

disciplinary actions and other aspects of the staff of the ministry. Therefore, the principles of democratic and efficient operations, the merit principles, and the principle the service the entire people of Japan and must strive their utmost to perform their duties, are present in the ministry.

The system of Personnel Management Permit at ministry to obtain its goals. The Japanese diplomacy has been described in terms of "the three principles of diplomatic activity" and omnidirectional diplomacy. The three principles of diplomatic activity mean: a) emphasis on the United Nations, b) Japan's position as a member of the Free World, and c) Japan's position as a member of the Asia-Pacific region. The omnidirectional diplomacy mean: friendly relation with all countries on the basis of the Japan-US relationship. What has most characterized Japanese diplomacy since World War II, however, has been the stress on economics. The concept of comprehensive security includes economic diplomacy as a part of Japan's security policy (which include the maintenance of military strength) along with exchange at the political and cultural levels.

Conclusions

1. The Ministry of the Foreign Affairs have an legal and administrative structure clear and precise that permit at Japan to obtain the goals of its Exterior Politics.
2. Founded in the principles of the National Personnel Management System and protected for the Japanese Juridical order, the ministry have a staff trained for to fulfill its duties.
3. Japan offer a personnel management system where efficiency, equity and qualited administrative process are present and that we can to use as model if we want to improve our personnel systems. The experience and attainments of the Japanese system guarantee its appropriate mechanisms of solutions.
4. All the present time the Dominican Republic require a personnel management system that permit the establishment of the civil service and Administrative Career. However, the above system will must to respect on to improve the Diplomatic Career in force, on to create a new and especial personnel system for the Ministry of the Foreign Affairs.
5. Dominican Republic require two basic conditions for to implement a modern personnel management system. These are:

- a) Fulfill a educational task directed to all national sectors to create a new administrative conscience over a dynamic personnel system that contribute at national development.
 - b) The good will of the authorities. This mean that authorities must to take the decision to put in practice the system without have present political criteria.
6. Japanese government could to contribute increasing its cooperation at Dominican government in this area through a particular project that include training, conferences, dispatch, visits.

SUMMARY REPORT NATIONAL GOVERNMENT ADMINISTRATION

by Ms. Wafaa Hosney El Tatawy
(Egypt)

Chapter 1. Summary Report

There are three main authorities in Egypt the executive, legislative and the judicial. Each one has its own competencies. The executive authority which is represented in the national government and its bureaucracy implements the public policy which means making the drastic change and improvement for raising the standard of living, thus achieving welfare for all citizens without discrimination or bias.

On the other hand, the problem of comprehensive development has become a thorny question. The Egyptian public administration, however, has taken various steps to initiate the process of development but unfortunately these efforts have not achieved the planned targets i.e. comprehensive development. Actually, there are many political, socio-economic and cultural factors behind this failure. The economic factors may be illustrated in many subfactors such as lack of investment (due to lack of saving and the irrational rates of consumption), poor infrastructure, inefficient personnel, and the prevailing of many negative values and traditions.

Despite the important role of public administration in initiating and pushing ahead the socio-economic and administrative development in Egypt, a few studies have proved thoroughly various problems facing this field such as: job dissatisfaction, inefficiency of public services (civil work) and lack of efficient control of public administration.

Aim of the study

Identifying the major factors which affect development administration in Egypt especially in the:

1. Economic policy
2. Improvement of the social and economic infrastructure
3. Human resource development

4. Industrial policy and trade policy

This study included the major subject as follows:

1. Function of the government and public administration in Egypt.
2. Problems facing public administration in Egypt
3. The present situation and problems the government faces in the process of economic policy implementation, improvement of the social and economic infrastructure human resource development and the industrial and trade policies.

Conclusion

The study has concluded various results which could be summarized as follows:

The Egyptian public administration despite the drastic problems as illustrated previously spares no effort to initiate the process of comprehensive development. Thus, great efforts are currently exerted in various fields of development such as industry, foreign trade and human resources.

The study has identified various economical, political and administrative problems with the purpose of diagnosing the current situation accurately.

In industrial sector, industrial policy with the emphasis on industry for exportation has been adopted.

In trade sector, reorganization of commercial offices abroad have been implemented as a necessary step to study foreign demand and thus encourage exportation.

In economic sector, the government has given the economic problem a top priority and has changed drastically the economic policy either the fiscal or monetary.

In human resource development a new training policy has been adopted, strenuous efforts to co-ordinate training centers and institutes have been invigorated.

Actually, efficient training is a tool for human resources development and a contributor to organizational effectiveness, individual satisfaction and productivity.

Chapter 2. The Training Process in Japan

After the second world war, Japan's most pressing concern was economic reconstruction. Efforts in this area achieved a miraculous economic, administrative development, that has placed Japan at the forefront of the world's economies. In order to realize this target Japan implemented a efficient system of training, because efficient training is a tool for human resource development and a contributor to organizational effectiveness, individual satisfaction and productivity.

In Japan the practice of lifelong employment is common. Organization hire primarily applicants who have just graduated from senior high schools or universities and are not trained for the job for which they are hired per se. Employees normally provide occupational training to these new employees.

For civil service employees, training is to acquire knowledge and skills necessary for their current positions and also for future position in the government. This means that training is also provided, taking into consideration employee placement in the future.

Training in Japan can be divided into: "On the Job Training" (O.J.T.) and "Off the Job Training" (Off.J.T.). Another aspect of training is for retention which occurs regularly.

On the Job Training (O.J.T.)

O.J.T. is training that is implicitly or explicitly provided at the work-site by the supervisor or other member of the group to develop the work-performance capabilities of the employees.

A major part of a supervisor's job is to nurture his employees aptitudes and knowledge. This is the major type of job training in Japan. In a way, all the employees are receiving "On the Job Training" until they retire.

The opportunities for O.J.T. are ample in the Japanese organization. The Japanese emphasize group or team work aimed at each employee learning and gaining experience while working as a group member. Furthermore, decision in Japanese organization are gradually arrived at from the bottom-up which is in sharp contrast with the top-down process used in Egypt and other countries.

"The Rinji System" is a very common way of making bottom-up decisions in Japanese organization, this enhancing a sense of participation. I think that the "Rinji System" is a very appropriate system for prepare the employees for the future.

O.J.T. in Japan should be implemented through the organization. At all levels there are various relationships between supervisors or managers and their staff. In a Japanese organization nearly everyone is involved in O.J.T. much of the time. This activity is the source of the Japanese enterprise's vitality. In this sense, O.J.T. is most essential as means of educating and training personnel.

Distinctive Features of O.J.T.

There are two main features of O.J.T.

1. Basic characteristics
2. Concurrent Effects

1. Basic Characteristics

1.1 Method of training selected according to the individual

While Off.J.T. offer the benefit of expert instruction, it is generally effective only for the improvement of general skills. Through O.J.T. is possible to give specific instructions chosen in consideration of the individual.

A staff's career goals, personality, level of ability, will, desire, incentives and so on are quite different from person to person; and supervisors, who are working with them most closely are best able to understand and evaluate aspects of character and than supervisors are best able to select an appropriate method for training.

1.2 Method of training selected according to the staff's job

As each personnel shares a part of the organization's business each personnel's range of authority, responsibility and tasks are quite different. The ability required of each personnel vary with their duties.

This kind of improvement of practical skills can be done by various means according to the staff's job. This way of education is not done by any one but by the supervisors who are well acquainted with the content of the staff's duty and can manage the accomplishment of the staff's duties.

1.3 Taking advantage of daily opportunities for instruction

O.J.T. is an educational activity which takes advantages of any opportunity for instruction throughout the working day. One of the strong points of O.J.T. is that it can be carried out on a daily basis, which Off.J.T. is carried out only for the duration of training.

1.4 Giving instructions for practical use

O.J.T. can be done through the process itself of carrying out business or in way related to business. In cases such as challenging staff with more difficult work or for encouraging staff to gain further experience, business itself is a method of training i.e. man-power development. O.J.T. is a good way to improve the practical ability of the staff.

1.5 Ease in estimating results

While is difficult to evaluate the results of "Off.J.T.," it is easier to know the effects of O.J.T. because the basic method of O.J.T. consists of advising and guiding staff though the process of doing business. In O.J.T. estimating the results and realizing further requirement is a continuous pattern.

Therefore when the result is unsatisfactory, for example, when performance of daily business in not proving effective enough, O.J.T. can be repeated, and other methods can be implemented. In addition, the effects of O.J.T. are very clear not only for the supervisor but also for the staff. Staff can understand what is expected of him, and than one of the important factors of O.J.T. is the will of the individual for self-improvement.

However, the concept of O.J.T. includes not only improving the staff's practical ability, but also improving their potential for the future.

1.6 Producing positive results directly

Because O.J.T. is most effective in improving the practical abilities related to the staff's present job, the results are usually directly to the success of business.

1.7 Effective for bringing-up successors

Letting staff handle a supervisor's job and giving staff authority are effective methods of O.J.T. It gives staff the opportunity to challenge lofty goals and think about business from a supervisor's point of view. Consequently, successors are brought up and the organization can function successively.

1.8 Acquiring the influence of the supervisor's personality

Supervisors and staff work together to reach common goals. In administrative service they usually spend most of their working time sharing the same office. It is no exaggeration to say that the staff member sees every side of his supervisor.

For staff, a supervisor is a role of model of the organization. The supervisor attitude, enthusiasm, ability and way of doing business have an important effect on staff.

2. Concurrent Effects

In addition to improvement of the staff's abilities, there are other effects of O.J.T. that can be expected.

2.1 Improvement of human relations

Staff are usually conscious of the supervisor's enthusiasm and attitude during O.J.T. If, for example, a staff's suggestions are sometimes accepted during discussion, this can help to promote mutual understanding and have a positive effect on human relations.

Especially, when the staff feels that his abilities have improved, he has a feeling of appreciation toward the supervisor, this improvement in relations with personnel.

2.2 Developing a educational environment

In the working place where O.J.T. is eagerly carried out, an educational atmosphere is produced and O.J.T. is recognized as an important duty of the supervisor. Consequently, all personnel will naturally make an effort toward self-improvement. Such circumstances promote co-operation for self-improvement and often study meetings in the office are created.

Off the job-training

On the other hand, off the job training a way from the actual worksite. For a certain period of time, a group of employees receive training, or other organization are commissioned to train them. Therefore this type of training may not apply to all employees. Off the job training is generally performed at a training center or a seminar location.

In 1966 9,700 courses were held for national government employees and a total of 300,000 employees underwent training. This means that 40 percent of all general national government employees receive some kind of training off the job.

In general, the ministries and agencies of the Japanese government provide training for their own employees at their own training facilities.

The ministries and agencies cultivate their personnel in an implicit man-

ner by periodically changing staff positions. This is called job rotation which is considered a part of training as well as a course to promotion.

The National personnel Authority further co-ordinates the training activities of the ministries and agencies and at the same time, provides training for all government branches.

For example, the NPA provides systematic training according to hierarchical rank of recruit destined for higher level positions, namely for this recruits who passed the level 1 exam.

For organizations in local areas, administrative training for employees working for local offices is also provided at N.P.A. local offices.

In order to train and educate administrative officers who can respond to the need of internationalization, the N.P.A. dispatches personnel overseas for training.

There is a Long-Term Fellowship Program for Overseas Studies in which the N.P.A. sends young administrative officers overseas to graduate schools. Also there is the Short-Term Fellowship Program for Overseas Studies in which the N.P.A. send administrative officers abroad to governmental and international organizations.

Here the increase is shown in the member of researchers sent overseas for training. Since the establishment of the programs such researchers have been dispatched annually. Those who received training overseas are currently actively utilizing their training at their posts in the various ministries and agencies.

Furthermore, there is the "Long-Term Fellowship Programm for Domestic Studies," the N.P.A. dispatches administrative officers to domestic graduate schools, as well as the legal training center.

1. Japanese International Co-operation in the Field of Human Resources Development

With the view to promoting international co-operation for the social and economic development of the developing world, the government of Japan established the Japan International Co-operation Agency (J.I.C.A.) on 1/8/1974 under the Japan International Co-operation Agency Law. J.I.C.A. is the official agency of Japan whose main function is to extend technical co-operation to developing countries such technical co-operation is designed to help developing countries in their economic and social development. For this purpose J.I.C.A. invite people from developing countries for technical training in Japan.

2. Outline of Training Programme for Overseas Participants

The training programme for overseas participants is aimed mainly at extending cooperation so as to develop human resources in the developing countries.

At the request of developing countries, J.I.C.A. accepts participants for technical training. The participants receive both theoretical and practical training in their special technical fields and are expected to play an important role in the social and economic development of their respective countries upon return to their home countries. For this reason all the yearly training programmes are designed so that the participants can learn as much as possible during their stay in Japan.

In the meantime, the Japanese side can also know something from the overseas participants through this training programme. The furthering of mutual understanding between the Japanese people and other nations through personnel interchange, and thereby contributing to the promotion of international goodwill, is also of the main objectives of the training programme.

The participants come from about 100 developing countries and a wide range of training is available.

There are two types of training courses:

1. Group training
2. Individual training

1. Group training

In the group training courses, about 12 participants are trained in one specific training course with in principle, only one member from each country being accepted. In this way, group training provides the opportunity for international contacts among participants. The group training is organized using, so to speak "Ready Made" curricula which are intended to satisfy the common needs of developing countries.

2. The individual training

The individual training, on the other hand, uses so to speak "Custom-Made" curricula which are preferred to meet the specific requirements of a specific country. Training courses for counterpart personnel of the projects assisted by J.I.C.A. in developing countries as well as for personnel from international organizations also come into this category.

The Training Affairs Department is charged with the planning and imple-

mentation of training courses, as well as, management and evaluation of training courses under this training programme with the cooperation of the Japanese government and other related organizations. Training or study itself is conducted at J.I.C.A. international training centres and other training institutes with the collaboration of research and experimental stations of various governmental agencies, local bodies, universities, private enterprises, public corporations and others.

Chapter 3. The Training Process in Arab Republic of Egypt

I have the honour to review the training process in Egypt which could be illustrated through the following three dimensions:

1. The assessment of training needs
2. The Egyptian experience of training top management
3. International cooperation in the field of development

1. The assessment of training needs:

Before identifying the training needs of civil servants in A.R.E., I'd like to emphasize the point that training needs embody the required changes in: Information, Experiences, performance methods, attitudes and behaviour of the employees in any organization to enhance their efficiency and productivity.

There are two main questions which illustrate the training needs of the employees:

The first question: who needs to be trained?

The answer of this question necessitates an accurate identification of the actual jobs in the organization and the number of employees occupying these jobs. Thus the number of employees who actually need training in each job could be calculated.

This leads us to the second question: what kind of training is required for these employees?

Training could be represented in one of the following activities:

- 1) Providing the employees with information or with new work methods for achieving better performance of their tasks.

- 2) Providing employees with new experiences for solving problems.
- 3) Changing the behaviour and attitudes of employees in order to develop the feeling of loyalty to the organization, cooperation with their colleagues and cooperation between management and the employees for achieving the Organization's objectives.

In brief, the accurate identification of training needs is an integral part of the role of top managers and it is also the basis of any training activity. There are various methods for identifying training needs such as:

1) Job description:

It helps us to compare the employees qualifications and experiences with job requirements to identify the required training.

2. Performance Standards:

It represents the quantity of production to be achieved by the employee in a given time. The difference between the required performance standard and the actual performance standard illustrates the training needs.

3. The annual evaluation reports:

These reports represent the managers' evaluation of their subordinates during a given period, indicating the weak points of the employees to provide them with the suitable training.

4. Changing work system:

It could be achieved through the following methods:

- a. Reorganization
- b. Utilizing the recent equipments and machines
- c. Applying up-to-date work methods and techniques
- d. Issuing the necessary laws and regulations of work

5. Inspection reports:

They include the shortcomings of employees performance. Thus, training may help to overcome them.

6. The complaints:

Complaints submitted by the public is a vital indicator of the training needs.

There are two stages of the employees service:

- 1) The first stage: starts with the beginning of an employees career until he reaches the supervisory level. In this stage, an employee needs the following training:

- Informative or initial training: This training aims at providing the newly appointed employee with the main principles of the job, such as his duties and rights.
 - On-the-job training: this kind of training is carried out by the older and more experienced colleagues or managers. It provides the employees with the necessary skills for efficient performance.
- 2) The second stage: It starts when an employee reaches the first supervisory level until the end of his service:

In this stage, an employee needs the following kinds of training:

- A. Professional training: this kind of training aims at developing the professional skills, making use of the continuous development in the various fields and updating the information of employees who occupy professional jobs on both scientific and practical basis especially for using new equipments and machines.
- B. Training of supervisors: It includes training of the following management levels:

First — Training of supervisors: It aims at developing the employees skills at the supervisory level.

It includes the following issues:

- Training supervisors to hold the responsibility of management, direction of a limited number of subordinates and co-ordinating between them.
- Providing them with the necessary information concerning the minimization of effort, time and cost and also the recent work methods and techniques to be capable of training their subordinates.
- Providing them with the principles of human relations and the proper communication systems.

Secondly — Training of middle management: (Department managers) :

It is immediately above the supervisory level. It is very important for enhancing the activities of the organization because it is the link between top management and the lower levels of the employees.

This kind of training includes the following issues:

- The ability to analyze and solve problems and also to design the short-term plans in various fields.

- The co-ordination between different sections for achieving the desired objectives.
- Enhancing the organizational and administrative abilities for an efficient management.
- Promoting the training abilities of managers to be able to train their subordinates and raise their performance standards.
- Providing them with the necessary knowledge in various specialized fields to be capable of directing their subordinates in these fields.
- Providing them with the necessary information concerning human relations which enables them to deal with subordinates efficiently and raise their productivity.

Thirdly — training Top-management: This kind of training includes the employees holding the main jobs, and who participate in the formulation of general plans and policies.

The level of top management include the following positions:

- Heads of sectors at the distinguished grade.
- Heads of central departments at the higher grade.
- General managers.

This managerial level requires excellent abilities in planning, organization and co-ordination.

This training includes the following issues:

- Enhancing the ability of designing plans and policies to be in conformity with the state general plans
- The main principles of decision making.
- Improving the organizational abilities necessary for efficient co-ordination between the various units under his management and raising their productivity.
- Promoting the training abilities for raising employees performance.
- Comprehensive knowledge of work regulations and laws.

The Central Agency for Organization and Administration publishes an annual circular to be distributed among state units in both government and public sectors to provide them with guidance on how to identify the training needs of employees. This circular in-

cludes an identification of the training needs of the employees in these units.

Each unit in its turn translates these needs to a training plan, which includes the following elements:

- Training needs (Quantity, Quality, Level) required according to the occupational groups which are illustrated in the job schedule.
- Training Programs covering these needs.
- The curriculum of each training program and the number of training hours devoted to each subject.
- Training techniques applied in each subject.
- Training facilities (training rooms-audio-visual aids funds needed for implementing these programs)
- Time tables of the programmes.
- Following-up and evaluating the trainees.

After preparing a training plan for each unit, these plans are submitted to the C.A.O.A. to review them and provide the technical consultation, consequently. The C.A.O.A. is responsible of designing training programs which are carried out in its central departments of training:

- (a) The central department for executive development programs which carries out training programs for top management.
- (b) The central department for administrative training center which implements training programs in the field of administration, organization and clerical jobs for the employees of the various administrative units.

Sadat Academy for administrative sciences is responsible for planning designing and implementing training programs for both top and middle management and in some specialized fields to meet the needs of the employees of the public sector.

Other training centers affiliated to ministries, governorates departments and corporations are also responsible of fulfilling their training needs in the specialized fields.

2. Training of top management in A.R.E.

Training of top management was not taken into consideration till the issuing of law no. 158 in 1952 according to which the civil service commission was established. Thus the administrative reform movement was followed by a

number of laws and decrees, concerning civil servants in both government and public sectors. These laws aim at raising productivity and offering services to the public at the minimum cost, effort and time. Setting training rules was one of the essential objectives of establishing the Civil Service Commission which include preparing employees for occupying higher jobs with new responsibilities.

The Institute of Public Management was established by the law no. 657-1954.

Its first article illustrated the necessity of preparing civil servants on scientific basis to raise their performance standard. The institute's training programs are carried out through lectures, seminars and discussions.

The Institute of National Planning was also established by the law no. 231-1960 to enhance the administrative reform process by carrying out educational and training programs, sending missions abroad and holding scientific meetings and conferences.

In 1961 and with the emergence of the economic public sector, there was an essential requirement for preparing administrative leaders capable of managing it, on scientific bases. Thus the National Institute of top Management was established according to the republican decree no. 517-1961. Article 2 of this law stipulated that the main objective of establishing this institute was to carry out scientific and training programs and other activities which may help in achieving administrative development, preparing managers on all levels, raising the administrative efficiency in both the government and public sectors in A.R.E.

The institute applied recent methods of training in its programs such as:

- a. Case studies and solving problems
- b. Administrative games
- c. Simulation
- d. Conducting and publishing researches in the field of management
- e. Lectures

The institute's effort was directed towards training top management, and as a result some of the institute's graduates occupied a number of the leading jobs in both government and public sectors.

Institute of local Administration was established by the republican decree no. 1288-1967, which defined the institute's objectives in making use of the available resources for preparing efficient employees in the field of local administration, to be capable of carrying out responsibilities of higher jobs.

This institute also aims at training members of local councils to be capable of carrying out their responsibilities.

The efforts exerted in developing top management were criticised for the inadequacy of training policies able to achieve integration and coordination between different training institutes.

The republican decree no. 2281-1981 was issued to integrate the Institute of Public Administration, the Institute of local Administration and the National Institute of Management in one institute named the National Institute for administrative development.

The main aim of this integration is to unify efforts in the field of administrative development in general, and Top managers' development in particular, accordingly, a central plan for administrative development could be efficiently designed.

Despite the institute's efforts to develop the administrative leadership skills, it was also criticised because its training programs were incapable of achieving its main goals of creating efficient leaders but it only provided them with academic knowledge not related to the state's public policy or the administrative reform policy. It didn't rely on field visits and field studies so that the students become in touch with administrative problems to be capable of proper solutions. This institute was replaced in 1981 by Sadat Academy for Administrative Sciences, according to the republican decree no. 127-1981 as a general authority with a moral personality. Its main building is the Cairo. It is under the auspices of the Prime Minister. Article no. 4 of decree no. 127 indicated that the main aim of establishing this Academy is to develop management on all levels.

It undertakes the following responsibilities:

- 1) Developing the skills of employees on all levels through training. The academy supervises training programs in some units with the collaboration of the Central Agency for Organization and Administration.
- 2) Enhancing the necessary administrative concepts for achieving administrative development, improving performance and increasing production. The academy also devotes specialized programs for local units.
- 3) Offering the necessary consultations to different units to overcome several production constraints.
- 4) Encouraging and developing scientific researches in order to overcome the problems of administrative development in Egypt.
- 5) Collecting, documenting, and publishing data and information related to management.

- 6) Organizing specialized studies in the field of administrative development.

The CAO A Efforts in Training Top Management

The CAO A has been established by law no. 118-1964. One of its main objectives is the development of civil service and raising the efficiency of productivity.

In 1964 an agreement has been signed between the American corporation "Ford" and the CAO A concerning a grant for carrying out training programs for top management in A.R.E.

This project aims at offering opportunities for studying administrative problems that might face different administrative units through holding conferences for top managers to discuss various problems with the assistance of Arab and foreign experts.

The Top Management Programs committee was established in the CAO A in 1965 to achieve the following goals:

- 1) Providing opportunities for top managers and political leaders to participate together in discussing public policies in order to raise the efficiency of administrative units within the framework of the trends and concepts of the State plan and also to discuss administrative problems and shackles and find the optimum solution.
- 2) Offering opportunities for top management to re-evaluate their leading roles, and work methods in the light of the most recent scientific development, beside providing them with various behavioural skills and practical experience necessary for successful administrative leaders.
- 3) Changing managers attitudes in a way that makes them more capable of contributing in the economic, social and political development process.
- 4) Developing managers abilities to enhance the efficiency of comprehensive development.

The central department for executive development programs-since its establishment-has adopted various concepts and work methods, in order to achieve administrative reform.

In 1977 this department has organized one week training programs for top managers aiming at qualifying them to occupy under-secretary jobs. Another program for the job of directors general was implemented. In 1981 it organized some programs on the sectors level in order to identify the administra-

tive organizational problems in the state's different sectors and find the possible solutions.

It held specialized programs in different fields such as economic feasibility studies, decision making, manpower planning, information system and procedures simplification.

Nevertheless, since 1984/1985. The Executive Development Programs were confined to:

- a. Problems in different sectors
- b. Development programs for top Management jobs

These programs included 3 levels:

- 1) Distinguished grade
The duration of the training program for promotion to the distinguished grade is 2 weeks, it includes the following subjects:
Decision — making-up-to-date methods of planning — performance evaluation — the behavioural dimensions of decision making.
- 2) higher grade:
The duration of the training program for promotion to the higher grade is 3 weeks. It includes the following subjects:
Administrative development- plananing- organizational analysis techniques- leadership and administrative communication- behavioural skills.
- 3) director general grade:
The duration of the training program for promotion to director general grade is 4 weeks. It includes the following subjects:
Feasibility study — Local administration problems of employess regulations — public relations in addition to some subjects of the higher grade program.

In all top management programs lecture technique is used followed by discussion with participants, or workshop technique. Since 1986/1987 the Central Department of Executive Development Programs in its plan only included the carrying out of training programs for promotion to top management jobs.

These programs concentrated on management, leadership, and preparing researchers on the identification of problems in different units and proposing the proper solutions.

The number of employees trained during the last 4 years in the Executive Development Programs in the three levels previously mentioned are as follows:

1985/86	2772	trainees.
1986/87	2136	"
1987/88	1749	"
1988/89	1733	"

3. International cooperation in the field of development

The wide gap in technology between developed and developing countries attracted the attention towards the dire need for enhancing cooperation between them, in order to abridge this gap so that the developing countries would cope with the rapid technological advancement.

Thus the international cooperation could be translated in offering scholarships missions, besides sending experts for training various administrative cadres in the developing countries.

In the field of international cooperation A.R.E. has exerted many efforts which could be summarized as follows:

- 1) Establishing the Institute of Public Management in 1954 in collaboration with the U.N.
- 2) An agreement was signed in 1964 with the American corporation "Ford" concerning a grant to the CAO A to carry out executive development programs.
- 3) In 1984, the Ministry of Administrative Development in A.R.E. and Hanns Seidel Foundation agreed on preparing trainees and on training Top management.
- 4) A Protocol has been signed in 1984 between A.R.E. and U.S.A. represented by the American Agency for Development.

It aims at enhancing decentralization through financing the basic activities and services in the governorates.

This grant includes training in the following fields:

Administration and administrative machinery planning and designing projects — operation and maintenance, economy and finance — engineering — the evaluation and analysis of training needs — manpower development — training methods and technique computer.

- 5) In 1986 A.R.E. and U.S.A. have agreed on establishing a specialized

center in the field of administrative development to enhance managers skills in both the private and public sectors. This agreement included training in specialized fields such as: plant house — fish farm — in order to develop expertise in these fields.

This agreement also included (peace scholarships) offered by the U.S.A. to get M.A. and Ph.D, in rare specializations. Finally it included a project for linguistic skills development for top managers.

- 6) In addition to such agreements between A.R.E. and some countries and international organizations, other countries have offered some scholarships, and missions for the A.R.E. such as: Japan — India — Botswana England — France — Italy.

A number of employees working in various ministries were sent in these missions according to their specialization.

Conclusion

Human resources have become precious and valuable asset and indispensable tool for comprehensive development undoubtedly the Japanese government is considered a pioneer in the field of human resources development. Accordingly it has established various training centers and Institutes. In addition, with the view to promoting international cooperation for the social and economic development of the developing countries the government of Japan established the Japan International Co-operation Agency JICA.

On the other hand, the Egyptian government established various training centers and institutes either in the technical or administrative fields such as: The Central Agency for Organization and Administration (C.A.O.A.), Sadat Academy (S.A.) Institute of Nation Planning (I.N.P.), and Training Centers affiliated to Ministries and Public Authorities, regional, sectorial and special training centers.

This training centers aim at making employees efficient and effective and capable of launching the socio-economic development in the country.

Despite the Egyptian government's genuine efforts which have been exerted to raise the standard of training programmes we can identify various problems facing those programmes. In this context the Egyptian government spares no effort to remedy this situation. Thus more financial allocation has been remarked as a means of up-dating and providing the training centers with recent and modern training materials and equipment.

Also genuine efforts has been exerted to prepare efficient trainees capable for implementing various specialized training programmes. In addition, un-
centives have been used as suitable vehicle for enhancing the training pro-
cess. A comprehensive and integrated National Training Plan has been adopted.

Reference

- | | |
|---|--|
| Office of International Affiars:
N.P.A. | ABC of OJT
March 1990 |
| Office of International Affairs:
N.P.A. | An Overview of the Japan
National Civil Service |
| Training Affairs Department:
JICA | Training in Japan
1989-1990 |
| F.J. Van Heek: | Administrative Reform and Capacity of
Bulding in Egypt
1989 |
| Central Department of Informations:
Central Agency for Organization
and administration CAOA | Management in Egypt
[An administrative magazine]
(1989-1990) |
| Central Department of Informations
Central Agency for organization
and Administration CAOA | Administrative Development in Egypt
[An administrative magazine]
1989-1990 |

**TRAINING PROGRAM AS PART OF TECHNICAL
COOPERATION BETWEEN THE GOVERNMENT OF JAPAN
AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA**
(Summary Report as a Result of Individual
Research in JICA H. Q. Office)

by Mr. Muhamad Rizal
(Indonesia)

INTRODUCTION

Prof. Toshio Shimoda (NPA) as one of Course Leader as National Government Administration Seminar (October 11, to November 17, 1990) was decided for 2 participants that are Mr. Rizal from the Republic of Indonesia (writer) and Mr. Koffivi from Republic of Côte d'Ivoire to perform individual research in Japan International Cooperation Agency (JICA) Head Quarter (HQ) office. These tasks related with our country reports.

We went to JICA HQ office accompanied by Mr. Kohiyama from TIC-Ichigaya on November 7, 1990.

At the office we were received separated each with area officer and Mr. Satoshi Iwakiri as Development Officer for First Regional Division Planning Department of JICA HQ office accompanied us and with Mr. Kohiyama their were explained concerning JICA's Technical Cooperation to the Republic of Indonesia until lunch time.

After lunch we are joint back with Mr. Koffivi and Mr. Ken Kinoshita as Deputy Director for Administration Division Training Affairs Department of JICA HQ gave us the explanation of JICA's training programme to developing countries relating to technical cooperation.

TECHNICAL COOPERATION IN INDONESIA

The Coordinating Committee of International Technical Cooperation (CCITC) was establish by Presidential Degree of 1967. The function of this committee is to coordinate and handle the technical cooperation program between the Government of Republic of Indonesia with donors countries.

Technically the member of this committee consist of; the Cabinet Secretariat,

the Department of Foreign Affairs, the Department of Finance and National Development Planning Agency.

Minister of Cabinet Secretary is the chairman of CCITC and he is responsible to the President. Under him exists the Bureau for International Technical Cooperation as the Secretariat of CCITC.

This bureau co-coordinates all Indonesia's technical cooperation with the developed (donors) countries.

The task of the Coordinating Committee as follows:

1. to assist the Government in formulating policy in the utilization and the implementation of the technical cooperation program;
2. to carry out technical control on the Government policy regarding the technical cooperation program.

In order to execute the above mentioned task the functions of the committee are as follows:

1. Formulating the technical cooperation annual plan program;
2. Negotiating all matter on the technical cooperation program with donor countries.
3. Formulation the technical cooperation agreement and its implementation document such as Terms of Reference, Plan of Operation etc.
4. Reviewing and evaluating the implementation of the program.

JICA BACKGROUND AND TECHNICAL COOPERATION ASSISTANCE

The Japan International Cooperation Agency is a government organization in Japan which was established on August, 1974 for the purpose of contributing to economic and social development in developing countries. JICA is managed by the President, senior Vice President, Vice Presidents and auditors. Until mid 1990's the Agency employed about 2000 employees throughout the world.

JICA technical cooperation component are as follows:

- a. Project type technical cooperation with divided;
 - Technical Cooperation Center Programme (transportation, construction, telecommunication, vocational training etc.),
 - Agriculture and forestry cooperation programme,
 - Health and medical cooperation programme,

- Mining and industrial cooperation programme,
- b. