiar word by international organizations. The United States clearly demanded democratization as the central pillar of political conditionality, while other major European donors showed interest in combining democratization with other agendas in a balanced way, and considered the US method as too straightforward and politically oriented. Governance is also a convenient word for bilateral donors to eliminate unnecessary struggles with aid concepts. Governance sounds more like the broad and technocratic reform concept that supposedly contains the state's various policy prescriptions, including democratization. Furthermore, it could be used as a normative concept by donors; this element was crystalized into the concept of good governance in later stages.

Political scientists focusing on Africa, as represented by Hyden, contributed the most active responses to the aforementioned World Bank report among researchers in many areas of study. There exists a government with military force within the territorial borders of Sub-Saharan Africa (SSA). However, Western political scientists were unsure of its nature and whether it belonged to the government in the most rigorous sense of Western academics. They decided to use the concept of governance in illustrating actual political situations in SSA. Governance and regimes are often used in political literature about SSA because the two words imply both formal and informal institutions, while the word government mainly implies state and its formal institutions. The mixture of formal and informal rules is sometimes mentioned as a hybrid regime in SSA and is considered to represent the main characteristics of African politics. Researchers in other areas who dealt with more

organized and stable political situations were not so eager to use this word until the end of the 1990s.

Good governance arguments were derived from debates in the development circle that consists of donor agencies and researchers after the late 1990s. Learning from the past failures of policy reforms, many researchers and practitioners tended to claim that development by external aid is expected to gain effectiveness under the right policy environments (World Bank, 1998). Plenty of researchers have tried to manifest that the failure of policy reforms were due to the failure of the Structural Adjustment Programs (SAPs) imposed upon recipient countries. There were also optimistic views that policy reforms could be realized if domestic stakeholders were positively engaged in aid programs (World Bank, 2001). These discussions led to arguments regarding the ownership of a recipient country: if it has ownership, or if its government can regard these problems as its own, more effective development would be assured. The World Bank (1992) said that good governance is sound development management, and its necessary three ingredients are accountability, legal framework for development, and information and transparency (transparency of information).

One must be cautious about donors' dogmatism when evaluating the governance of African countries from the perspectives of external actors and the international society. In 1998, Julius Nyerere, the first president of Tanzania, made a speech on governance and said that Africans need to evaluate their governance by themselves, not allow outsiders to do so. He mentioned the origin of aid in the UK prior to the establishment of the domestic welfare society, stating that at that time, the British Fabian Society conducting aid for the poor based its criteria on the "deserving poor" (Nyerere, 1998). Today's international society engages in the same practice before establishing an international welfare society. Donors choose recipient countries based on the criterion of good governance and consider selected countries as deserving recipients. Nyerere cautioned against possible discrepancies between a recipient country's status and its actual needs. More critical views are possible from the history. Bad governance in Africa was at least partly brought about and implanted by Western colonialism. For their convenience, colonizers divided social groups between urban and rural, and created ethnic groups that became antagonistic against each other. That act was the root cause of bad governance.

3. The Debate in International Relations from Multiple Perspectives and Challenges

Since Rosenau, there have been many debates and opinions that interstate systems consisting of nation-states cannot properly manage and respond to the rapid changes of globalization. However, cautious views also abounded. Keohane and Nye (2000) interpreted the effects of globalization as relatively minor issues and mentioned that global governance is considered to be supplementary networks compensating for the interstate systems. Krasner (1999) was also skeptical about relativization of sovereign states by the effects of globalization, but admitted that a

part of states' sovereignty had been eroded. Skepticism was mounting on the role of central government in the 1980s and 1990s in the field of comparative politics, and similar negative views on the interstate system became dominant in the 1990s and the 2000s in international relations. Therefore, how to evaluate the role of nation-states in governance crucially depends on the actual changes globalization brought to the nation-states.

At present, there are three major debates about governance and globalization. They are (i) the limitations of the interstate system; (ii) the merits and challenges of IT globalization; and (iii) cultural confrontations with globalization.

The first debate claimed that present globalized challenges such as poverty, inequality and environmental crises have not been treated well by the interstate system: global challenges seem to be greater than the management capability of the interstate system (Rodrik, 2011; Piketty, 2013). These views are expressed by global alternative democracy polemicists (Scholte 2014), supporters of world government and anti-globalists. They insist that the establishment of global governance is a necessary policy measure for coping with global challenges. While ordinary globalists or economic neoliberals welcome the effective coordination of interstate systems over international economies or global environments, anti-globalists address the importance of alternative governance: local governance at the subnational level and global governance at the supranational level. Alternatives at any levels are regarded as important counterweights. Especially in Europe, there are strong movements toward separatism inside the state and a vision of an integrated EU beyond the state. Revisionists admit there are many problems of international economy and that renovating the framework for economic cooperation is urgently required (Nicholson, 1998). Revisionists are not skeptical about globalization trends, unlike anti-globalists. Anti-globalists often criticize global capitalism and demand the dissolution of international organizations as demonstrated in several events, such as the suspension of the World Trade Organization (WTO) ministerial meetings in 1999 and the 2011 Occupy Wall Street movement. What they are opposing is not only particular organizations such as the WTO and the International Monetary Fund (IMF), but also the present functions of international organizations and the entirety of the interstate systems that support them. In their views, international organizations are incapable of going beyond the scope of the interstate systems (O'Byrne & Hensby, 2011).

Held and McGrew (2002) presented a concept of cosmopolitan democracy that aims at furthering democratization of global and transnational institutions. They enshrine the establishment of a world parliament through elections in their final vision, but stress the importance of democratization through multilevel governance as a transitional measure. Held and McGrew appreciate regionalism and consider it to be the springboard for transforming society from national to transnational, and from transnational to global. Localization and decentralization are also expected in many corners because state-centralized budgets in low-income countries are seemingly not beneficial for people's welfare under globalization. Multilevel governance is expected to link governance and democracy on four levels: subnational, national,

transnational and supranational.

Those who believe in alternative globalism are alarmed by the expansion of inequality under the trend of globalization. McNally (2005) insisted that economic neoliberalism would expand the disparity between the rich and the poor. Absolute poverty has been reduced in low-income countries under the MDG. However, income disparity is increasing in both rich and poor countries. Various alarms were sounded during debates in the World Social Forum (WSF) that began in 2001. The aim of the WSF was to countervail discussions of the World Economic Forum (WEF), which holds a regular elite gathering every January in Davos. Environmental and human rights NGOs in the WSF say that globalization could lead to environmental degradation and the destruction of the lives of native people. Similar views are represented by some dependency theorists and neo-Marxists such as Cox and Sinclair (1996), who criticize the North-South divide that is the domination of wealth by developed countries (i.e., the North) over developing countries (i.e., the South). Under the process of globalization, the middle class began shrinking in many developed countries in the 2000s and 2010s. That irony has provided a common base for protesting inequality under globalization.

Regionalism is an important common ingredient in multilevel governance. It has been developed in many parts of the world, and has focused on a variety of fields: economic, political, security and cultural. The regional body of the EU is a supranational organization, while those in other regions are interstate organizations. Regionalization can take place at various levels: subregion, region and/or macro region. A nation-state can be located between a region and subregion, while a subregion can be subnational or supranational. The three levels of region, state and subregion can provide more dynamic perspectives than static multilevel governance (regional organization, national government and local government), and are applicable to any region. Both regions and subregions can maintain and change nation-states, while subregion connected with globalization can influence other actors in the short term. Macro-regions can be supranational bodies, Free Trade Agreements (FTAs), custom unions and just virtual group of conference diplomacy. Regionalism is closer to nation-states than to international organizations and can both facilitate and counter globalization.

The second debate explains that globalization has been sustained by technological breakthroughs and has made a significant impact on interstate systems to reshape new forms of cooperation (Friedman, 2007; Derian, 2013). Information technology (IT) has dramatically advanced since the 1980s. In the post-Cold war environment, globalization has been promoted by IT renovations driven by market competition among firms and strategic competition between countries. This period is very much synchronized with the democratization trends that followed the Cold War. There are some NGO networks for facilitating democracy, such as Freedom House, which can provide important information about freedom to a world audience via the internet.

IT has a double-edged sword effect. While cooperation and mutual interdependence between states and enterprises develop through the diffusion of the internet

and mobile phones, cyberwars often arise in everyday business, government and military operations. Cyberwar is a result of the evolution of conventional warfare (Limnell, 2014). It is unaccompanied by weapons and initiated without any declaration. Sharing the norms and confirming mutual understanding and interdependence have become generally easier in a globalized world, but no rules and norms have been established in the cyber area. Regime theory has tried to prove the fact that the accumulation of the norms, rules of the game and decision-making procedures can lead to sound management of state behaviors, but its validity changes across the sectors. International organizations can provide the public with goods that facilitate mutual cooperation among states, but there is no institutional protection for IT.

Serious risk is also found in the lack of regulation of the global financial sector, as in the Asian financial crisis in 1997 and the Lehman Brothers scandal in 2008. The main economic challenges of global governance are speculation and hot money. States cannot control short-term speculation in risky financial transactions or profit from unusual fluctuations in the market value of a product. States also cannot control money outflows to earn short-term profits and evade government taxes through tax havens. However, it can be said that globalization can construct information networks that connect and stabilize relationships among any actors in the long run, if appropriate regulation systems and norms are established in the financial sector.

IT can instantly coalesce opinions and emotions around the world. This was vividly demonstrated during the Arab Spring of 2011, when young protesters connected through the internet, went into the streets and demanded democratization. While role of the state is being diminished, civil society, Civil Society Organizations (CSOs) and NGOs are thought to complement the capacity and functions of a nation-state. When a central government has been weakened, collaboration is more important between civil society and enterprises horizontally, and regional and subregional bodies vertically. Moreover, civil society has also become multilevel, not limited to only a national level. Global civil society has developed since the 1980s, and has especially accelerated since the 2000s. The advancement of IT and activated discussions among NGOs have invigorated civil society's activities. Deliberative democracy can deepen the arguments of local societies through IT. The internet has enabled world citizens to learn about the issues of global challenges, exchange views and fund campaigns online. The essence of civil society can be expressed as the dialogue between equal and free citizens, regardless of their attributes, where everyone can have face-to-face talks. These traits are surprisingly well matched with the character of the worldwide internet community.

The third debate is related to the cultural aspects intertwined with globalization. In today's world, fundamentalist Muslims have become influential and tried to block the waves of liberalism pervading the global society. Islam and Christianity both have positive missionary spirits, yet could be antagonistic toward each other, which reminds us of the "clash of civilization" that Huntington (1996) predicted. The fact is that they both believe in the same God. However, those who actually clash are the manipulative politicians and conflict entrepreneurs, not the religions

themselves. Religious beliefs and actions can sometimes, albeit not always, stimulate the consciousness of friend and enemy, and create discrimination in a society. Some radicalized Muslims have become militarized, such as Al-Qaeda and the Islamic State of Iraq and Syria (ISIS). Actually, the Islamic society is not monotonous at all, and there are far more secularists than fundamentalists. Since September 11 in 2001 and the Iraq invasions in 2003, anti-Islamic feelings have started to loom in Western society, and segments of the Islamic society became cautious about Western liberalism and materialism. Especially anti-American feelings ignite in Muslim societies because the US has continued battles for long periods in the Middle East. The world is full of hatred and anxiety due to apparent cultural confrontations." How to coordinate these issues and dissolve antagonism is the challenge of global governance.

World religions seem to confront each other, and it would be appropriate to understand this process from the constructivist point of view. Major religions have long historical backgrounds that are perdurable. Their characteristics are universal and neither national nor ethnic. Intrastate conflicts commonly observed in poor countries in the 1990s could be mainly attributed to ethnic conflicts, or more precisely political struggles that used the labels certain ethnicities. These conflicts can be captured more easily from the perspective of instrumentalism, which asserts that an individual can rather easily manipulate his or her identity. In the case of religion, an individual cannot change identity so easily, especially in developing countries. Therefore, there are more elements of constructivism for believers. However, political manipulation still exists. Religion tends to accompany global social frustration, while national and local politicians try to utilize people's frustrations to convince them of their misbelief. Moreover, the important issue is how new and old identities can be blended between perdurable religious identity and a newly-imported identity such as human rights and democracy. In particular, the key focus would be whether the settlement of ideas of liberalism and democracy can be realized in information grip zone societies. With the spread of globalization, interdependence and information networking have made the world smaller. However, this contraction trend invites frictions among universal and regional religions. Surely, necessary measures such as secularization and tolerance policies were often conducted throughout history. These historical measures that are necessary to soothe confrontations are not yet effectively utilized in today's IT environment.

Other sources of conflict today are ideological confrontations, especially between Western societies (information free zones) and authoritarian societies (information grip zones) such as China and Russia. China is a socialist society led by the Communist Party, while Russia is an authoritarian society with a remembered history of Communism. These societies have adopted government-regulated capitalism, censored information policies and centralized governance systems. They both consider Western society as arrogant and ideologically intrusive. Their governments ask their people for a high level of loyalty to authority, and caution of the outside world. People in these two societies had been obedient during their history of dynastic rule and communism. Similar tendencies can be seen in smaller countries such as

North Korea, Azerbaijan and Uzbekistan. These countries belong to information grip zones, and they have some historical and cultural roots as Anti-Western societies.

At least in the foreseeable future, religious and ideological confrontations between the societies and the zones may not be easily dissolved. They have different stakes in economy, different patterns of information and different governance systems. However, we could gain new perspectives from them, based on their governance. We shouldn't impose democratization agendas on these societies hastily and unilaterally, as in the Iraq Invasion (2003) and the Arab Spring (2011). In the first place, citizens grow up and need to reach critical mass in society. If the citizens as small fractions of a society lead revolutionary political changes through collaboration with other groups and successfully kick out the *Ancien régime*, they cannot represent the next government. Their government could be easily taken over or dissolved. Regarding citizen formation, local people need to appreciate the values of a liberal economy, the free flow of information and decentralized (collaborative) governance. Otherwise, ordinary people cannot understand the slogans of citizen groups and cannot help them. Instead, religious groups will only speak more familiar words to them. We need to make a detour to avoid such a mistake.

From a free zone point of view, President Obama's diplomacy has been keen in the doctrine of engagement, but heavy-handed when dealing with countries of different cultural backgrounds. He was praised for his visit to Cuba, without doubt, but Michael Gerson critiqued Obama's doctrine on problem countries such as Iran and North Korea (Washington Post, March 31, 2016). A more general view was provided by Robert Singh (2012), arguing that Obama's approach to strategic engagement was appropriate for a new era of constrained internationalism, but has yielded modest results. A possible remedy is to overcome the internal division of free zone societies' foreign policies, by making US foreign policy more flexible, understandable and more conscious of multilayered governance in the targeted societies. Simply a straightforward slogan about democracy is insufficient. Diplomacy is often conducted by the image of the simple carrot and stick scenario. However, the diplomacy of multilayer governance must consider the ensemble of culture, interstate systems and globalization. Engagement policies should conceive such a wider horizon.

