

■ Article

The Characteristics and Challenges of Japanese Neighborhood Associations: Evidence from a Nationwide Survey of Municipalities in Japan

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Abstract

Since the municipal amalgamation of the Heisei era, Japan has witnessed the widespread establishment of local community organizations (neighborhood councils=NCs) as mechanisms for intracity decentralization, particularly in the 2000s to 2010s. A nationwide survey conducted in 2020 sought to elucidate the current status and operational characteristics of these organizations, confirming that the predominant foundation for such entities is the neighborhood associations (NHAs) — the most extensively institutionalized form of civil society organization in Japan.

Despite being ostensibly voluntary civil organizations, NHAs have been characterized by quasi-compulsory membership in practice, a feature institutionalized through operational norms. Functioning as a crucial interface between local government and residents, these associations have historically received special support measures from municipal administrations to sustain their activities.

However, NHAs are increasingly confronted with challenges stemming from demographic shifts, such as aging populations and declining birthrates, as well as broader socio-economic transformations. These challenges have resulted in limitations to their operational efficacy, notably due to shortages in leadership candidates. Significant neighborhood disparities have also been observed in the vitality and performance of these organizations, revealing uneven patterns of community engagement and functionality.

Of particular concern is the extent to which NHAs fulfill their role as instruments of participatory democratic governance. Questions persist regarding whether they adequately serve as mechanisms for inclusive decision-making or whether they have effectively been relegated to subordinate extensions of administrative structures.

This study employs a nationwide macro-level analysis to address these issues, providing insights that have not been fully explored in prior research. By doing so, it sheds light on critical dimensions of the NHA's role within Japan's evolving public administration landscape, including their potential as instruments of democratic governance and their adaptation to 21st-century governance challenges.

Keywords: Neighborhood association, straddling organization, local governance, participatory democracy, aging society

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I. Introduction

In recent years, as the concept of community solidarity has been revisited, increasing attention has been directed toward neighborhood associations (hereafter, NHAs) in Japan. Following the municipal mergers during the Heisei era, neighborhood councils (hereafter, NCs)¹⁾ were established approximately at the level of elementary school districts by municipalities between the 2000s to 2010s. These organizations, which encompass not only NHAs but also various groups, non-profit organizations (NPOs), and local businesses, aim to address local issues and provide forums for consulting community opinions. According to our previous research, approximately 40% of municipalities nationwide have formed such organizations. However, the findings also indicate that NHAs remain the central entities within these frameworks (Kanagawa, Ushiro, Mori, & Hong, 2021; Kanagawa, Hong, Imoto, & Mori, 2022).

Japanese NHAs are particularly distinctive in an international context, with their origins tracing back to the Edo period's (from the 17th to late 19th century) village governance systems. While this system reached its zenith during the 1970s, it is currently facing significant challenges, including declining membership rates and a shortage of individuals willing to take leadership roles. Despite the abundance of case studies on this topic, quantitative research remains extremely limited. National-level surveys on this subject, aside from those conducted by the government, have not been undertaken in recent years. For example, Hidaka's research (2018) is based on a 2008 survey; Pekkanen et al. (2014) is based on a 2007 survey. The most recent government survey, conducted by the Ministry of Internal Affairs and Communications in 2022 and titled the "Survey on Municipal Policies to Neighborhood Associations," primarily focused on municipal policy interventions in NHAs but did not necessarily include an evaluation of their fundamental existence or significance.

In the context of our broader research on NCs, we conducted a survey on NHAs to examine their current status and the challenges they face in the future. We believe it is meaningful to analyze and present these findings as they shed light on the role of NHAs within neighborhood governance structures.

This study aims to present the findings of a nationwide survey conducted by the authors, focusing on the activities and challenges of NHAs and exploring potential future directions.

II. Neighborhood Associations: Mechanisms for Enhancing Governance Performance

NHAs are among the most historically rooted civil society organizations in Japan (Taniguchi & Aldikacti Marshall, 2016). These associations are defined as "voluntary groups whose membership is drawn from a small, geographically delimited, and exclusive area (a neighborhood), and whose activities are multiple and are centered on that same area" (Pekkanen,

2005, p.29). Most NHAs typically consist of fewer than 100 households (Pekkanen, Tsujinaka, & Yamamoto, 2014). Geographically, they are often organized at the block level, known in Japanese as *chome*, while federations of these associations tend to form at both the municipal and school district levels. The defining feature of NHAs is their focus on addressing “pressing neighborhood issues,” such as public safety, emergency management, welfare services, and beautification efforts (Taniguchi & Aldikacti Marshall, 2016, p.700).