4. Conclusion: Future Direction of the Arguments

The previous section deals with the three levels of global governance structure. The first level, culture, is associated with (iii) cultural confrontations with globalization. Here, culture means any norms and identities that influence people's mindsets and behaviors. Religion is a typical example. Also, the culture of previous political regimes can affect people's mindsets and behaviors. For example, religion, colonial identity and communist ideology were recognized in previous political regimes. Specific religions could be recognized as the established religions of a society. They have been partially successful in this up to the present time. The second level is

clearly the story of (i) the limitations of the interstate system. This level is the realistic recognition of the world and the major objects of state-centric frameworks. The interstate system is said to have been eroded by globalization, and its political legitimacy has been weakened, but it can still retain the highest level of authority. The third level is globalization. The author notes the major trends of globalization can be found in global economy and IT. Therefore, (ii) the merits and challenges of IT globalization could cover the key contents. This level can be captured by functionalist point of views as stressed by Rosenau. This level challenges interstate systems and weakens global governance systems by interacting with culture.

State-centric frameworks and functionalist assumptions have been common in the approaches of international relations. It is widely believed that neither statist's nor functionalists' views can stand alone (Avant, Finnemore & Sell, 2010). These views are based on a single world view that is facing a theoretical impasse. Therefore, suggested new approaches would be eclectic. Regime theory tends to dismiss the elements of political power, influence and authority, while realism tends to disregard the functions of a regime, especially its rules and social norms. Rosenau (1992) presented the concept of controlling mechanisms that are supposed to provide wider frameworks than the functions of a regime. Actually, controlling mechanisms seem to be located somewhere between the regime and political influence. His concept should be reexamined because the link between the regime and political influence is still ambiguous.

According to Rosenau, governance is the absence of central authority at the highest level of a political unit: global society. At the nation-state level, the core authority is the central government, even though it is not strongly supported in many poorer societies. At the global level, the most sought-after core authority would be the world government or an equivalent entity, which is only present in hope, dream and social movements. Political influence and authority have been abundant at state levels, while innumerable rules and norms have been created at global and regional levels. However, the recent trend is eye-opening. Both dynamics of political influence and the regime can be created and worked on at both state and global (regional) levels, and they can interpenetrate and internalize each other. This is the characteristic of global governance that is the transition period from an interstate system to the world system. As intermediate actors, regional organizations can be activated in the information free zone, while state actors are almost singularly dominant players in the information grip zone.

New approaches in international relations need to cope with three dimensions simultaneously, as explained in the previous sections. The first dimension is the limitation of the interstate system. Rosenau's global governance can respond to global challenges in a better way. The interstate system is the aggregation of nation-states derived from modern European history accompanied by national economic development. Global governance has been constructed through controlling mechanisms of state and non-state actors (NGOs and private enterprises). The possible missing links among them would be connected by regional organizations: subregions, regions and macro regions. They are important parts of controlling

mechanisms in supporting and countering globalization trends.

The second debate is that global governance goes along with the progress of IT, and that effective regulation systems need to be established in important areas such as hot money controls and cyberwar prevention. In both areas, the digital revolution has had huge impacts. Rosenau (2002) addressed that instrumental and structural powers must be reconfigured to account for digital IT, and IT for reconstituting actors' identities and issues. On one hand, today's governments and companies are reliant upon high-tech computer systems. Economic liberalists tend to support the vision of a bright future for IT, while mercantilists fear potential damages of cyberwars. State-controlled economies such as China's have not lost their national strategy while in pursuit of their business interests, and their military can be adventurous without clear civilian control. On the other hand, technological developments have also furthered the state's capacity for regulation and control. Moreover, IT can connect people, companies, governments and NGOs to any entity. It could provide a chance to pervade information around the globe and send calls to action to society. IT's progress and its usage have been synchronized with the rapid expansion of civil societies and democratization around the world.

Finally, the third debate is that global governance is expected to accommodate antagonistic cultures, especially those of universal religions. Globalization is the contraction process of the world through internet and transportation technologies. In such a tiny world, fire can spread easily in dry air. However, since a global civil society is developed in IT environment and citizens can communicate with each other, there is still a chance for people reach to mutual understanding and soothe the anger and fears related to confrontation. Expansion of the information free zone must be conducted in ways that will not harm or alienate information grip zone societies through engagement strategy, and understanding the multiple layers of governance in targeted societies.

Global governance may not be magnificent in all areas in the near future, and there is no guarantee that global governance will carry with it all positive results. Interstate systems are so biased to seek the particular interests of nation-states, they may not represent the general will of the world society as advocated by the 18th century philosopher, Jean-Jacques Rousseau (Rousseau, 1762). However, the term global governance describes the different policymaking activities that produce coordinated actions (Rosenau & Czempiel, 1992; cited in Avant et. al.). It might contain a type of "invisible hands" guiding different actors toward harmonious actions.

Domestic politics face these three dimensions simultaneously. The first dimension, the limitation of the state capacity, is also serious in the state system. State systems of the world have different backgrounds and capacities, but good partners of the state are needed everywhere. The second dimension, IT related areas, affect domestic society and politics enormously. IT is one of the most important sources of power and influence. Its free flow of information is undoubtedly closely linked with capitalistic development and liberal democracy in domestic society as well as in global society. While e-Government aims at upgrading efficiency and improving accountability, cybercrimes from espionage to invasion of privacy have become

serious issues for state lawmakers. The final dimension, that of domestic religious and cultural antagonism, is raising many legal and policy questions everywhere. Immigration and refugees are urgent humanitarian issues in Europe. Freedom of speech can collide with respect for different cultures as evidenced in the Charlie Hebdo attacks in 2015. These three challenges need to be tackled by coordinated actions of multiple actors. Sharing power, authority and responsibility among the actors is the newest definition of decentralization required at both global and domestic levels (Cheema & Rondinelli, 2007).

Recent research trends in global governance identify the global civil society, the rise of non-state actors from transnational enterprises to terrorist groups, human rights in regional and international laws, and so forth. These issues cannot be captured well from state-centric views alone. Moreover, a globalized *laissez-faire* economy needs to be regulated and coordinated under some norms and rules connected with states, private sectors and international organizations. These controlling mechanisms are expected to regulate global common goods, the global environment, cyberwars, financial markets, drugs and human trafficking, and so forth. Government is expected to be engaged in the management of private sectors through international cooperation, and international organizations are responsible for some of these problems. In order to realize such mechanisms, states need to delegate more functions and resources to regional organizations and be bound by compliance procedures assigned to them (locked-in decentralization). Civil society organizations promote advocacy activities and conduct public services with governments. This element is considered to be one of creating the public sector, adding new scopes to the government (New Publics). These issues can be summarized as the process of decentralization: states need to delegate and devolve more power and authority to regional organizations, civil society and private sectors.

The next mandatory focus is to strengthen the linkage between international organizations and regional organizations, while regional organizations interact more with states, civil society and private enterprises. The governance of regions would be established on the dialogue of people and the views of multiculturalism, decentralized from Eurocentric culture. Entrusted international organizations would be valid for the coordination and solution of global issues, especially in the economic and political domains. Regarding sociocultural issues, newly-built regional organizations would be more appropriate to represent and coordinate the interests and values of the stakeholders. However, if regional organizations represent their region's egoisms, confrontations and frictions among the regions will continue.

Cox and Schechter (2002) have unique views about the world. They assert that a global economy and classical economy can co-exist and economic globalization is an uneven process and hierarchical across the world. A global society and classical society also coexist. European societies are transnational, and half of them are eager to promote economic integration. This movement attests a relatively longer history of European societies interacting with and interpenetrating each other, creating internal homogeneity and external equality of the state. However, the progress of regional integration is diverse among the regions (Acharya 2013; Rodrik, 2011). The

maturity of the state is also different, since many developing countries have rather short periods of history as nation-states and much of those have been afflicted by severe heterogeneity of domestic groups divided among social class, ethnicity and religion because they were colonized and forced into confrontations by the colonizers. The history of civil society is also different. Modern civil society is found in urban areas and the fields of donor and NGOs' activities, while traditional society has a more complicated character consisting of authoritarianism and mutual assistance.

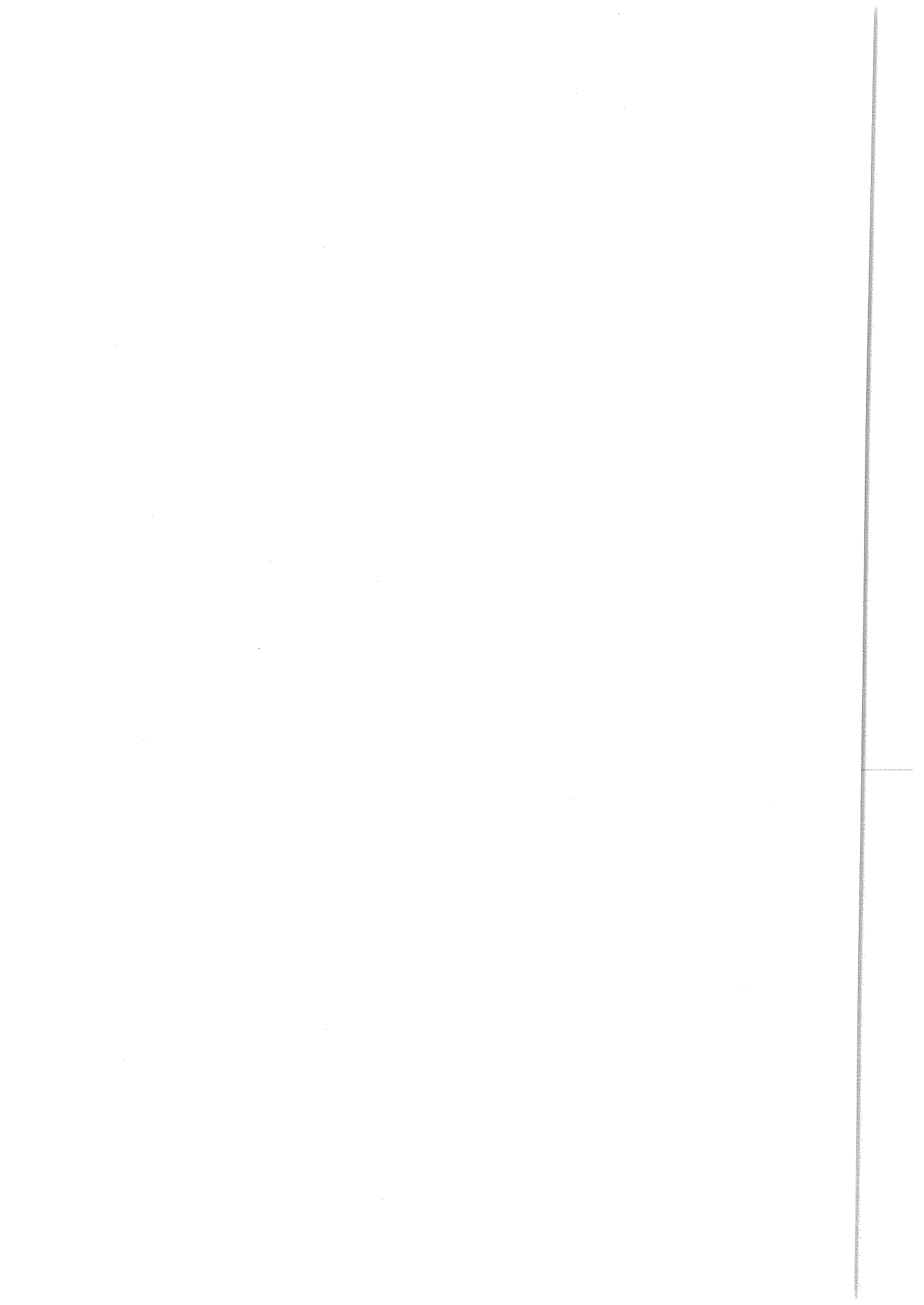
The remaining task for global governance is furthering decentralization: how to make an effective partner of the state in domestic and global areas. The remaining task for global governance is how to make an effective bridge between the reality of the interstate system (i.e., realist view) and the visions of global and transnational systems (i.e., liberalist view). As discussed shortly, the middle of the 21st century would be the turning point from interstate systems to global governance systems; if we cannot establish it successfully, we might be trapped in vicious cycles of conflicts and instability. However, the concrete scenario of bridging the two systems has not yet been established by the scholars who are still divided, along with the meta-theory without being willing to expand the scope beyond their perspectives. A quest for global and state governance is only a prescription that helps human beings live safely and harmoniously.

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A Comparative Study of Social Enterprises between Japan and the UK: Examining Autonomy and Accountability

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Abstract

In striving to adjust to a new role as standardized service-delivering agencies, an increasing number of social enterprises (SEs)¹ are becoming less autonomous (or independent, specially financially). Furthermore, they are now seeking financial security through contractual relationships with governments due to the privatization of social services in many developed countries. Under pressure to demonstrate accountability and in desperate need of statutory financial support, SEs are focusing their missions not on representing their constituencies but on maintaining their financial stability and related regulatory procedures. As a consequence, it has become a matter of urgency to identify a method of bolstering their contribution to social welfare without undermining their autonomy. Work Integration Social Enterprises (WISEs) are considered to be the dominant type of SEs in developed countries such as Japan and the UK. Those provide job opportunities for disadvantaged people, especially physically and mentally disabled. Two recent large-scale investigations of WISEs by the author shed light on the subject of autonomy in relation to accountability in Japanese and British SEs. A close relationship was found between the ways in which executive directors in those SEs view downward accountability demands (i.e. accountability to clients or society at large) and the way they perceive 'statutory organizations' (i.e. their governments). This research makes an important contribution to the understanding of collaborative relations between government and SEs in Japan and the UK, as well as providing meaningful insights in the search for an alternative governance system for the provision of social services under a post welfare-state regime.

Keywords: WISEs, Autonomy, Upward Accountability, Downward Accountability, Japan, UK.

Introduction

In recent times, we have witnessed an increase in the enthusiasm with which governments worldwide have pursued a policy apparently aimed at improving the provision of social services at grass roots level by contracting social enterprises (SEs) for their delivery, a trend that has probably been given too much significance in terms of a burgeoning cooperative relationship between the two sectors.

According to Laratta (2009a), a more reasonable explanation for this phenomenon is that governments are keen to create a market place in which prices can be driven down as a result of large numbers of SEs competing for state-contractor status. This inevitably produces a tension between SEs, who have to struggle to secure government funding in order to pursue their mission, and governments, who see the enhancement of monitoring systems as a means of meeting their obligations to reduce outsourcing costs. This situation is nicely depicted in a theory to be found in the literature on SEs, namely that the lower the level of SE autonomy, the higher is the level of statutory accountability imposed on them by their statutory organizations (SOs). Many scholars point out that, under pressure to demonstrate accountability and in desperate need of statutory financial support, SEs are focusing their mission, not on representing constituencies, but on maintaining their financial stability and related regulatory procedures (Najam, 2000; Frunkin, 2001; Paton, 2003; Austin, 2003; Hodgson, 2004). Therefore, it has become a matter of urgency to identify a method of bolstering the contribution of SEs to public interest without undermining their autonomy.

The wave of welfare reforms in developed countries such as UK and Japan during the late 1990s was partly intended to remedy this tension between nonprofit and public sectors. Laratta (2009b) points out that in UK these reforms produced a shift away from an ethos based on contracting-out and towards a partnership culture of collaboration with the launch of a compact drafted between the state and the nonprofit sector as equal partners, with a view to a better definition of their complementary roles. In Japan, however, where nonprofits have often been viewed "*as extensions of the government and with relatively little emphasis given to supplementary and adversarial activity of the nonprofit*" (Young, 2000: 165), similar reforms have resulted in an uncertain climate of deregulation and privatization, although they are seen in a positive light by many scholars because they reflect bottom-up development of nonprofits in a scenario in which citizens play a larger role in promoting public interest, rather than government agencies dictating nonprofit activity from the top down (Young, 2000; Adachi, 1999; Yamaoka, 1998; Kuroda and Imata, 2003, among many others). In UK, on the other hand, where "*the supplemental mode of nonprofit provision never disappeared*" (Young, 2000: 167) and where nonprofits have long seen themselves as a watchdog of the state, exerting an influence on policy from outside the sphere of government (Taylor, 1998), the effects of the latest welfare reforms have created a climate of confusion among scholars. Some highlight the positive effects that the compact is having in reducing the negative image of the "regulatory state" which the contract culture had inevitably led to (Kumar, 1996), while others point to the fact that even under the compact "the continuing emphasis on competitive contracts and centrally driven frameworks is undermining collaborative work and community trust" (Milbourne, 2009).

To the author's knowledge, little comparative empirical research has been conducted into both Japanese and British social enterprises to determine the extent to which these reforms have reduced the conflict between autonomy and accountability. The aim of this study is to shed light on the subject of autonomy in relation to

accountability in these two countries in a period of welfare reforms post-1990s. This will be effected through an exploration two large groups of Work Integration Social Enterprises (WISEs) which are considered the dominant type of SEs in both countries. The study focused on the following questions: to what extent can we say that WISEs operate 'autonomously' in Japan and UK? How do executives in these WISEs perceive their own statutory organisation? To whom exactly are WISEs accountable? What accountability mechanisms are in effect? How much time do these WISEs spend on meeting the requirements of these accountability measures? Do WISEs' executives consider that accountability demands enhance or inhibit the ability of their organization to fulfill its mission?

This investigation will contribute to the understanding of collaborative relations between government and SEs in the two countries. Furthermore, it will provide meaningful insights in the search for an alternative governance system for the provision of social services under a post welfare-state regime.

Methodology

The literature on SEs, although extensive, does not offer a clear definition of accountability and autonomy, and the absence of such results in the lack of an adequate operationalisation of these variables. The converse of the theory mentioned above, which is that the higher the level of autonomy in SEs the lower the level of statutory demands imposed on them, reflects this inadequacy. The idea of autonomy in SEs has mainly been in reference to their ability to manage the non-statutory resources — funds and/or volunteers — needed to pursue their mission (Kearns, 1996; Oster, 1995; Boris & Steuerle, 1999; Moore, 2000; Einfeld, 2001), in the same way that accountability has been referred to only in the context of "being held responsible by statutory organisations" (*general understanding*, McDonald, 1997: 53).

When these two concepts are examined in relation to the SE sector, they assume wider meanings; the ability of SEs to build and maintain a network with other organisations or groups (non-statutory organisations), as well as their capacity to deliver policy programs within those networks, are also important variables in determining the level of autonomy in the SE sector. Similarly, following Ebrahim (2002), accountability in SEs also includes the "proactive response" of "taking responsibility for oneself in order to ensure that the public/beneficiary trust is served" (3). Najam (1996) identifies this type of accountability as an internal or downward accountability as opposed to external accountability, which is upward to the funding source. This downward accountability refers to the responsibility of the SE to "be accountable to the needs and aspirations" of those it intends to benefit (Najam, 1996: 345). Onyx and Dalton (2004) claim that when, in the SE, there is a "strong culture of internal participation, then *downward* accountability will occur naturally, at least in theory", but when there is a form of internal representational advocacy, downward accountability depends on those who are representing the constituency (4). In the latter case, Fry (1995) noted that downward accountability is much more complicated than upward accountability because it has two

dimensions: a feeling of responsibility (or internal dimension) and responsible behavior (or external dimension).

A framework for the operationalisation and measurement of the variables

The absence in SE literature of an exhaustive framework to operationalise and measure autonomy and accountability made it necessary to develop one for this research.

Variable 1: Level of Autonomy

We began by questioning to what extent SE are autonomous from SOs. However, since 'autonomy' itself could be considered a variable, it was initially necessary to test it. First, we considered autonomy in relation to the capacity of SE to manage non-statutory resources (funds and/or volunteers), their capacity to be in a network with other non-statutory organisations, and their capacity to deliver policy programs within those networks. We called these three variables respectively management capacity, community capacity, and governance capacity and operationalised them as follows:

Management Capacity

We hypothesised that the level of autonomy of a SE was negatively related to the extent to which the organization was financially dependant on statutory funding. We further conjectured that there was a similar negative relationship to the level of desire in its executive director to seek statutory funding. The third speculation we made was that it was also positively related to the number of volunteers in its membership, and to the benefits of having volunteers involved in the activities of the organisation (i.e. better services, reduced costs etc.). Conversely, we presumed that high costs or other drawbacks in recruiting volunteers would reduce the level of autonomy.

Community Capacity

We worked on the theory that the level of autonomy of a SE would be positively related to its ability to operate in a network with other non-statutory organisations or groups. We also presumed that there would be a positive relationship between SE autonomy and network formality. Conversely, we expected that the more informal the network, the less autonomous the SE would be in relation to SOs. We also hypothesized that the level of autonomy was positively related to the capacity of a SE to identify organisations and groups with resources to sustain or implement network activity.

Governance Capacity

We further conjectured that the level of autonomy would be positively related to the capacity of a SE to deliver policy programmes and campaigns within its networks. Thus, we determined how many SEs, among those we found to be part of a network, had actually delivered such programmes in the previous two years. We

also presumed that the level of autonomy would be positively related to a SE's capacity to maintain and resource those programmes within the network and to take part in the decision-making process. Finally, we also surmised that the level of autonomy would be positively related to the ability of a SE to evaluate successful and unsuccessful joint programmes and campaigns with other organisations from the network. Conversely, we assumed that impediments to evaluation would reduce the level of autonomy.

Variable 2: Upward Accountability

In order to operationalise this sub-variable, we relied on the most fundamental definition of accountability as the means by which SE representatives were answerable to *others* and held responsible by their *operative* actions (Edwards & Hulme, 1997). At this point, the question arose as to who those '*others*' were. The literature on the subject identifies three kinds of SE stakeholders: their donors, those who provide their funding, and their umbrella voluntary agencies (Edwards & Hulme, 1997; Kearns, 1996). However, it also recognizes that SEs are often responsible exclusively to authorities (such as SOs) (*ibid.*). Based on theoretical and empirical evidence we decided to define the field of the '*others*' to whom SE representatives are accountable as their SOs, and we analysed upward accountability by exploring the relationship between SE representatives and SOs. Focusing the study on this relationship allowed us to investigate *how* the representatives are accountable to SOs and whether they experienced such upward accountability demands as enabling or enforcing factors. In order to investigate the former, the representatives we interviewed were asked to indicate how they met statutory accountability demands such as reports, audits and/or monitoring visits; they were also asked about the frequency of the demands and the amount of time usually spent in order to respond effectively to them. As to the latter, we asked whether such accountability measures enhanced or impaired their ability to fulfill their mission. We also asked them to indicate on a three-level scale whether they thought SOs should have "more/less/about the same" involvement in holding their SE's activities accountable (by requirement of reports and/or monitoring of their performance). At this stage we were able to distinguish those representatives who experienced statutory accountability demands as enabling from those who viewed them as enforcing.

We were also able to investigate a further claim found in the literature, according to which a positive relationship exists between the way that representatives perceive their SOs, and their positive or negative experiences of statutory accountability demands. If the representatives perceived state requests as related to the "greater good", then the accountability demands were viewed as enabling rather than enforcing (Fry, 1995). To this end, the representatives' perceptions of their SOs were investigated from different angles. We asked whether they saw themselves as being dependent on, in competition with, or in equal partnership and having open communication with SOs. We also attempted to determine whether a 'mutual attitude of trust and respect' or a 'mutual attitude of indifference and distrust' prevailed between representatives and SOs. With this information we were able to ascertain

the relationship between the way in which representatives perceive their SOs and their positive or negative experiences regarding their statutory accountability demands.

Variable 3: Downward Accountability

While the Upward Accountability Variable referred to the responsibility of SE representatives to be accountable to the demands of SOs in order to be operationalised, the Downward Accountability Variable refers to their responsibility to “be accountable to the needs and aspirations” of those they intend to benefit (*internal dimension*, see Najam, 1996: 345) and to “ensure that the public trust is served” (*external dimension*, see Ebrahim, 2002: 3). Our main concern in this regard was to investigate whether or not the representatives adopted clearly established forms of internal and/or external downward accountability. The ‘internal downward accountability variable’ was operationalised and measured by demonstrating whether the representatives were: open to accepting complaints from their constituencies (*informal measure*); willing to bypass the upward accountability structure to their constituency (*informal measure*); and assessing the constituency’s needs indirectly by means of surveys and/or directly through focus groups, or even more directly by providing specialist help when the client/beneficiary faced situations that could not be dealt with at representative or member levels (*formal measure*). Furthermore the ‘external downward accountability variable’ was assessed by investigating whether or not there had been, during the previous 12 months, organized focus groups with experts, debates or public demonstrations, or interactions with local and/or national media (included news media), and whether these interactions were based on transparency, all of which are *formal measures*. This analysis was concluded by investigating a further variable, namely ‘the main reasons for the absence of *formal* internal and external downward accountability mechanisms’, which we tried to relate to the representatives’ lack of knowledge, lack of economic resources, lack of time, or lack of confidence that things would improve.

Data Collection Methods

The legal definition of what constitutes the SE sector, although very useful in the context of a given country, would make little sense in a cross-national comparative research involving localities in two countries with different legal traditions. In these circumstances, therefore, any attempt to group UK and Japanese SEs under similar concepts would prove unsuccessful. Furthermore, in the absence of a common legal definition it is also impossible to reach a comparable classification of the extent to which they may differ. To overcome this problem, we adopted one measure: the investigation of the SE sector was limited to a specific type of SE called Work Integration Social Enterprise (WISE) which are considered to be the dominant type in most developed countries. Those are SEs that focus on the employment of disadvantaged people. Disadvantaged people in WISEs include those with mental disabilities and to a lesser extent people with physical disabilities as well as long-term unemployed people². WISEs act as cooperatives with the aim to integrate

disadvantaged people into society by providing them with work opportunities³.

The data of UK and Japanese WISEs were collected through official statistical agencies (i.e. the *UK City's Voluntary Service Council*, an umbrella body for all voluntary and community groups in the area, and the *Tokyo Metropolitan Government Statistics Department*, a prefecture government department)⁴. The variables identified for this study were then tested empirically in the context of the two groups of WISEs in UK and Japan by means of a survey and interviews with several executive directors. The survey respondents were primarily those responsible for "thinking through and defining the mission" of their organisations (Drucker 1990: 3) and consisted mainly of managing directors or chief executives, although occasionally the interviewee would be an associate director.

Respondent characteristics

The table below shows the number of the 'WISEs' in the two areas investigated in UK and Japan.

Table 1 WISEs in UK and Japan

<i>Number of WISEs surveyed</i>	UK Number (Percentage)	JAPAN Number (Percentage)
TOTAL	1480 (100%)	1340 (100%)

Only 320 of the 1480 executive directors invited to participate in the UK survey responded with completed questionnaires (*equivalent to a 21.6% response rate*). There was no significant difference in the Japanese locality where we obtained 380 responses out of 1340 (*a 28.4% response rate*).

Presentation of the findings

Level of Autonomy

Management capacity

The results of our survey are shown in Table 2 below. The right hand column, headed 'Ranks', shows the 'rule of thumb' classification used to categorise factors as 'High' or 'Low'. The cut-off point between them is ideally a percentage point or half-point above or below 50 percent of each factor or item within its actual value.

Table 2 Management Capacity Factors

Factors	Japan		UK	JP
	<u>Percentages</u>		<u>Ranks</u>	
Statutory funding as the organisation's main source of income.	71.9%	81.6%	High	High
Executive directors seeking increased statutory funding.	90.6%	10.5%	High	Low

WISEs having volunteers in their membership.	18.8%	26.3%	Low	Low
Motivation for recruiting volunteers: <ul style="list-style-type: none"> • cost saving • improvement in service quality • increase in effectiveness in providing services 	83.3%	90.0%	High	High
	33.3%	30.0%	Low	Low
	33.3%	10.0%	Low	Low
	<i>18.8% (60) and 26.3% (100) respectively of executive directors reported having volunteers in their organisations. The percentages do not total 100 because some of the respondents ticked more than one answer.)</i>			
Motivation Average			Low	Low
Impediments in recruiting volunteers: <ul style="list-style-type: none"> • unreliability/absenteeism • poor work ability/unskilled • lack of funds to train or recruit volunteers • unavailability for work on weekdays 	73.1%	82.1%	High	High
	53.8%	75.0%	High	High
	92.3%	57.1%	High	High
	65.4%	85.7%	High	High
	<i>(260 and 280 respectively of executive directors reported not having volunteers in their organisations. The percentages do not total 100 because some of the respondents ticked more than one answer.)</i>			
Impediment Average			High	High

Source: Analysis of Survey Data

These findings suggest that the 'management capacity' of the WISEs investigated in both UK and Japan was relatively **low**.

Community capacity

The findings reported in Table 3 demonstrate that the 'community capacity' of all WISEs was relatively **low**.

Table 3 Community Capacity Factors

Factors	UK	Japan	UK	JP
	Percentages		Ranks	
Number of WISEs who were part of a network.	65.6%	63.2%	High	High
Total	320 (100%)	380 (100%)		
Number of WISEs who were part of a formal network.	14.3%	25.0%	Low	Low

Total	210 (100%)	240 (100%)		
Number of WISEs, being part of a formal network, who were capable of identifying organisations and groups with resources to sustain or implement the network activity.	33.3%	16.7%	Low	Low
Total	30 (100%)	60 (100%)		

Source: Analysis of Survey Data

Governance capacity

The findings in Table 4 suggest that the 'Governance Capacity' of WISEs in UK and Japan was relatively **low**.

Table 4 Governance Capacity Factors

Factors	UK	Japan	UK	Japan
	<u>Percentages</u>		<u>Classification</u>	
WISEs who have delivered policy programs or campaigns within the network.	23.8%	29.2%	Low	Low
Total	210 (100%)	240 (100%)		
WISEs who were able to maintain and resource a programme within the network for two or more years.	0%	14.3%	Low	Low
Total	50 (100%)	70 (100%)		
WISEs who considered they had a strong influence on the decision making of the network.	14.3%	16.7%	Low	Low
Total	210 (100%)	240 (100%)		
WISEs who in the last two years had come together with other organisations from the network in order to evaluate successful and unsuccessful joint programs and campaigns.	40.0%	42.9%	Low	Low
Total	50 (100%)	70 (100%)		
WISEs who found impediments in the evaluation of joint programs delivered with other organisations from the network because they:				
• took too much time	50.0%	66.7%	High	High
• required costly technical expertise	0.0%	33.3%	Low	Low
• were inconvenient	100%	66.7%	High	High
Total	20 (100%)	30 (100%)		

Impediments Average	<i>(Because respondents ticked more than one answer, the percentages do not total 100)</i>	High	High
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Source: Analysis of Survey Data

Upward Accountability

Table 5 Statutory accountability requirements

Statutory Accountability Requirements	UK		Japan	
	<u>Percentages</u>			
Activity Reports	75.0%		100%	
Audits	53.1%		97.4%	
Monitoring Visits	87.5%		100%	
Submission of Balance Sheets	9.4%		100%	
Submission of a list of officers who receive remuneration	—		65.8%	
Submission of a list of ten or more members' names	—		84.2%	
Total	320 (100%)		380 (100%)	
	<i>(The percentages do not total 100 as some respondents ticked more than one answer.)</i>			

Source: Analysis of Survey Data

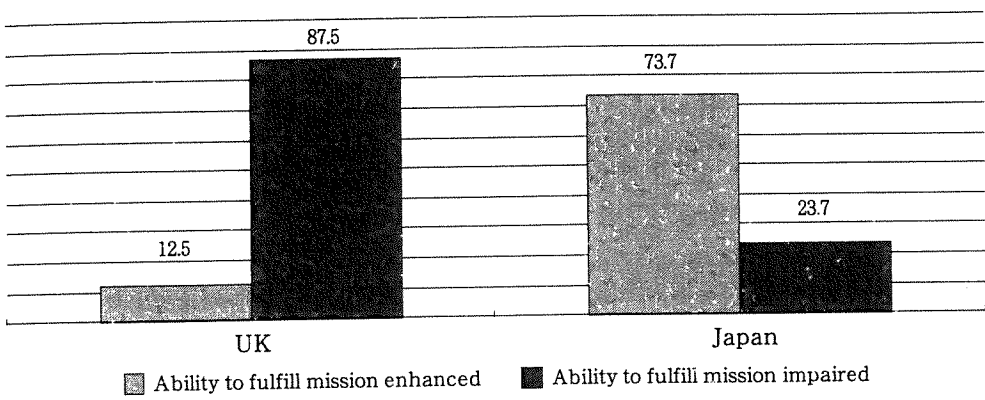
Table 6 Frequency of statutory accountability requirements

Statutory Accountability Requirements	UK			Japan		
	<u>Frequency</u>					
	Monthly (M)		Quarterly (Q)	Yearly (Y)		
	M	Q	Y	M	Q	Y
Activity Reports	—	75.0%	—	—	63.2%	36.8%
Audits	—	—	53.1%	—	97.4%	—
Monitoring visits	—	—	87.5%	—	60.5%	39.5%
Submission of Balance Sheets	—	—	9.4%	—	—	100%
Submission of a list of officers who receive remuneration	—	—	—	—	—	65.8%
Submission of a list of ten or more members' names	—	—	—	—	—	84.2%

Total	320 (100%)	380 (100%)
	<i>(The percentages do not total 100 as some respondents ticked more than one answer.)</i>	

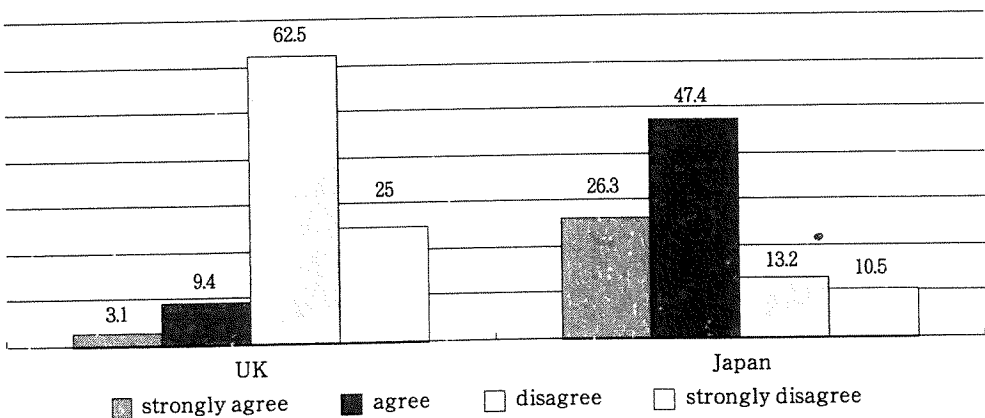
Source: Analysis of Survey Data

We also asked survey respondents how much time their WISEs usually spent in order to satisfy each of these statutory accountability demands. The findings showed that the vast majority of executives in both UK and Japan considered they spent 'a lot' or 'quite a lot' of time on them (75 percent and 86.8 percent respectively). Only 21.1 percent of respondents in UK and 13.2 percent in Japan reported otherwise although none of the respondents in Japan and only one in UK stated they spend no time at all on statutory accountability activities.



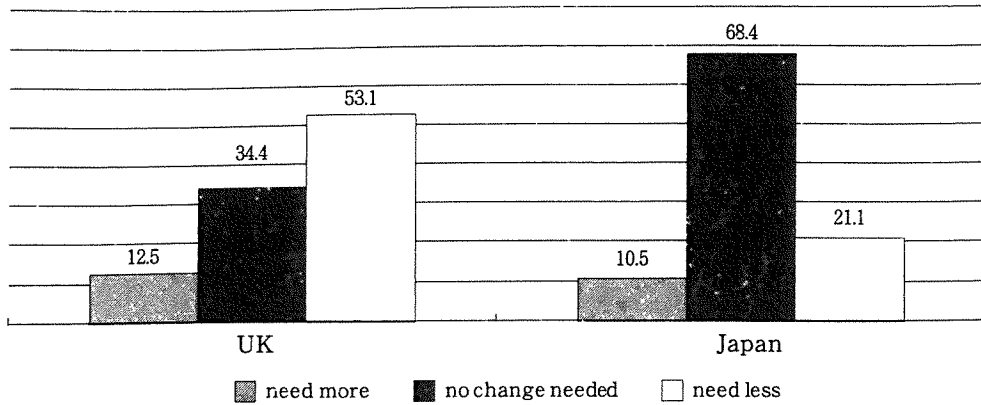
Source: Analysis of Survey Data (UK: valid cases 320, missing cases 0; Japan: valid cases 370, missing cases 10).

Chart 1 Executive directors' perception of the impact of Statutory Accountability Activities on their WISE's Mission



Source: Analysis of Survey Data (UK: valid cases 320, missing cases 0; Japan: valid cases 370, missing cases 10).

Chart 2 Executive directors' opinions that accountability to SOs is adequate



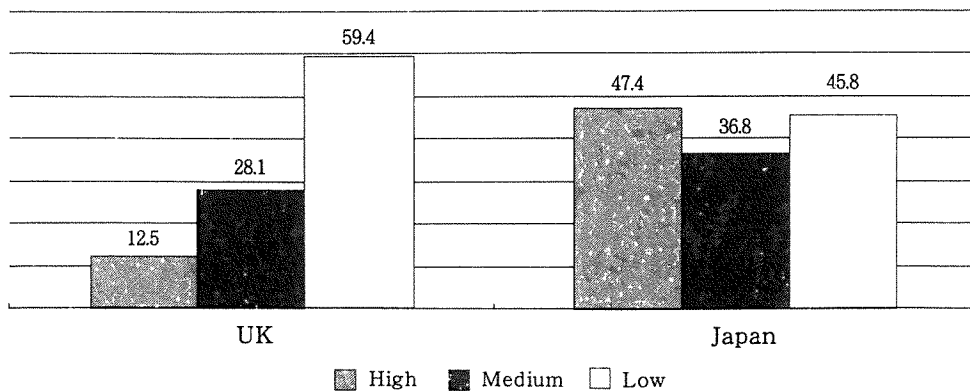
Source: Analysis of Survey Data

Chart 3 Executive directors' opinions regarding the need for change in the level of accountability imposed on them by SOs

Table 8 How executive directors perceive SOs

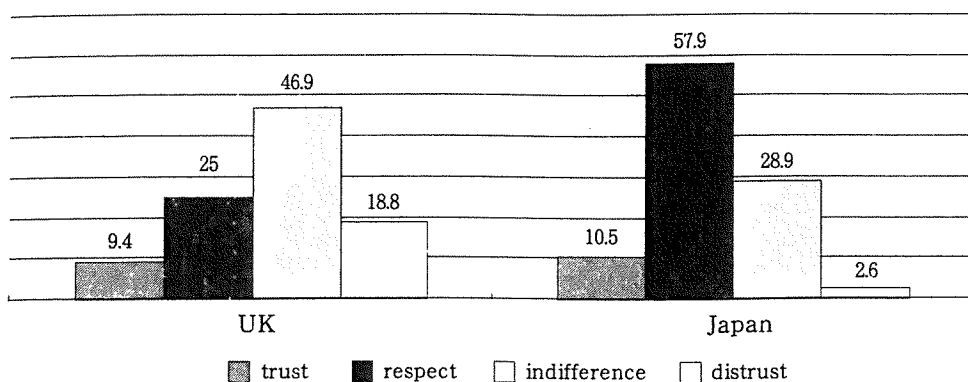
FACTORS	UK (Percentage)	Japan (Percentage)
Feel dependant on SOs either financially or administratively	81.3%	84.2%
Feel in competition with SOs either for the kind of services they both provide or for the level of efficiency in the provision of these services	56.3%	26.30%
Feel in equal partnership with SOs either in terms of activities they both perform or in terms of values they both share.	15.6%	76.3%
TOTAL	320 (100%)	380 (100%)

Source: Analysis of Survey Data (respondents checked more than one answer, therefore the percentages do not sum to one hundred).



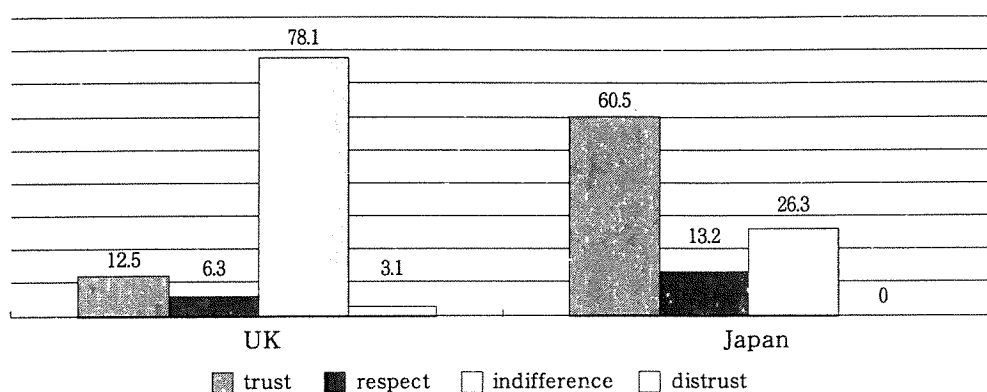
Source: Analysis of Survey Data

Chart 4 Level of communication with SOs



Source: Analysis of Survey Data

Chart 5 Main attitude of executive directors toward SOs in UK and Japan



Source: Analysis of Survey Data

Chart 6 Executive directors' perceptions of how SOs felt towards their WISE

We concluded the analysis of the 'Upward Accountability Variable' by ascertaining the relationship between respondents' perceptions of statutory accountability measures and their perceptions of SOs.

Table 9 Relationship between executive directors' perceptions of statutory accountability measures and their feelings towards SOs in UK

Factors which determine <i>how</i> WISEs perceive their SOs	Percentages of WISEs who either agree or strongly agree that there is adequate accountability to SOs	Percentages of WISEs who either disagree or strongly disagree that there is adequate accountability to SOs	Total
<i>Feel in competition with SOs either for the kind of services they both provide or for the level of efficiency in the provision of these services</i>	3.1%	53.1%	(180) 56.3%

Total	40 (12.5%)	280 (87.5%)	Valid cases: 320 (only 180 out of 320 respondents ticked this answer, therefore the total percentage is not equal to 100)
<i>Feel in equal partnership with SOs either in terms of activities they both perform or in terms of values they both share.</i>	12.5%	3.1%	(50) 15.6%
Total	40 (12.5%)	280 (87.5%)	Valid cases: 320 (only 50 out of 320 respondents ticked this answer, therefore the total percentage is not equal to 100)
<i>Level of communication with SOs</i>			
• High	9.4%	3.1%	(40) 12.5%
• Medium	3.1%	25.0%	(90) 28.1%
• Low	0%	59.4%	(190) 59.4%
Total	40 (12.5%)	280 (87.5%)	Valid cases: 320 Missing cases: 0
<i>Main attitude of WISEs toward SOs</i>			
• Trust and respect	12.5%	21.9%	(110) 34.4%
• Indifference and distrust	0%	65.6%	(210) 65.6%
Total	40 (12.5%)	280 (87.5%)	Valid cases: 320 Missing cases: 0
<i>Perceived attitude of SOs toward WISEs</i>			
• Trust and respect	9.4%	9.4%	(60) 18.8%
• Indifference and distrust	3.1%	78.1%	(260) 81.3%
Total	40 (12.5%)	280 (87.5%)	Valid cases: 320 Missing cases: 0

Source: Analysis of Survey Data

Table 10 Relationship between executive directors' perceptions of statutory accountability measures and their feelings towards SOs in Japan

Factors which determine how WISEs perceive their SOs	Percentages of WISEs who either agree or strongly agree that there is adequate accountability to SOs	Percentages of WISEs who either disagree or strongly disagree that there is adequate accountability to SOs	Total

<i>Feel in competition with SOs either for the kind of services they both provide or for the level of efficiency in the provision of these services</i>	7.9%	18.4%	(100) 26.3%
Total	280 (73.7%)	90 (23.7%)	Valid cases: 370 Missing cases: 10 (only 100 out of 380 respondents ticked this answer, therefore the total percentage is not equal to 100)
<i>Feel in equal partnership with SOs either in terms of activities they both perform or in terms of values they both share.</i>	71.1%	5.3%	(290) 76.3%
Total	280 (73.7%)	90 (23.7%)	Valid cases: 370 Missing cases: 10 (only 290 out of 380 respondents ticked this answer, therefore the total percentage is not equal to 100)
<i>Level of communication with SOs</i>			
• High	42.1%	2.6%	(180) 47.40%
• Medium	26.3%	10.5%	(140) 36.80%
• Low	5.3%	10.5%	(60) 15.80%
Total	280 (73.7%)	90 (23.7%)	Valid cases: 370 Missing cases: 10
<i>Main attitude of WISEs toward SOs</i>			
• Trust and respect	63.2%	5.3%	(260) 68.4%
• Indifference and distrust	10.5%	18.4%	(120) 31.6%
Total	280 (73.7%)	90 (23.7%)	Valid cases: 370 Missing cases: 10
<i>Perceived attitude of SOs toward WISEs</i>			
• Trust and respect	73.7%	0%	(280) 73.7%
• Indifference and distrust	0%	23.7%	(100) 26.3%
Total	280 (73.7%)	90 (23.7%)	Valid cases: 370 Missing cases: 10

Source: Analysis of Survey Data

Downward Accountability

Another important question we attempted to answer in this study was whether or not WISE representatives adopted clearly established forms of internal and/or external downward accountability.

*Internal downward accountability***Table 11** Executive directors' perception of the influence of their constituency on decision-making within their organizations

Influence of the constituency	UK (Percentage)	Japan (Percentage)
<i>A lot</i>	18.8%	65.8%
<i>Some</i>	56.3%	7.9%
<i>A little</i>	25.0%	26.3%
<i>None</i>	0%	0%
TOTAL	320 (100%)	380 (100%)

Source: Analysis of Survey Data

Table 12 Executive directors' assessment or otherwise of the constituency's needs

Assessment undertaken or not	UK (Percentage)	Japan (Percentage)
<i>Yes</i>	100%	100%
<i>No</i>	0%	0%
TOTAL	320 (100%)	380 (100%)

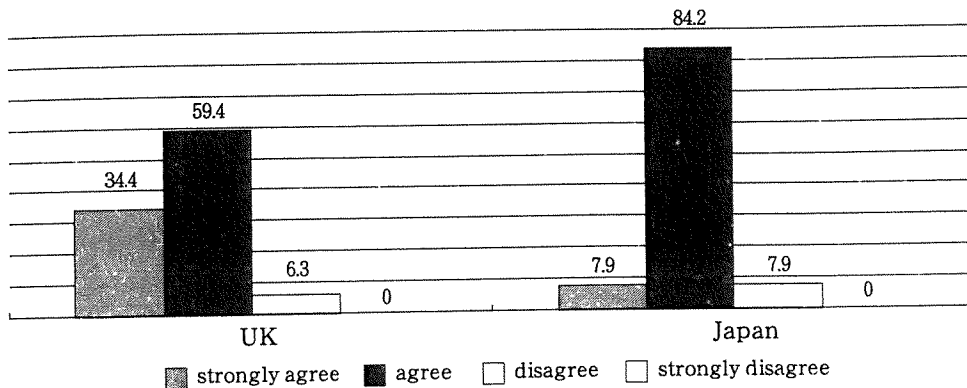
Source: Analysis of Survey Data

Table 13 Informal and formal downward accountability mechanisms used by executive directors' WISEs to assess the constituency's needs

Informal mechanisms used to assess the constituency's needs	UK (Percentage)	Japan (Percentage)
<i>Receptivity to complaints from the constituency</i>	(320) 100%	(380) 100%
<i>Willingness to bypass upward accountability structure for the constituency</i>	(290) 90.6%	(380) 100%
TOTAL <i>(This was a multiple-answer question, so respondents had the option to tick more than one answer or add other answers by using the optional space: Note. No answer was considered as unable to identify informal mechanisms for assessing constituency's needs').</i>	320 (100%)	380 (100%)
Formal mechanisms used to assess the constituency's needs	UK (Percentage)	Japan (Percentage)
<i>By means of surveys</i>	(50) 15.6%	(120) 31.6%
<i>Through focus groups</i>	(40) 12.5%	(280) 73.7%
<i>By providing specialist help when the client/beneficiary faces situations that cannot be dealt with at WISE executive director or WISE member level</i>	(20) 6.3%	(150) 39.5%

<p>TOTAL <i>(This was a multiple-answer question, so respondents had the option to tick more than one answer or add other answers by using the optional space: Note. No answer was considered as unable to identify informal mechanisms for assessing constituency's needs').</i></p>	320 (100%)	380 (100%)
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Source: Analysis of Survey Data



Source: Analysis of Survey Data

Chart 7 Executive directors' opinions that accountability to clients is adequate

External downward accountability

This variable was assessed by investigating whether or not WISE representatives had, during the preceding 12 months, organized focus groups with experts, debates or public demonstrations, or interactions with local and/or national media (included news media).

Table 14 Formal external downward accountability mechanisms used by executive directors' WISEs during the preceding 12 months

Methods used	UK (Percentage)	Japan (Percentage)
<i>Focus groups with experts</i>	6.3%	10.5%
<i>Debates or public demonstrations</i>	12.5%	44.7%
<i>Interactions with local and/or national media (included news media)</i>	21.9%	50.0%
TOTAL	320 (100%)	380 (100%)

Source: Analysis of Survey Data

We concluded this investigation by identifying the main impediments to formal internal and external downward accountability mechanisms. Obviously, this question was directed at those respondents who affirmed not having used any formal internal or external mechanisms.

Table 15 Main reasons for the absence of formal internal and external downward accountability mechanisms

Methods used	UK (Percentage)	Japan (Percentage)
<i>Formal internal downward accountability mechanisms</i>		
• <i>Lack of knowledge</i>	6.3%	10.5%
• <i>Lack of economic resources</i>	43.8%	10.5%
• <i>Lack of time</i>	18.8%	13.2%
• <i>Lack of confidence that things will improve</i>	50.0%	2.6%
Total	250 (78.1%)	80 (21.1%)
<i>Formal external downward accountability mechanisms</i>		
• <i>Lack of knowledge</i>	—	5.3%
• <i>Lack of economic resources</i>	46.9%	7.9%
• <i>Lack of time</i>	28.1%	15.8%
• <i>Lack of confidence that things will improve</i>	53.1%	2.6%
Total	200 (62.5%)	90 (23.7%)
TOTAL	320 (100%)	380 (100%)

Source: Analysis of Survey Data (As respondents ticked more than one answer, the percentages do not equal the totals in each box).

Discussion

Level of Autonomy

Our research findings revealed a relatively low level of management, community and governance capacities in the WISEs surveyed in both UK and Japan, as well as a heavy dependence on statutory funding. There were few volunteers among their memberships, mainly because the executive directors viewed the drawbacks to recruitment as outweighing the benefits. The only significant difference in the two localities was found in the attitude of respondents towards the funding of their activities. As can be seen in Table 2 above, the vast majority (90.6 percent) of respondents in UK were seeking increased state funding for their activities whereas in Japan the vast majority (89.5 percent) were content with the level of their statutory funding.

Few of them were part of a formal network of non-statutory organizations although over half saw themselves as part of a network which was not at all formalised. Furthermore, almost all of the WISEs who did view themselves as being part of a network found it impossible to identify other organisations or groups within the same network who had the resources to sustain or implement the network activity.

Upward Accountability

A recurrent complaint in the literature on the SE sector was that SEs were repeatedly put under pressure by statutory accountability demands and, con-

sequently, their mission-based activities were being jeopardized (Lawry, 1996; Meyer, 1999; Hodgson, 2004; Evers, 2004). Our findings, to some extent, refute that claim although they suggest that, overall, respondents in both UK and Japan did feel that they spent 'a lot' or 'quite a lot' of time meeting those demands. However, despite the fact that WISEs in Japan were subject to a more frequent and wider range of statutory accountability requirements than those surveyed in UK, Chart 1 shows that 73.7 percent of the Japanese respondents perceived statutory accountability activities as providing a positive impact on their agency's mission. In UK, by contrast, 87.5 percent of the executives surveyed perceived time spent on statutory accountability demands as a hindrance. This finding was also corroborated by the executive directors' views concerning the adequacy of accountability to SOs. Indeed, the majority of respondents in UK 'disagreed' or 'strongly disagreed' that there was adequate accountability to SOs, while the opposite was true of the executive directors surveyed in Japan (see Chart 2). As for the respondents' perceived role of SOs in accountability, we noted that, in UK, 53.1 percent of executive directors were in favour of a reduction in the accountability functions required by SOs. In Japan, on the other hand, the majority of respondents were content with the existing level of statutory accountability. The results obtained through subsequent re-interviews reconfirmed this finding.

A further claim in SE accountability literature was that the principal factor in determining whether accountability interactions were experienced as enabling or enforcing (and accordingly how the agent would react to attempts to hold him/her accountable) was the agent's perception of the principle's (i.e. the SO's) requests (Fry, 1995). Our findings expand on this by demonstrating that it was also related to their perception of the principles themselves. Indeed, our study on 'Statutory Accountability' suggests the executive directors of both localities were very similar in this respect. For instance, the majority of respondents in both UK and Japan who considered themselves as being in competition also either 'disagreed' or 'strongly disagreed' that there was adequate accountability to SOs; conversely, the vast majority of executives who viewed their relationships with SOs as equal partnerships were also in agreement or strong agreement that there was adequate accountability to them. Furthermore, Tables 10 and 11 demonstrate that the respondents' perceived level of communication between WISEs and SOs was positively related to their level of agreement/disagreement about the adequacy of statutory accountability demands. The conclusion which we can draw from this is that the higher the perceived level of communication between WISEs and SOs, the more sure the executives were about the adequacy of the statutory accountability requirements. A similar finding can be observed in their common perception of the relationship between their organization and SOs and their view of the adequacy of statutory accountability demands. Indeed, executive directors in UK as well as in Japan who were of the opinion that a 'mutual attitude of trust and respect' prevailed between their organizations and SOs were also those who, in the main, agreed that there was an adequate level of statutory accountability demands. The opposite was found to be true of those respondents who felt that a 'mutual attitude of indifference and distrust'

prevailed between their agencies and SOs, who viewed the level of statutory accountability requirements as inadequate.

The literature on the relationships between government and SEs in Japan is pervaded by the claims of scholars such as Samuels (1987), Garon (1997), Schwartz (1998), and Hirata (2002) who identify Japan as an important case for its close state-civil society partnerships in the realm of social welfare services compared with countries such as UK, where any attempt at co-operation to improve welfare services usually meets with determined opposition. Our study found significant differences between UK and Japan in the ways in which SE executives perceive SOs. One that has received little attention is the impact that differing perceptions of SOs may have on that relationship. In contexts such as UK, where SE executives see themselves in a 'conflicting relationship' toward their SOs, partnerships are difficult. However, we do recognise that although we have provided an explanation for the presence/absence of co-operation between the two sectors, thereby explaining why the theory of 'partnership' holds good either descriptively or normatively in Japanese rather than in English contexts, the reason for the SE executives' differing perceptions of their SOs remains obscure.

Downward Accountability

One of our main findings was that, despite the executives' readiness to accept complaints from the constituency and their willingness to bypass upward accountability structures, the majority of the surveyed WISE representatives in UK did not use any formal mechanism to assess their constituency's needs. However, in Japan over 70 percent of executives used 'focus groups' for assessment, with a further 39.5 percent 'providing specialist help to constituents when they face difficult situations', and another 31.6 percent assessing their constituency's needs by means of surveys. Yet, despite this wide variety of assessment methods, there was no substantial difference between UK and Japan in the extent to which WISE representatives felt that there was adequate accountability to clients. As Chart 8 shows, a substantial proportion of respondents in UK and Japan 'agreed' or 'strongly agreed' that accountability to clients was adequate. Furthermore, the findings demonstrate a significant overall difference in the number of executives who acknowledged having used formal requirements during the preceding 12 months to achieve accountability to the general public and to the local community, with much higher percentages in Japan than in UK (see Table 15).

A number of mechanisms that focus on upward accountability have been identified but few apply to downward accountability. The findings of our research showed that it was impossible for researchers to identify what did not exist; the majority of executives in UK were unable themselves to identify either formal internal or external downward mechanisms. However, not in all situations is this type of accountability achieved informally; executives in Japan, for instance, were able to identify both formal internal and external downward accountability mechanisms.

Conclusion: Towards the development of two models

Model A

Some of the executives we re-interviewed, mainly those in UK, interpreted downward accountability in its internal dimension as a very strong 'sense of responsibility towards users/clients' while, in its external dimension (i.e. accountability to the community at large/public), it was less tangible and seen as having little influence on their organisation's mission. Consequently, the executives had great difficulty identifying formal internal downward accountability mechanisms (DAMs) and were completely unable to identify external DAMs, although they did believe that accountability to their organisation's constituency was adequate. Indeed, as clearly emerged from the interviews, they reasoned that their authority for taking decisions on behalf of their constituency was based solely on that strong sense of perceived responsibility towards their users as an instrument of social justice. In other words, they considered that adopting formal measures to achieve accountability to their users would have been just another inappropriate attempt to incorporate into the system those powerless people who had been excluded from it (or had never been included in it) simply because of their inability to engage with any more formal or institutionalised measures, taken either for their benefit or to their detriment.

The majority of UK executives perceived their SOs either as organisations who, by persisting with the introduction of ill-considered and inappropriate policy initiatives, repeatedly failed to provide support for disadvantaged members of the community or, worse, as institutions who ignored their responsibilities altogether by not having any policies at all concerning the care of these marginalised groups. However, they recognized their own dependency on the SOs, either financially or administratively, while at the same time believing their organizations capable of offering a wider range of services more efficiently. Statutory accountability was deemed to be no more than an inadequate means of underscoring their financial dependency, inadequate because it failed to take into account the innumerable day-to-day activities which constituted the central focus of their organisation's mission.

Model B

This model reflects the consensus view of the majority of the Japanese executives. Downward accountability was often expressed in its external dimension as a very strong 'sense of responsibility towards the community at large/tax-payers' and, in affirmation of this, the executives were able to provide specific examples of their work to show how the design and implementation of programmes was linked to community needs. It could also be said that they were emotionally invested in this perception of closeness to the community, real or imagined. However, the mere fact that they were capable of identifying formal external DAMs tended to give it substantiation. On the other hand, the internal dimension (i.e. accountability to their users), although strong, was perceived more as an inseparable part of their organisation's mission and achieved through formal as well as informal mechanisms,

although not as central to their discussions as it appeared to be for many UK executives. The importance these executives placed in communicating and in maintaining a relationship with the community may be interpreted as a way of legitimising their organisation in the eyes of a wide range of stakeholders which constituted a critical strategy for achieving negotiated accountability. Indeed, on the one hand, executives were able to use the input to better inform decisions and counter the pull of downward accountability while, on the other, they could justify their decisions (and organisational needs) as deriving from community input (and group needs) when responding to statutory accountability demands.

They therefore perceived SOs as institutions who, by entrusting them with welfare activities and by providing financial support, joined with them in a welfare partnership not only for the benefit of their organisation's users but, more broadly, for that of the whole community. For this reason, although they felt as dependant on SOs as the executives in Model A, they considered themselves to be in equal partnership with them, especially in terms of caring for the community. In the same way that ties to the community were used to legitimize their organisations to SOs, so statutory accountability was used to legitimize their organisations to the community. Therefore, the executives could not distinguish statutory accountability from their organisation's mission-based activities. In fact, awareness by the community that the money which they paid as taxes to SOs, and which was in turn passed on to WISEs, was being well spent was fundamental to their mission. In this respect, Model B executives believed that statutory accountability was adequate and they also perceived statutory accountability demands as enhancing their ability to fulfil their organisation's mission.

This emphasis on the role of social enterprise executives in understanding and implementing statutory accountability standards that emerged clearly from this study provides a critical new insight on what makes partnerships between these two sectors more or less collaborative. The results of this study show that social enterprise executives who are more concerned with the community or society at large typically experience a more collaborative partnership with the government than those who just concern exclusively about the users of their own social enterprise.

Notes

- 1 For a definition of Social Enterprise (SE), please refer to the works of Borzaga and Defourny (2001) and Laratta et al (2011).
- 2 Disabled people in Japan represent the most excluded group of people, and many WISEs act to promote their social inclusion. Only 5.4% of the 7.4 million disabled are employed in the mainstream labor market (Cabinet Office, 2010; Ministry of Health, Labour and Welfare, 2009). Until May 2012 there were about 2000 WISEs who were working on this issue (Welfare and Medical Service Agency, 2012). This is the reason why Japanese WISEs have mainly disabled people as their employees. The situation seems to be different for EU WISEs: over 40% of employees in those organisations are long-term unemployed who struggle to get hired. Multiple studies show that long-term unemployed applicants are only half as likely to be considered for hiring compared to others with

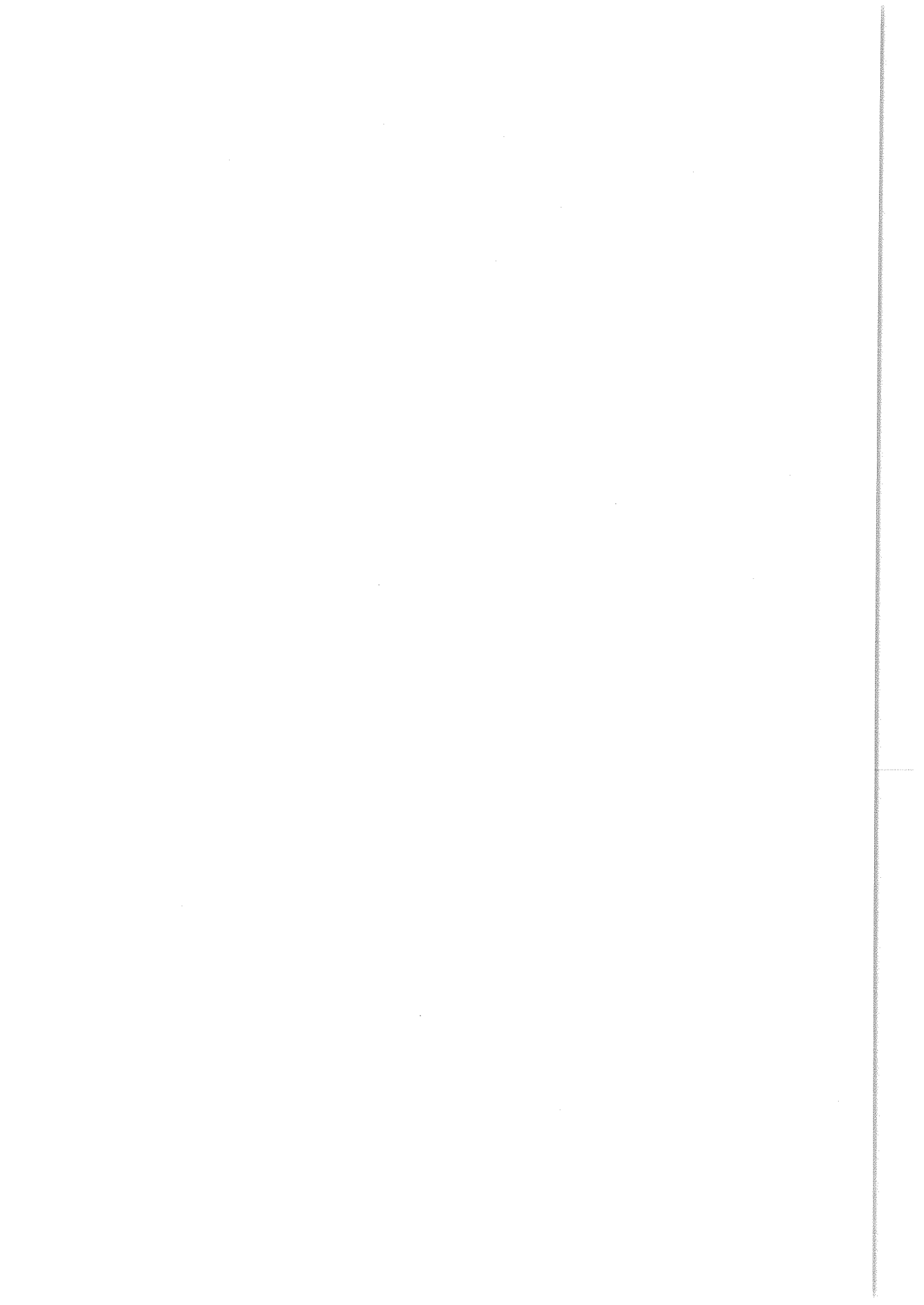
- identical education and experience, even though evidence demonstrates that they perform just as well on the job (Borzaga and Defourny, 2001).
- 3 This form of organisation can also be found in other countries. For example, in Italy WISEs are known as *B-Type social cooperatives*; in Portugal it is called *cooperativa de solidariedade social*, in Spain it is named *cooperativa de iniciativa social*, in Greece it is called *Koinonikos Syneterismos Periorismenis Eufthinis*, or KoiSPE, and in France it is known as *société coopérative d'intérêt collectif*, or SCIC (Defourney and Nyssens 2008). All those forms are incorporated in their respective countries' laws.
 - 4 As has been pointed out by Toepler (2003), it is impossible to ensure that these agencies report "systematic and reliable data on the nonprofit sector anywhere in the world" (139). Indeed, we assume that, in both localities investigated, many small groups which do not need to be registered are omitted from the standard registers we consulted. I should mention that in the case of Japan, I was able to get the annual statistic report produced by the Central Government through two public officers who are working for the Statistics Department of the Tokyo Metropolitan Government.

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Comparing Approaches to Environmental Governance: A Review of Protected Areas and Nature-based Tourism in Kyrgyzstan and Vietnam

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Abstract

The UNDP's 2012 Biodiversity Framework included Signature Programme No. 2 to balance the conservation potential of protected areas (PAs) with sustainable development, via nature-based tourism (NBT). PAs had already been bolstered by the Aichi Biodiversity Targets, wherein Target No. 11 sought territorial expansion to 17% (terrestrial and inland water PAs) and 10% (coastal and marine PAs) by 2020. However, balancing conservation and NBT objectives requires effective environmental governance, but there has been a lack of research into PAs and NBT in developing countries and especially the post-soviet economies. This paper tackles the nature parks of Kyrgyzstan and the national parks of Vietnam. The comparative analysis reviews the expansion of those PAs in Kyrgyzstan and Vietnam, examining existing laws, policies and environmental governance using a three-pronged framework focussed on designation objectives, administration and zoning. Findings show that land ownership is predominantly centralized in both countries' PAs, which broadly reflect categories used by the IUCN and include planning provisions* for zoning. However Kyrgyzstan's 'limited production zones' are territorially contiguous with the nature parks, whereas the equivalent 'buffer zones' in Vietnam are outside the national parks. Building the capacity of such zones holds the key to further improve the environmental governance and effectiveness of PAs in Kyrgyzstan and Vietnam by linking NBT targets with conservation-focussed PA management.

Keywords: environmental governance; protected areas, nature-based tourism, Kyrgyzstan, Vietnam

1. Introduction

The international travel market continues to expand, with rapid growth in the nature-based tourism (NBT) sector (Nyaupane et al, 2004; Tisdell & Wilson, 2012). However, protected area (PA) destinations such as national and nature parks must walk a tightrope of utilization and conservation if their resources are not to be lost to unplanned modernization. Following the publication of Brundtland's landmark report on sustainable development in 1987, and the 1992 Earth Summit in Rio, the need for robust environmental governance has grown increasingly apparent (Jordan, 2008). In 2012, the UNDP's Biodiversity Framework included Signature Programme No. 2 to "unlock the potential of protected areas, including indigenous and community conserved areas, to conserve biodiversity while contributing towards sustainable development." This statement was in accordance with the Aichi Biodiversity Targets, wherein Target 11 sought to expand protected areas¹ to 17% of terrestrial and inland water areas, and 10% of coastal and marine areas by 2020 (CBD Secretariat, 2015). Yet in order to meet such ambitious targets, a management criteria is required that includes an effective legal framework and modes of participatory governance. For even as PAs expand in territorial size, so too are expectations growing that they can play an increasingly important role not only in conservation but also in terms of socio-economic well-being, particularly via NBT. New modes of PA governance are thus being sought around the world today, but there is a lack of research related to developing countries, especially post-soviet economies (Ly & Xiao, 2016). The focus of this paper is a comparison of PAs in Kyrgyzstan and Vietnam, two countries that are actively seeking to promote NBT. Kyrgyzstan has been explicitly pursuing market-based reforms since the collapse of the USSR in 1991. Meanwhile Vietnam embarked on the *doi moi* reforms in 1986 and although the single-party socialist apparatus remains in place, the subsequent 'open-door' policies encouraged a long-term transition to a market-driven economy (Cooper, 2000). The fact that both countries have experienced serious wars or revolutions in the late 20th C. has further served to imprint their names onto the global stage, conversely attracting the curiosity of tourists (Turдумамбетов, 2014). As both are blessed with impressive landscapes and biodiversity, NBT is a potential growth industry in the transition from a post-soviet to a market-based economy. The comparative analysis is structured around three main research objectives: —

- i) To provide an overview of PAs in Kyrgyzstan and Vietnam;
- ii) To review existing legal and policy frameworks of PAs in Kyrgyzstan and Vietnam in order to compare common ground and identify differences in environmental governance;
- iii) To recommend measures to further improve the effectiveness of PAs in Kyrgyzstan and Vietnam through good governance and better partnerships.

In line with the overarching goal, the second research objective is pursued through a comparative analysis of three conventional aspects of PA systems;

designation objectives, administration and zoning (Eagles, 2002; Eagles, 2014). The third objective seeks to substantiate the subsequent shift to a 'governance' model (Lockwood, 2010). The paper follows a mixed-method methodology structured around two case studies according to Yin (2009)'s definition of an empirical inquiry that "investigates a contemporary phenomenon in depth and within its real-life context". Secondary sources such as official reports and documents were translated from Russian and Vietnamese and used to triangulate findings from recent academic journals and policy papers.

The structural breakdown of the paper is as follows. First, key terms are defined along with the research parameters. The main body of analysis provides an overview of nature parks in Kyrgyzstan and national parks in Vietnam according to the three-point framework mentioned above. Next, a joint discussion examines some similarities and differences in PA systems in the two countries. This in turn lays the foundation for consideration of the potential of the park system to foster NBT, and the current challenges in terms of management and good governance.

2. Overview of Protected Areas in Kyrgyzstan and Vietnam

This section provides an overview of the case study sites, including an introduction of the historical and post-soviet transitions which have occurred in the PA systems of Kyrgyzstan and Vietnam. Various categories of PA are observed and compared to the IUCN's seven global categories².

2.1 Overview of Protected Areas in Kyrgyzstan

Kyrgyzstan is a mountainous Central Asian country that covers around 200,000 km² divided into seven *oblasts*. The population is less than 6 million, and the capital city is Bishkek. The history of its PA system, known as SPNT (Specially Protected Nature Territories), dates back to 1931 when the government of the Kyrgyz Soviet Socialist Republic established the first PAs in the Kyrgyz range of mountains on a trial basis. The first national reserve was subsequently established in 1948 at Issyk-Kul, the world's second largest saline lake. Thereafter the first nature park, Ala-Archa, was established in 1976 in the Tian Shan mountains some 40 km south of Bishkek. During the years of independence since the collapse of the USSR in 1991, the territorial coverage of SPNT in Kyrgyzstan has increased nearly 2.5 times to cover a total area of 1,200,872 ha, or 6% of the nation's land (State Agency of Environmental Protection and Forestry of the Kyrgyzstan, 2014). Much of that increase stems from the 2001 addition of Issyk-Kul, which will now be outlined. A draft plan for the creation of a bio-reserve tracing the boundaries of Issyk-Kul oblast was drawn up in 1998, followed by the passage of a new law (1999) and government directive (2000). Finally in 2001, the Issyk-Kul Biosphere Reserve became No. 411 on the UNESCO Man and Biosphere Programme (MAB) list (Baetov, 2003). Four management zones were demarcated in accordance with UNESCO protocol: a core; buffer; transitional; and restoration zone. Zonal conservation and development goals are shown in Table 3 together with theoretical access arrangements. However, in

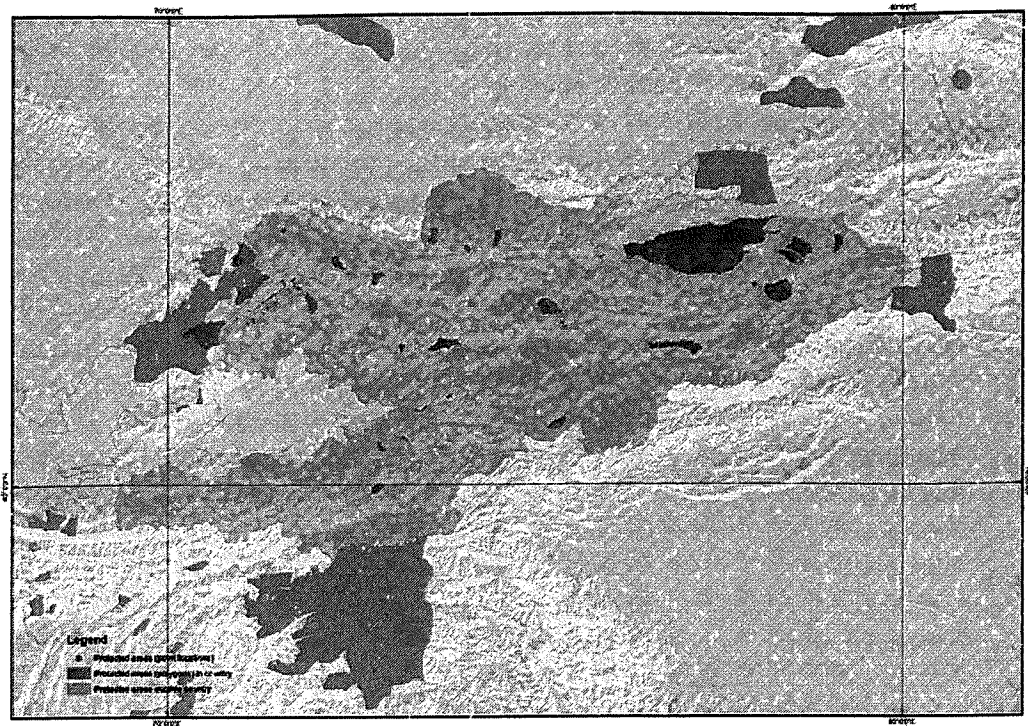


Figure 1 2014 United Nations List of Protected areas of Kyrgyzstan (WDPA, 2015).

reality, environmental impacts across all four zones are closely tied to socio-economic activities, and include such problems as poaching; illegal collection of brush and timber, and medicinal herbs; capture and sale of endangered species; and pollution from industry and tourism (Ibid.).

IUFRO (2009, p. 140) notes that “the system of protected areas of different categories is a basis for biodiversity conservation.” In Kyrgyzstan, Law No. 18 “On Specially Protected Nature Territories” was adopted in 2011. This regulates the organization, management, protection, use, and control over protected natural areas. These territories are subdivided into seven groups that broadly follow the IUCN’s PA classification. Although acknowledging Target 11 of the CBD, the creation of a “unified environmental network” is the priority for Kyrgyzstan’s environmental governance rather than a simple increase in the number of PAs (IUFRO, 2009, p. 141).

2.2 Overview of Protected Areas in Vietnam

Vietnam covers 330,000 km² stretching over 1,650 km from north to south divided into 58 provinces and 5 municipalities with province status. The population in 2013 was almost 90 million people and the capital city is Hanoi. Vietnam contains several types of PA, including national parks, nature reserves and cultural and historical sites (Table 1), alongside numerous other PAs such as Ramsar sites, World Heritage Sites, and Man and Biosphere Reserves which do not correspond to specific categories under the IUCN definition.

As with the Kyrgyz case, the IUCN framework was reflected in the inaugural

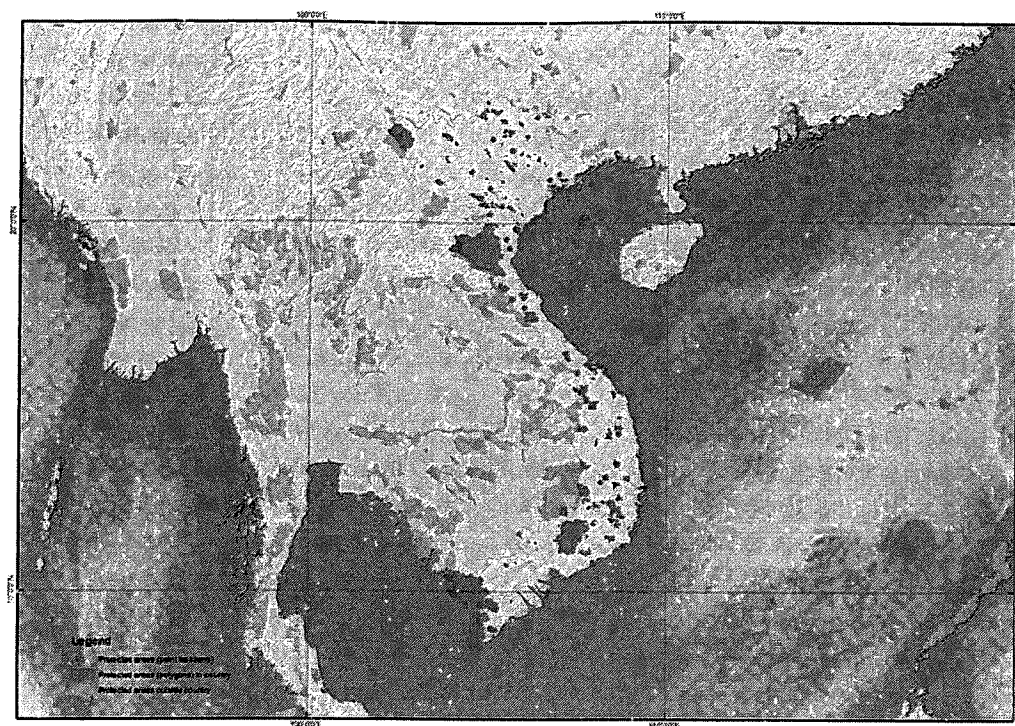


Figure 2 2014 United Nations List of Protected areas of Vietnam (WDPA, 2015).

Table 1 IUCN PA classifications applied in Kyrgyzstan and Vietnam (WDPA, 2015)

IUCN category and definition		Vietnam	Kyrgyzstan
IUCN cat. Ia	strict nature reserve		state nature reserve
IUCN cat. Ib	wilderness area		
IUCN cat. II	national park	national park (n=30)	nature park (n=9)
IUCN cat. III	natural monument		
IUCN cat. IV	habitat/species management area	nature reserve	wildlife refuge
IUCN cat. V	protected landscape/seascape	cultural and historical site	
IUCN cat. VI	protected area (sustainable use of natural resources)		

legislature that was passed in 1986³. This was the principal legal and regulatory framework for Special Use Forests detailed in the Forestry Minister's Decision 1171/QD of 1986, which formally established the three PA categories shown in Table 1. This legal recognition, combined with the *doi moi*⁴ shift in policy direction, heralded several designations, including new national parks (7), nature reserves (49)

and cultural, historical and environment areas (31). In 1999, the Ministry of Agriculture and Rural Development (MARD) launched an initiative to double the size of PAs from 10,000 to 20,000 km². Although this movement pre-empted Target 11 of the Aichi agreement, the territorial expansion inadvertently encouraged a series of inter-connected management challenges such as poaching, deforestation and illegal or unplanned development (Sterling et al, 2006).

National parks in Vietnam are categorized under the special-use forests in the Law on Forest Protection and Development (No. 29/2004/QH11). National parks are identified in the Regulations on Forest Management (2006) as natural areas of land, wetlands or islands, which are established to preserve one or more specific ecosystem, as well as endemic or endangered species. The first national park of Vietnam, Cuc Phuong, was established in 1966. As of 2015, the country has 30 national parks, covering an area of 1,077,236 ha, or approximately 3% of the total territory (Vietnam Administration of Forestry, 2012). Figure 2 illustrates the locations of the PAs. Article 55 of Decree No. 23/2006/ND-CP was the first legal attempt to make provisions for NBT within a national park context, outlining activities within the core zone (Ly & Xiao, 2016).

3. Environmental governance of Protected Areas in Kyrgyzstan and Vietnam

This section provides a comparative analysis of three aspects of PA systems in the two countries, namely: 3.1 designation objectives; 3.2 administration; and 3.3 zoning systems. The framework is structured after Eagles (2014), whilst acknowledging that PA governance has shifted from the responsibility of the state to a polycentric vehicle requiring collaboration between a range of government, private and community-based stakeholders (Lockwood, 2010 cited in Ly & Xiao, 2016). Although beyond the scope of this preliminary paper to propose local solutions, the macro dynamics and management trends of the respective national systems are compared. In order to delineate and add depth to the case studies, the IUCN category II subsection was selected and examined through the case of Kyrgyzstan's state nature parks and Vietnam's national parks.

3.1 Designation objectives

According to Law No. 18, the designation criteria of Kyrgyzstan's state nature parks include the following tasks: —

- Preservation of natural complexes, unique natural sites and objects;
- Preservation of landscapes, historical and cultural objects;
- Increase in the level of ecological education;
- Creation of conditions for tourism and recreation;
- Development of scientific methods to preserve biological and landscape variety;
- Implementation of ecological monitoring and scientific research;
- Restoration of the disturbed natural, historical and cultural complexes and

objects.

Meanwhile Vietnam's national parks are designated based on criteria and indicators in three categories: ecosystems, endemic animals and plants. Also taken into consideration is the proportion of agricultural and residential land compared to the natural area. According to the Regulation on Forest Management (2006), the national parks serve four main objectives: conservation of forests and forest ecosystems, scientific research, environmental education and ecotourism. These appear broadly contiguous with the Kyrgyzstan criteria listed above, particularly when variations in terminology are accounted for such as 'ecological' or 'environmental' education, and 'tourism' or 'ecotourism.'⁵ Vietnamese national parks do not per se contain a statutory mandate for the preservation of landscapes, historical and cultural objects. However, Article 4 of the Law on Forest Protection and Development (No. 29/2004/QH11) refers to special-use forests that contain "landscape protection areas, including forests of historical or cultural relics as well as scenic landscapes," representing a similar category to the Kyrgyz example.

3.2 Administration

All land within Kyrgyzstan's nature parks and reserves is exclusively in state ownership and defined as national heritage. SPNT are recognized as the legal basis for protection, reproduction and restoration of natural ecosystems. Jurisdiction of the creation and upkeep of SPNT is assigned to central government, with the State Agency of Environmental Protection and Forestry of the Kyrgyzstan overseeing all aspects of management and protection of the environment. Creation and operation of SPNT are financed by the republican budget, although financing from other sources is also permitted and user fees are charged in some places. Local governments have the authority to carry out the observance of the established mode of protection and use of SPNT according to their designations. Moreover, local governments organize nature protection events to preserve biodiversity in SPNT. Apart from the central and local government, citizens and legal entities also have the right to participate in actions such as the creation and operation of SPNT and to obtain timely and reliable information regarding the operational management of SPNT. Although such civic participation is not a legal requirement, nevertheless, this right creates a platform for participation by providing the instrument to influence decisions. In theory, individuals and organizations with legal entity status⁶ have the right to provide public comment over the use of SPNT and its compliance with designation. In Vietnam, the people hold all land ownership rights with the state as the administrator. This includes the assignment or lease of forest lands to organizations, households and individuals for forest development. National parkland is assigned to dedicated park management boards, whose structure falls into two types under the Regulations on Forest Management (2006). Table 2 depicts the differences between the two models — parks whose territory is contained within a single province fall under the jurisdiction of local government, while those with larger areas that cut across multiple provinces are managed by central government to reduce

Table 2 Models of national park management in Vietnam

	Model 1 inter-provincial	Model 2 intra-provincial
Management organization	Ministry of Agriculture and Rural Development	Provincial level's People Committee
National park area	National parks located in multiple provinces	National parks located within a single province
Number of national parks	8	22

Source: based on Regulations on Forest Management (2006); Ly and Xiao (2016).

inter-provincial disputes.

3.3 Zoning systems

As we have seen, land ownership within both countries is centralized in principle. Kyrgyz nature parks are exclusively in state ownership and defined as national heritage, managed using four zones that permit varying degrees of public access (Table 3). Vietnamese national parkland is also state-owned, and the parks share a broadly equivalent zoning system. According to legislation passed in 2001, three

Table 3 Comparison of zoning systems and access arrangements

State	Name of zone	Management objective(s)	Access
KR	Protected zone	regulations for this zone are similar to those for State Nature Reserves	×
VN	Strict protection zone	Strict management and protection to oversee natural development of the forests	×
KR	Ecological stabilization zone	Production and recreation activities are prohibited, excluding ecotourism	△
VN	Ecological restoration zone	Strict management and protection for natural rehabilitation and re-growth of forests	×
KR	Tourism and recreation zone	Regulated tourism and recreation are allowed	△
VN	Service & administration zone	For construction of working offices and facilities for national park management boards, research and testing institutions, as well as tourism, recreation and entertainment facilities	△
KR	Limited production zone	Provision of the services for tourists and activities needed to sustain a state nature park are allowed	○
VN	Buffer zone	(located outside park borders)	○

○=access for visitors; △=partial access for visitors; ×=closed to visitors

Source: KR=Kyrgyzstan (based on Law of Kyrgyzstan No.18 'On Specially Protected Nature Territories' adopted in 2011); VN=Vietnam (based on Regulations on Forest Management, 2006).

sub-zones were created under decision No. 08/QĐ-TTg, Article 7 for the management of Special Use Forests. These include strictly protected; ecological rehabilitation areas; and service and administrative zone (Table 3). The last sub-zone has provision for not only management specific facilities but also envisages research facilities, and facilities for tourism, recreation, and entertainment. Areas outside national parks are managed as buffer zones to mitigate the presence of human activities into the parks.

4. Discussion

The UNDP's 2012 Biodiversity Framework followed the Aichi Biodiversity Targets, where Target #11 sought a rapid expansion of PAs. However, aside from merely increasing the PA territorial size, enhanced environmental governance is vital, so this paper operationalized a preliminary comparison of Kyrgyzstan's nature parks with Vietnam's national parks to discuss the current state of PA management and draw implications for environmental governance.

At first glance, Kyrgyzstan would not appear to have much in common with Vietnam, situated as the two nations are at the opposite extremes of Asia, the world's largest continent. However, the land-locked and mountainous central Asian country's historical positioning within the USSR has resulted in some socio-political similarities. Today the maritime, tropical south-east Asian nation of Vietnam remains one of the world's four remaining single-party socialist states that officially espouses communism. However, a path of *doi moi* has in reality been implemented since 1986, when a series of economic and political reforms were initiated. Therein, certain parallels can be drawn with Kyrgyzstan which joined the other four central Asian republics to formally gain independence in 1991 following the break-up of the former Soviet Union. Both countries thus have a shared communist legacy which has shifted towards integration into the global economy in the past two decades. The economies of both remain predominantly agrarian-based, but are now seeking to diversify with increasing opportunities for the service sector, especially tourism. For the purposes of this paper, a number of PA systems were identified in both countries and reviewed according to the criteria listed above.

Both Kyrgyzstan and Vietnam have witnessed a rapid evolution and expansion of PAs, ensuring that professional and civil society networks to support them are still relatively embryonic (Ly & Xiao, 2016). Although Kyrgyzstan has a history of PAs that stretches back to 1931, the first nature park was established in 1976, augmented by three more in 1996 after Kyrgyzstan ratified the UN Convention on Biological Diversity, which had been adopted at the 1992 United Nations 'Earth Summit' (Farrington, 2005). Meanwhile the first national park in Vietnam was established in 1966, but the number of PAs increased rapidly after the 1986 *doi moi* and recent research by Suntikul, Butler and Airey (2010) still assessed the national parks to be a nascent system lacking NBT management experience.

Numerically speaking, the total national parks in Vietnam (30) currently exceeds that of nature parks in Kyrgyzstan (9). Vietnam's national parks cover an

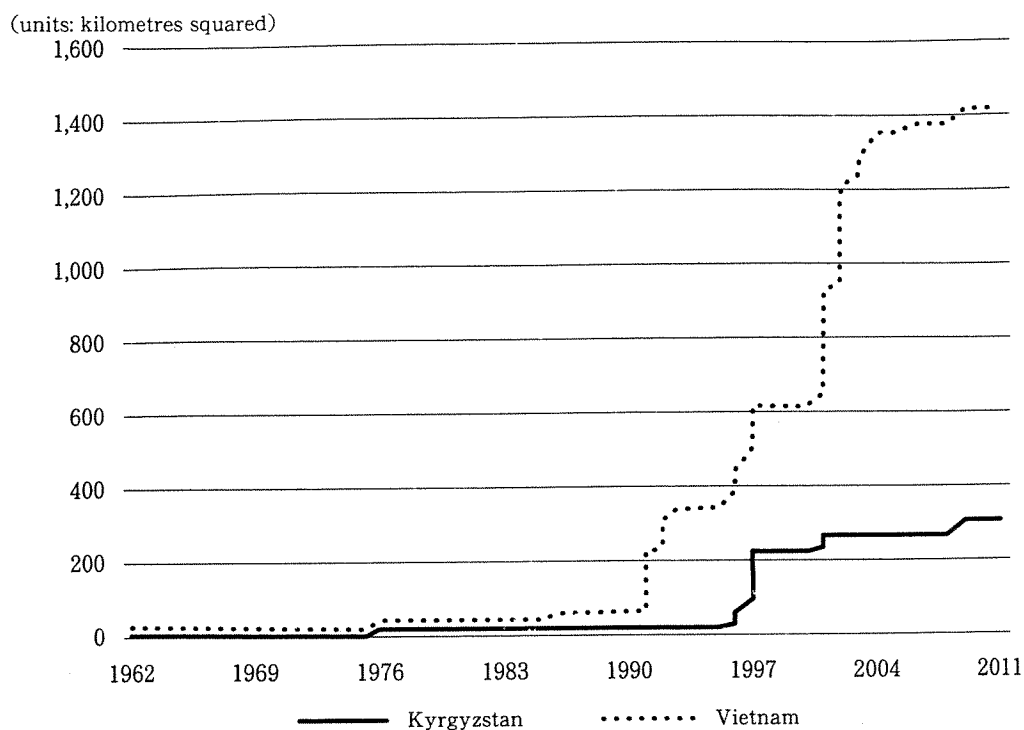


Figure 3 Expansion in park cover 1962–2011

area some 3.8 times larger than the nature parks of Kyrgyzstan covering some 3.4% of the former country's land mass compared to 1.5% of the latter's. However, the average area of nature parks in Kyrgyzstan (33,661 ha) is approximately equal to the average area of Vietnam's national parks (37,168 ha). Moreover, both countries' parks designation objectives loosely resemble the IUCN classification, whilst retaining certain specific similarities and differences. The comparison between the park systems of the two countries included three key aspects that will now be discussed holistically.

Firstly, both Kyrgyzstan and Vietnam show similarities in terms of designation objectives. Setting aside minor linguistic variation, the parks are created mostly for broadly similar purposes of preservation, education, scientific research, recreation and tourism. The latter holds the key to linking sustainable development goals with conventional conservation-based PA management agenda. However, one notable difference is that Vietnamese national parks do not contain a statutory mandate for the preservation of landscapes, historical and cultural objects. Ecotourism initiatives have gained increasing importance in both countries, and it is cited as an official designation objective in the case of Vietnamese national parks — possibly partly due to the 1992 discovery of an entirely new genus of large hoofed mammal, the Saola (*Pseudorynx nghetinhensis*) (Sterling et al., 2006). Yet despite efforts to conserve wildlife, PAs in both countries are increasingly threatened (Brunner, 2012; Farrington, 2005). More rigorous development of ecotourism approaches that actively employ local populations could help boost the level of wildlife protection and

raise people's awareness of the importance of conservation (Goodwin, 1996).

Next, with regard to PA administration and management, the UNDP's goal to strengthen PA governance through the systemic and institutional capacity for self-sustaining results could be simplified by the fact that, in both countries, the state has strong ownership claims over the parkland and its resources, such as forests and non-timber products. This theoretically precludes the kind of complicated land ownership mosaics found in countries with well-established traditions of private land ownership rights. In Kyrgyzstan, the state agency has full responsibilities in management and protection of the nature parks. Meanwhile, the responsible agencies for national parks in Vietnam include both the state agency and the local governments. However, in reality the PAs of both countries face a series of common threats linked to weak law enforcement, habitat loss, illegal hunting and logging and human-wildlife conflict (Eagles, 2002). These are underpinned by challenges to good governance, manifest by underfunded PA systems whose managerial effectiveness often shows room for improvement. While such supply-side challenges continue 'behind-the-scenes,' they are becoming increasingly apparent to visitors who demand basic infrastructure such as access arrangements and on-site guidance and toilets. The increasing role of tourism however highlights the potential for NBT as an economic growth pole in rural region. In 2014, Vietnam hosted some 8 million international arrivals and the total contribution of travel and tourism to GDP was around 9%, while Kyrgyzstan had 3 million arrivals amounting to 3.5% Kyrgyzstan's GDP (WTTC, 2015).

However, NBT must be carefully monitored and regulated for sustainable development. The comparison of zoning arrangements shown in Table 3 underlines the fundamental role of zoning as a universal PA management tool which underpins the IUCN philosophy adhered here to more or less closely by both countries. Hence Kyrgyzstan's nature parks are divided into four zones and Vietnam's national parks have three, plus an external buffer zone. Both systems seek to restrict visitor access to core zones protected for ecological purposes while permitting various degrees of access to encourage tourism and recreation activities in the outer zones. However, while access to Vietnamese ecological restoration zones is withheld, it is permitted in Kyrgyz ecological stabilization zones under certain circumstances.

5. Limitations

This paper also acknowledges certain limitations as preliminary research which relied on secondary data on a macro scale. Efforts to monitor PAs are undermined by a number of practical shortfalls related to the lack of multi-year time series data since count methods — and even management agencies themselves — are subject to change (Buckley, 2009). Nonetheless, in addressing the current state of PA management in these two countries at the respective extremes of the Asian landmass, our findings have shown considerable continuity, particularly *viz-a-viz* designation objectives and zoning principles. Building the capacity of the respective zoning frameworks holds the key to effective PA management, for notwithstanding the CBD's

Target 11 task of increasing the territorial dimensions of PAs, the creation of holistic environmental networks remains the top priority rather than a simple increase in the number or size of PAs. This research thus has both national and transboundary implications for PA conservation and sustainable development. It has implications for policy-makers to further improve the effectiveness of PAs in Kyrgyzstan and Vietnam through good governance and better partnerships. Lastly, there are also implications for future investigations into environmental governance that could extend this comparative analysis of the expansion of the nature park system of Kyrgyzstan and the national park system of Vietnam to examine the legal and policy frameworks in greater depth.

Notes

- 1 "A protected area is a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long term conservation of nature with associated ecosystem services and cultural values" (IUCN Definition 2008) retrieved 25.09.2015 at www.iucn.org/about/work/programmes/gpap_home/pas_gpap/.
- 2 The International Union of Conservation for Nature's index is voluntary and — in theory — equilateral, although an unwritten hierarchy ensures that "in contrast to the prestigious and financially lucrative Category II (national park), the Category V (protected landscape) receives only little attention" (Mose & Weixlbaumer, 2009).
- 3 Although the first national park, Cuc Phuong, had been established two decades earlier.
- 4 Reforming the socialist-oriented market economy to support industrialisation and modernisation.
- 5 Goodwin (1996) noted some of the competing definitions of ecotourism, and twenty years later, consensus remains elusive. In its broadest form, it includes all kinds of travel to protected areas, but this overlaps with the aforementioned definition of nature-based tourism. Other definitions focus on ecotourism as an alternative to 'mass tourism,' while others still refer to sustainable travel styles that include provisions for learning about cultural and natural history.
- 6 Participation of a range of non-central government stakeholders is one of the basic principles of SPNT management mentioned in the law. Article 3 encourages the participation of individuals and "legal entities," a term which covers a wide range of organizations including those NGOs registered as a legal entity. Alternatively, NGOs can operate as a group of individuals with common goals and fall into category of "individual".

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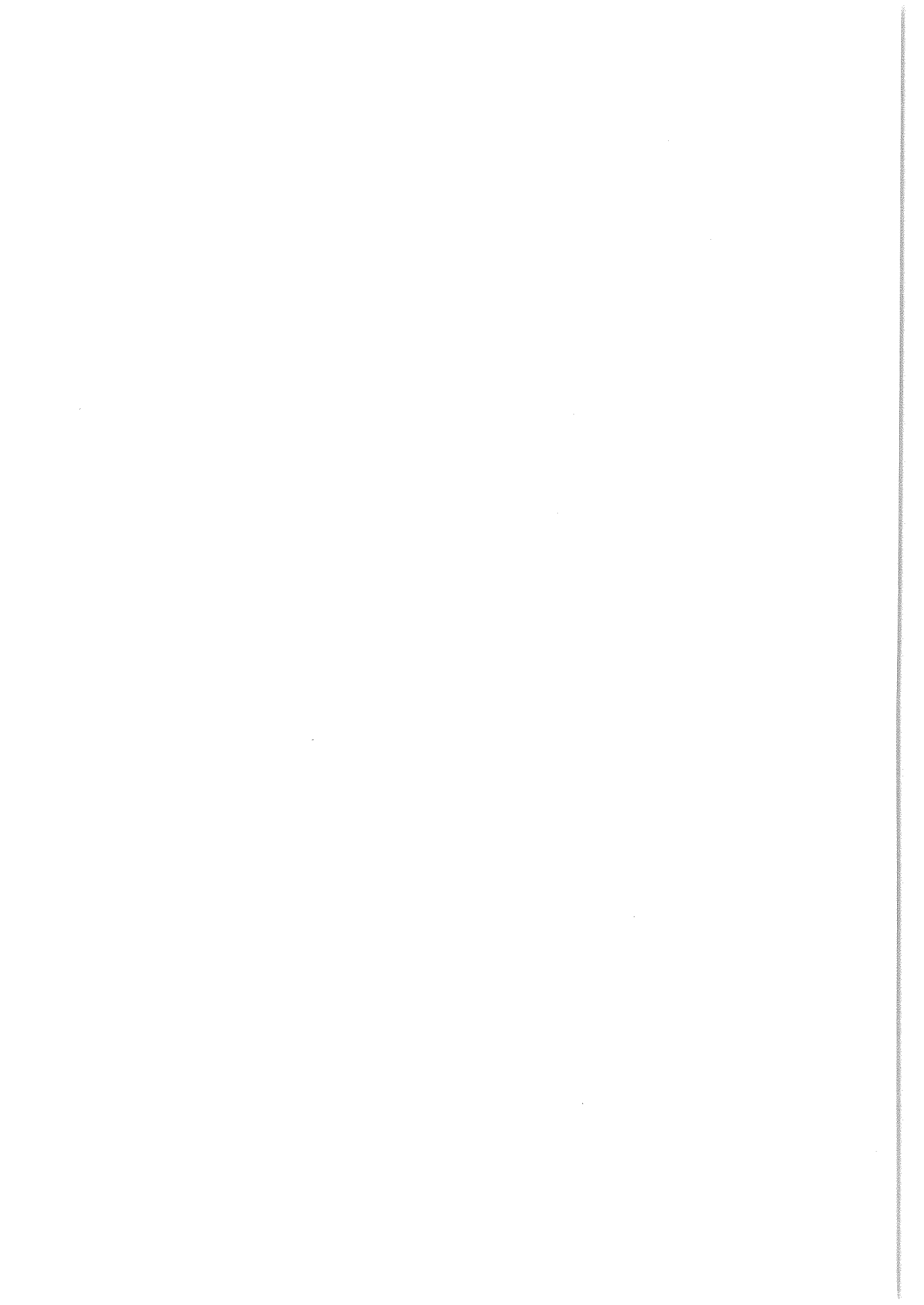
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Appendix 1 Details of Kyrgyzstan's state nature parks and Vietnam's national parks

Kyrgyzstan			Vietnam		
Name	Area (Ha)	Year designated	Name	Area (Ha)	Year designated
Ala-Archa	19,400	1976	Cuc Phuong	22,408	1962
Kyrgyz-Ata	11,172	1996	Cat Ba	16,196	1986
Besh-Tash	13,650	1996	Ba Vi	10,814	1991
Kara-Shoro	14,340	1996	Bach Ma	37,487	1991
Karakol	38,256	1997	Yok Don	115,545	1991
Chong-Kemin	123,654	1997	Ba Be	10,048	1992
Salkyn Tor	10,470	2001	Ben En	14,735	1992
Saimaluu Tash	32,007	2001	Cat Tien	71,350	1992
Sarkent	40,000	2009	Con Dao	20,043	1993
Total:	302,949		Tram Chim	7,313	1994
			Hoang Lien	29,845	1996
			Tam Dao	36,883	1996
			Bai Tu Long	15,783	2001
			Phong Nha-Ke Bang	123,326	2001
			Phu Quoc	31,422	2001
			Pu Mat	94,804	2001
			Bu Gia Map	25,926	2002
			Chu Mom Ray	55,621	2002
			Chu Yang Sin	59,531	2002
			Kon Ka Kinh	42,057	2002
			Lo Go Xa Mat	18,806	2002
			U Minh Thuong	8,053	2002
			Vu Quang	55,029	2002
			Xuan Son	15,048	2002
			Nui Chua	29,865	2003
			Mui Ca Mau	41,862	2003
			Xuan Thuy	7,100	2003
			Bidoup Nui Ba	70,038	2004
			Phuoc Binh	19,814	2006
			U Minh Ha	8,286	2006
			Total:	1,115,038	



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