II.1 NHAs as Widespread Civil Organizations

One of the most notable aspects of NHAs is that almost all households become members, making them the most widespread civil organizations in Japan (Pekkanen, 2005). This prevalence can be attributed to the significant expectations placed on these organizations by governmental entities. Such organizations are often referred to as “straddling organizations,” a term used to describe entities that serve as intermediaries between government and society (Read & Pekkanen, 2009). In Asia, where state-building in a modern period often incorporated local governance structures, analogous NHAs have played a critical role as an intermediary. The national and local governments have historically utilized these associations to mobilize private sector resources for governance purposes (Muramatsu, 1994).

Those governments value NHAs for their capacity to leverage social capital accumulated within neighborhood areas. These associations can execute tasks that governments typically do not perform (van Houwelingen, 2012). NHAs offer two primary advantages: reducing administrative costs and enhancing public service’s effectiveness (Pekkanen, 2005). Recognizing these benefits, governments have implicitly and explicitly relied on NHAs to enhance governance performance.

II.2 Core Activities of NHAs

NHAs engage in a range of activities. According to a nationwide survey conducted by Pekkanen, Tsujinaka, and Yamamoto (2014, p.111), the most common activities include cleaning and beautification (88.5%), residential road management (87.2%), festivals (74.6%), and support for the elderly (70.9%). Notably absent from this survey, however, is an examination of the administrative tasks performed by NHAs in collaboration with local governments. The most prominent examples of such collaboration include distributing municipal publications and acting as intermediaries for relaying community needs to local governments (Hidaka, 2018). In essence, these activities align closely with improving public goods management, enhancing equitable resource distribution, and strengthening information dissemination. Additionally, participation in these activities contributes to reinforcing social capital within communities (Pekkanen, 2005).

While participation in NHAs often carries an obligatory nature rather than being purely

voluntary (Taniguchi & Aldikacti Marshall, 2016), these associations maintain a degree of autonomy, even with regular government subsidies (Pekkanen, 2005; van Houwelingen, 2012). Local governments, particularly municipalities tasked with providing a wide array of services for communities, have afforded special consideration to NHAs. However, these associations face challenges with the decline of their social capital as societal dynamics evolve.

II.3 Challenges and Future Directions

From a governance performance perspective, it is critical to examine the activities undertaken by NHAs and the challenges they face across Japan. In particular, municipal governments' perceptions and evaluations of the systems underpinning NHAs require further exploration. While surveys of individual NHAs are valuable, a nationwide evaluation of these associations at the municipal level is equally important.

Previous surveys, such as those conducted by the National Association of Chairpersons of City Councils (2021), have focused exclusively on urban areas. However, large-scale studies addressing a broader range of geographic conditions, including both urban and rural areas, have been rare. Although Pekkanen, Tsujinaka, and Yamamoto (2014) conducted a comprehensive survey in 2007, it primarily focused on association leaders' perspectives. This study seeks to address the gaps left by prior research by providing a more extensive examination of NHAs' governance roles and challenges at the national level.

III. Methodology

This survey targeted municipalities across Japan, including cities, special wards in Tokyo, towns and villages, totaling 1,741 local governments. The questionnaire was distributed to community affairs departments within these municipalities in an online format, employing a survey company, REAL ONE. The survey, titled "Web Questionnaire Survey on NCs in Local Municipalities," primarily aimed to examine the state of NCs and Regional Management Organizations (hereafter RMO)²⁾ often established at the school district level. Simultaneously, it also captured the characteristics of smaller-scale autonomous entities, such as NHAs, which frequently serve as their foundational structures. The survey was conducted between August 7 and October 15, 2020, with one questionnaire distributed to each municipality. Participation was voluntary, and the survey achieved a valid response rate of 53.9%.

In Japan, surveys directed to municipal departments typically require internal approval before responses are submitted. As a result, the responses are considered official views representing the respective municipalities. This procedural context underscores the reliability and credibility of the survey findings as reflections of municipal-level perspectives.

IV. Results

IV.1 The Existence of NHAs as a System (Q31 to Q37)

When discussing the presence of “NHAs” it often implies the existence of a neighborhood and community association system. This system is characterized not by the fragmented establishment of individual associations but by the formation of units that collectively cover the entire jurisdiction of a municipality. These units are organized into federated structures, functioning as an integrated system. This organizational approach is a significant feature of Japan’s local governance and supports the role of NHAs in cooperating with administrative tasks.

As expected, most municipalities reported that NHAs exist across all areas (57.9%) or nearly all areas (32.2%) within their jurisdictions (Table 1). Conversely, approximately 10% of municipalities indicated that such associations cover less than half of their jurisdiction. Notably, 7.3% of municipalities reported that associations are present only in specific areas. In this study, the 12 municipalities that reported no NHAs were excluded from the following table, resulting in a final valid response of 927.

Historical comparisons highlight changes in the system’s prevalence. For instance, a nationwide survey conducted by the Ministry of Home Affairs in 1980 revealed that only 8 out of 3,278 municipalities lacked NHAs (Ministry of Home Affairs, 1980). This stark contrast underscores the evolving nature of the system. On average, a municipality hosts approximately 201 NHAs. The numbers vary significantly, with large designated cities³⁾ hosting a considerable number of associations while smaller towns and villages have fewer.

This federated and systematized structure exemplifies the institutionalization of NHAs within Japan’s local governance framework. It ensures comprehensive coverage of municipal areas, facilitating the integration of these associations into administrative collaboration and local governance efforts.

Table 1 Covering ratio of NHAs in Municipalities (n=939)

Presence of Entities in Areas	Frequency	Valid Percent (%)
Exists in all areas	544	57.9
Exists in almost all areas	302	32.2
Exists in about half of the areas	12	1.3
Exists in some areas	69	7.3
Does not exist	12	1.3
Total	939	100.0

The geographical scope of NHAs aside, the majority of respondents (54.5%) indicated

that there is “no specific legal basis” for their establishment. This suggests that many local governments operate under the premise that the establishment of NHAs is voluntary and driven by resident initiative. Consequently, the next most common response, which identified “ordinances or regulations of the NHAs” as the basis for their establishment, further reinforces this understanding (Table 2).

Table 2 Legal Basis for the Establishment of Neighborhood Associations (n=927) (M.A.)

Category	Frequency	Valid Percent (%)
Ordinances	108	11.7
Regulations	139	15.0
Guidelines	20	2.2
Outlines	62	6.7
Agreements	3	0.3
Budgetary Measures	48	5.2
Comprehensive Plans	26	2.8
Other	106	11.4
None	505	54.5

One notable feature of NHAs as a system is the presence of federations. The formation of a federation implies that while individual NHAs operate independently, they also act collectively as a cohesive unit. In this study, we excluded federations operating at the municipal or the ward level of the designated city and instead focused on federations formed at smaller administrative levels, such as elementary or junior high school districts.

The results revealed that the majority response was the absence of such federations (42.5%), which seems to be relatively small municipalities such as towns and villages (Table 3). Furthermore, 62.7% of respondents indicated that there were “no specific grounds of setting” for the establishment of these federations. The organizational structure appears to vary widely. Other notable responses included federations formed based on pre-merger village units from the Shōwa era, as well as those organized aligning with administrative catchment areas, including community centers, municipal branch offices, disaster prevention zones, and kindergarten

Table 3 Presence of Federations of NHAs (n=927)

Category	Response Count	Percentage (%)
Exists in all areas	287	31.0
Exists in almost all areas	104	11.2
Exists in about half of the areas	24	2.6
Exists in some areas	118	12.7
Does not exist	394	42.5
Total	927	100.0

districts (Table 4).

Table 4 Geographical area of Federation Association of NHAs (n=533) (M.A.)

Category	Frequency	Valid Percent (%)
Smaller than elementary school district	126	23.6
Elementary school district (including merged districts)	189	35.5
Junior high school district (including merged districts)	59	11.1
Former municipality units (pre-Heisei mergers)	74	13.9
Other	142	26.6

IV.2 Transformation of membership ratio during the last decade(Q38)

Over the past 10 years, how have membership rates in NHAs changed? A membership rate is generally measured as the proportion of member households out of all households in the neighborhood area. When asked about overall trends across municipal jurisdictions, the majority (55.3%) reported a decline in membership rates. 326 municipalities reported an stable membership (35.2%). While the overall trend points to declining membership rates, some municipalities have seen a stability in participation rates within their jurisdictions. Whereas, “Other” seems to have a mixed situation within the municipality (Table 5).

Table 5 Transformation of membership ratio (last decade) (n=927)

Category	Frequency	Valid Percent (%)
Membership rate increasing	18	1.9
Membership rate declining	513	55.3
Membership rate stable	326	35.2
Other	70	7.6
Total	927	100.0

IV.3 Activities of Neighborhood Associations (Q39)

NHAs often serve as multi-functional entities addressing diverse aspects of community engagement, a characteristic extensively documented in prior scholarship. This study drew upon existing literature (e.g., Kikuchi, 1990; Hidaka, 2018) to construct a comprehensive typology of activities and assess their implementation. A particular focus was placed on evaluating the extent to which these associations contribute to functional domains traditionally associated with emerging NCs as regional governance frameworks and RMOs.

A total of 34 activity categories (excluding “Other”) were classified into six overarching functional domains:

1. **Political participation in municipal governance (Items 1–8):** This category encompasses activities such as submitting policy recommendations or budget proposals to local authorities.
2. **Community development for collective security and welfare (Items 9–19):** Activities include disaster preparedness, environmental beautification, and initiatives to enhance neighborhood safety.
3. **Social solidarity and community bonding (Items 20–22):** Events fostering communal interaction, such as festivals and cultural celebrations.
4. **Economic revitalization through community enterprises (Items 23–26):** Profit-driven projects aimed at stimulating local economic activity.
5. **Administrative collaboration with local governments (Items 27–30):** Activities performed at the behest of municipal authorities, including administrative support functions.
6. **Organizational capacity building (Items 31–34):** Initiatives to strengthen internal governance, enhance communication strategies, and foster inter-organizational collaboration.

A five-point Likert scale was employed to evaluate these activities, with responses categorized as “very active,” “somewhat active,” “neutral,” “not very active,” and “inactive.” For this analysis, the proportions of “very active” and “somewhat active” were aggregated. Charts 1 and 2 present findings based on valid responses ($n = 927$ and $n = 533$, respectively).

The data indicated the key findings as follows.

1. Dominant Functions:

The most frequently reported activities included:

- Disseminating governmental communications (e.g., distributing newsletters).
- Conducting environmental maintenance and beautification initiatives.
- Facilitating interpersonal communication among residents (e.g., circular notices).

These activities reflect a strong alignment with the second and fifth functional domains, underscoring the dual roles of neighborhood associations in fostering public goods and providing operational support to local governments.

2. Disaster Preparedness and Social Integration:

High levels of engagement were observed in maintaining communal facilities, organizing social events (e.g., summer festivals), and implementing disaster preparedness measures, with over 70% of associations reporting activity in these areas.

3. Limited Engagement in Policy Advocacy:

Upward political engagement, including activities such as submitting policy proposals or budgetary recommendations, was less prevalent, indicating limited direct participation in municipal decision-making processes.

4. Marginal Role in Economic Development:

Community-driven economic initiatives were observed only in isolated cases, suggesting that NHAs typically lack the structural capacity or resources to engage in large-scale economic development activities.

5. Federated Organizations' Contributions:

Federations of NHAs, such as those aligned with school district boundaries, primarily engaged in disaster preparedness, community development, and social events. However, the overall activity levels within federations were relatively low, implying that these entities primarily function as coordinating bodies rather than operational units (Chart 2).

Implications

The findings indicate that NHAs primarily function as intermediaries for administrative collaboration, facilitators of community welfare, and promoters of social cohesion through

Chart 1 Activities of NHAs (%) (n=927)

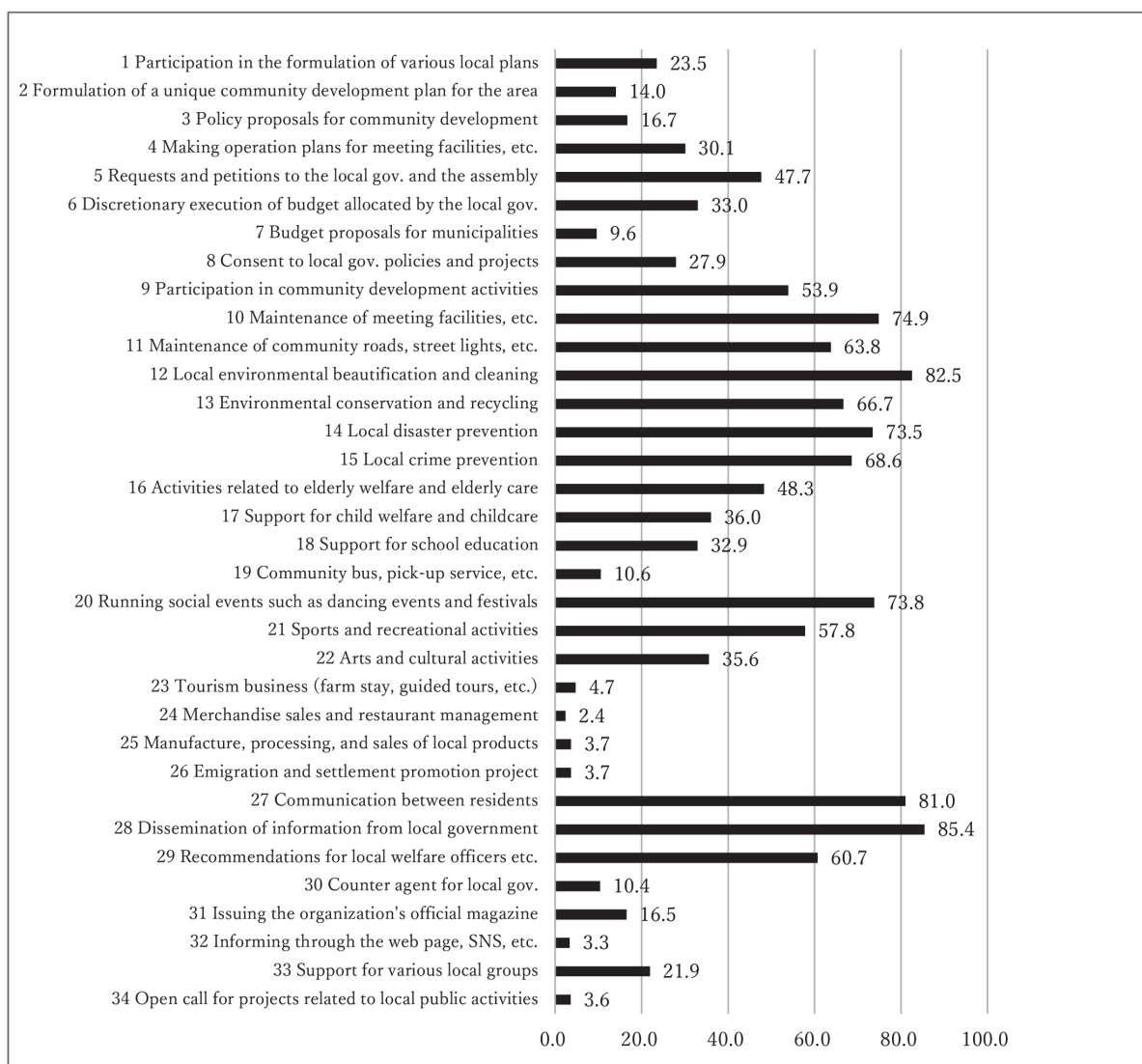
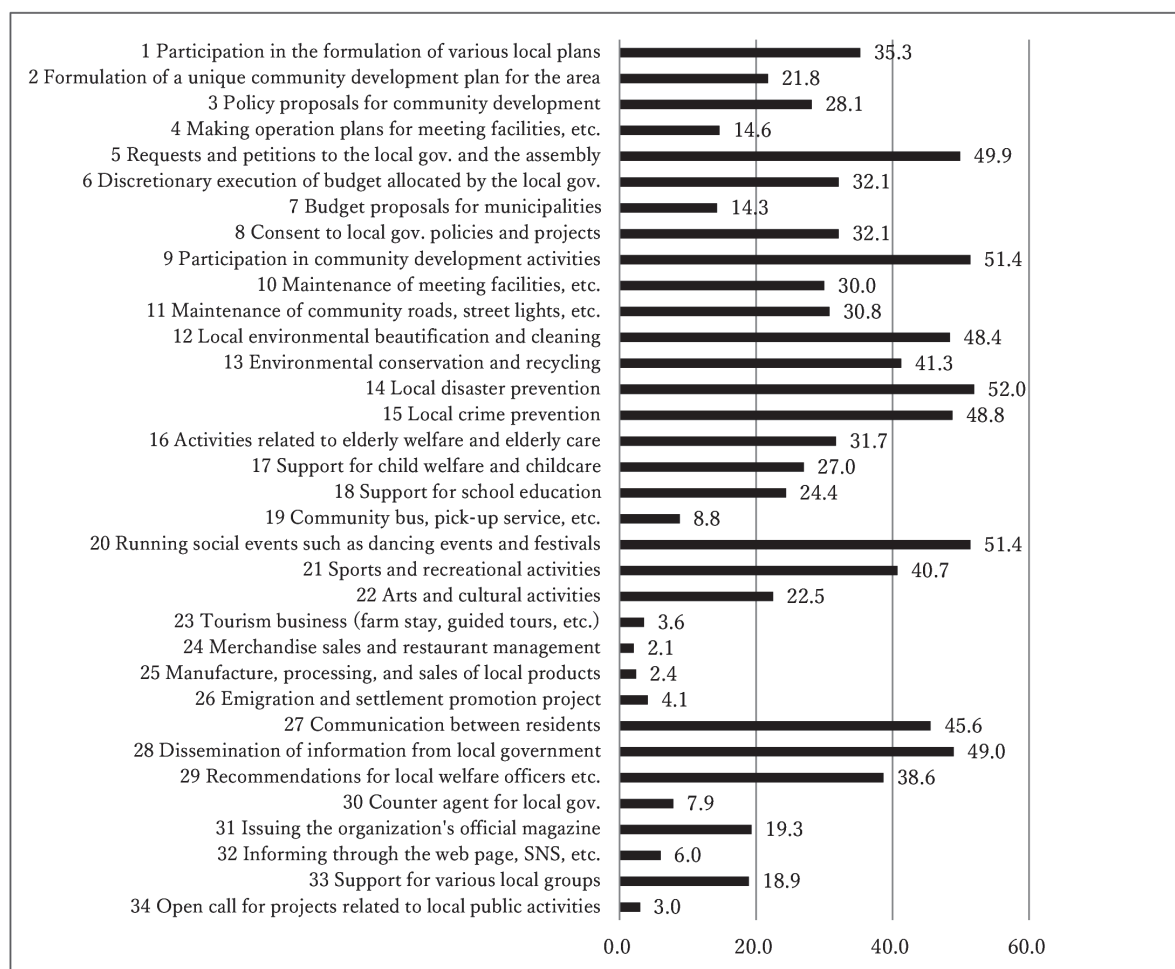


Chart 2 Activities of NHA federations (%) (n=533)



participatory events. Federated associations, by contrast, appear to fulfill an auxiliary role, emphasizing coordination over direct program implementation. Future research should incorporate targeted inquiries into the federated associations' unique contributions, such as their capacity to mediate inter-association communication, resolve intra-community disputes, and align local priorities with municipal governance objectives.

IV.4 Trends in Overall Activity Levels of Neighborhood Associations (Q40)

To what extent can it be said that the overall activities of NHAs have become more vibrant? While previous findings highlighted a declining trend in membership rates, which might suggest stagnation in activities, the data presents a more nuanced picture.

Although specific details remain unclear from the results alone, the key takeaway appears to be not so much an overall decline in activity but rather an emerging disparity in activity levels among associations. This suggests that while some NHAs may be thriving and actively engaging in various initiatives, others are experiencing a notable decline in participation and functionality.

Such disparities merit attention, as they reflect a growing inequality in the capacity and

Table 6 Activity level of NHAs (n=927)

Description	Frequency	Valid Percent (%)
Overall, activities are becoming more active	21	2.3
Overall, activities are becoming less active	238	25.7
Areas with increasing activity and decreasing activity coexist	419	45.2
No change	220	23.7
Other	29	3.1
Total	927	100.0

vitality of NHAs, potentially affecting their ability to serve as effective agents of community governance and public engagement.

IV.5 Funding Sources of Neighborhood Associations (Q41)

The financial resources for NHA activities can broadly be categorized into autonomous and transferred revenue sources. The primary funding streams consist of membership dues, classified as autonomous revenue, and grants or lump-sum allocations provided by municipal governments, categorized as transferred revenue.

The data reveals a predominant reliance on membership dues collected directly from association members, underscoring their critical role as the primary financial backbone of these organizations.

Additionally, several other sources of funding, while less common, were noteworthy:

Table 7 Breakdown of Revenues (n=927) (M.A.)

Category	Subcategory	Frequency	Valid Percent (%)
Independent Revenues	Membership fees	819	88.3
	Donations	160	17.3
	Income from properties (e.g., land districts, parking lots, golf courses)	81	8.7
	Income from independent projects (e.g., community businesses)	30	3.2
Transferred Revenues	Grants or lump-sum subsidies from municipalities	608	65.6
	Contracted work from municipalities	186	20.1
	Fees for designated management contracts ⁴⁾	49	5.2
	Usage fees for designated management facilities	36	3.9
	Grants from prefectures	33	3.6
	Contracted work from prefectures	23	2.5
Other	Other sources	32	3.5
	Not aware	77	8.3

- Revenue from federation-level organizations.
- Contributions from public fundraising initiatives (e.g., joint charity drives).
- Income from solar power generation, such as feed-in tariffs or municipal solar power profit allocations.
- Proceeds from recycling programs (e.g., collecting recyclable waste).
- Contributions or sponsorships from local businesses and other private entities.

These diverse funding mechanisms demonstrate varying levels of creativity and resourcefulness among NHAs in supplementing their budgets. However, the overwhelming dependence on membership dues highlights potential vulnerabilities, particularly in contexts of declining membership or economic strain.

IV.6 Challenges Facing Neighborhood Associations (Q42)

The most pressing challenge for NHAs, unsurprisingly, stems from Japan's overarching demographic trends of declining birth rates and an aging population. These changes have led to a significant reduction in the pool of individuals available to assume leadership roles and participate in organizational activities. This demographic shift exerts direct and indirect effects on nearly every other issue facing these associations.

Despite the above shift, the data indicates that instances of NHAs dissolving or ceasing operations are not widespread across Japan. In areas with stable or modest declines in organizational participation, associations appear to persist. However, the proliferation of studio apartments, particularly in urban areas, has emerged as a serious challenge to sustaining local community networks. This is particularly critical for functions such as mutual aid during disasters, where insufficient resident engagement could compromise responsiveness and coordination.

Other concerns frequently cited include:

- Population declines, leading to reduced membership and resource availability.
- Overburdened leadership, where association officers report being overwhelmed with responsibilities.
- Financial pressures, as complaints regarding high membership dues become more common.

Disparities in Activity Levels

One of the most striking findings is the variance in activity levels across associations, with 45.2% of respondents acknowledging significant disparities (Table 6). As previously noted, while some associations remain active and robust, others struggle to maintain basic functions. Such inconsistency could threaten the viability of NHAs as a cohesive and effective governance system.

Systemic Concerns

A particularly salient issue highlighted in the “Other” responses was the perception of associations being increasingly dependent on external actors. Respondents noted that municipal governments, federated organizations, and other entities frequently request NHAs to provide support for various initiatives or events. This dynamic places an undue burden on associations, effectively relegating them to subcontractor roles. This reliance on externally dictated tasks diminishes the autonomy and purpose of NHAs, potentially undermining their sustainability and ability to serve as self-governing community entities.

IV.7 Implications

Addressing these challenges requires a dual approach. First, targeted measures are needed to alleviate the burdens on leadership, such as simplifying administrative tasks and diversifying funding streams to reduce dependence on dues. Second, systemic reforms may be necessary to recalibrate the relationship between NHAs and external stakeholders, ensuring that collaborations do not disproportionately strain local capacity. Finally, addressing demographic challenges through community-building initiatives and incentivizing participation from younger residents may help mitigate the long-term impacts of aging and depopulation.

Table 8 Problems of Neighborhood Associations (n=927) (M.A.)

Category	Frequency	Valid Percent (%)
Aging of Executives	779	84.0
Lack of Willing Successors for Executive Roles	757	81.7
Declining Interest Among Younger Generations	564	60.8
Variations in Activity Levels by Neighborhood	558	60.2
Fixed Participation by Certain Individuals	532	57.4
Decline in Membership Rates	528	57.0
Increase in Residents of Apartment Complexes	356	38.4
Declining Sense of Belonging to the Community	321	34.6
Challenges of Multicultural Coexistence Due to Increasing Foreign Residents	161	17.4
Shortage of Activity Funds	135	14.6
Declining Existence Ratio of Organization	134	14.5
Lack of Awareness of General Residents to Neighborhood Associations and Similar Organizations	131	14.1
Others	34	3.7
Noting in Particular	18	1.9

V. Insights and Considerations from the Findings

The role of NHAs as an integrated system operating effectively within municipal governance is desirable from a public administration perspective (Mori, 2023). Their integration offers dual benefits: enhancing efficiency in public service delivery and improving effectiveness in achieving policy outcomes.

NHAs act as mediators to balance the interests of residents and municipal departments during the implementation of public projects. For instance, in appointing community welfare commissioners³⁾, municipalities could advertise for volunteers, incurring costs for outreach and recruitment. Alternatively, they can request NHAs to nominate suitable candidates, thus streamlining the process at minimal expense.

Similarly, waste management provides a practical example. Collecting household waste at communal stations rather than through door-to-door collection is significantly more efficient. However, determining the location of these stations often leads to disputes, as residents generally oppose placing them near their properties. In such cases, the involvement of NHAs often defuses tensions, with association leaders acting as intermediaries to negotiate and secure agreements, avoiding direct conflict between municipal officials and residents.

VI. Considerations

For NHAs to function effectively as a system, either their current organizational structures and activity levels must be maintained or, ideally, overall activity levels must increase. A decline in engagement or growing disparities in activity between associations risks undermining the system's utility as a governance tool.

To explore the factors influencing the vitality of NHAs, this study compared municipalities based on activity trends identified in Q40 with metrics such as population size, household numbers, and fiscal capacity indices. Findings revealed that municipalities where NHAs demonstrated high overall activity levels tended to have:

- Relatively small populations, averaging around 60,000 residents.
- Stronger fiscal capacity, with an average financial strength index⁴⁾ of 0.6.

Conversely, in municipalities with larger populations, NHAs tended to exhibit lower activity levels. These observations suggest that fiscal health and manageable population sizes may positively influence the activity and sustainability of NHAs. Further research is necessary to examine causal relationships in greater detail.

Despite their utility, over-reliance on NHAs as intermediaries in municipal administration raises questions. The increasing establishment of NCs and RMOs nationwide reflects broader aspirations, such as:

1. Promoting local economic independence through initiatives that enhance economic circulation within communities.
2. Improving democratic participation by enabling greater involvement of residents in

polycymaking processes.

Our survey found that municipalities often cited the robust functioning of NHAs as a primary reason for not building NCs or RMOs as a new governance structure. Responses such as “because NHAs are well-established” and “because relationships between the municipality and NHAs are smooth” were overwhelmingly common.

However, this suggests that many municipal officials view NCs as an extension of NHAs rather than as distinct structures aimed at achieving economic self-sufficiency or fostering grassroots democracy (Kanagawa, Ushiro, Mori, & Hong, 2021). If municipalities are committed to these fundamental values, they must confront practical challenges, such as rethinking the role and structure of NHAs in light of Japan's demographic changes.

Table 9 Data Summary

Activity Level	Indicator	N	Minimum	Maximum	Mean	SD
Overall active	Census Population	21	1,230	406,735	67,779.05	94,412.80
	Basic resident population	21	1,158	408,804	67,891.62	95,478.59
	Number of households	21	573	181,244	29,614.86	42,528.34
	Finantial strength index	21	0.14	1.05	0.6186	0.27886
Overall declining	Census Population	238	0	1,952,356	85,993.92	187,271.80
	Basic resident population	238	434	1,959,313	86,098.35	188,578.30
	Number of households	238	265	1,068,992	40,447.47	96,093.26
	Finantial strength index	238	0.09	1.52	0.5444	0.28241
Mixed (active & declining)	Census Population	419	484	2,691,185	113,890.37	240,771.43
	Basic resident population	419	401	2,730,420	114,021.64	243,190.79
	Number of households	419	191	1,507,628	53,289.61	123,612.36
	Finantial strength index	419	0.10	1.56	0.5737	0.28506
No change	Census Population	220	1,068	797,980	50,665.41	85,014.40
	Basic resident population	220	1,040	802,527	50,644.20	86,013.15
	Number of households	220	608	341,385	22,234.18	38,993.08
	Finantial strength index	220	0.08	1.74	0.5091	0.29201
Other	Census Population	29	0	1,537,272	183,378.38	307,328.97
	Basic resident population	29	9,514	1,533,588	182,094.17	306,214.69
	Number of households	29	3,825	761,092	83,829.66	150,247.01
	Finantial strength index	29	0.31	1.64	0.7124	0.28505

Note: The census population was based on the 2015 National Census, while the basic resident population and the number of households were derived from the Basic Resident Registration as of January 2020. The financial strength index was based on FY 2019 data from the Ministry of Internal Affairs and Communications. The census recorded a population of 0 for Ōkuma and Futaba Towns in Fukushima Prefecture, which were designated as restricted residential areas due to the nuclear plant accident in 2011.

VII. Conclusion

The findings underscore the dual role of NHAs: a facilitator of efficient governance and a mediator in public affairs. However, sustaining and enhancing their effectiveness will require addressing systemic disparities and demographic challenges. Policymakers must weigh the trade-offs between maintaining the status quo and transitioning toward models of governance that prioritize regional autonomy and democratic engagement. This will involve both strategic adjustments to existing frameworks and a commitment to reimagining the role of NHAs as part of a broader governance ecosystem.

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Footnote

- 1) In 2004, the Local Autonomy Law was revised through discussions held at the 27th Local Government System Research Council meeting. The national government aimed to supplement declining local autonomy by introducing the local autonomous committee (LAC). The main purpose of the LAC is to propose matters for consultation with the mayor. The legal nature of the LAC is to serve as the municipality’s internal committee, and the chair of the LAC is appointed by the mayor. However, only 13 municipalities have adopted the LAC system in 2023. Whereas around 40% of municipalities set up neighborhood councils (NCs) as residential organizations by their ordinance or rule, many of which have consultative and service provision functions (Kanagawa et al., 2022, pp.51-53).
- 2) In 2014, the regional management organization (RMO) model was introduced as a national policy, and the government set the following definition: “Residential organizations have service-delivery functions lacking in the area or revitalization activities such as tourism and local products. The consultative function does not mean submitting opinions to represent the residents but can indicate the managerial plan regarding the organization’s operation” (Kanagawa et al., 2021).
- 3) A Designated City is a classification for Japanese municipalities that grants them increased autonomy from the prefectural government. These cities, designated by a government ordinance under Article 252, Section 19 of the Local Autonomy Law, possess administrative powers similar to those of a prefecture in certain areas. A city must have a population of at least 500,000 to be considered for designation.
- 4) The Designated Administrator System is a system implemented in Japan that allows private entities, including corporations and non-profit organizations, to manage public facilities. Introduced in 2003 as part of the revision of the Local Autonomy Act, this system was

established to improve the efficiency and quality of public services by leveraging the expertise and operational capabilities of the private sector.

- 5) A community welfare commissioner in Japan, appointed by the government to assist with local social welfare activities. These commissioners have a status of part-time local government officer, but work on a voluntary and unpaid basis to support individuals in need, including the elderly, people with disabilities, and families facing economic hardship (Haddad, 2010, p.23).
- 6) The Financial Strength Index (FSI) is a key indicator used in Japan to evaluate the financial independence and capacity of local governments (prefectures, cities, towns, and villages). It reflects how much a local government can cover its expenses using its own revenue sources (such as taxes), without relying on financial support from the national government.

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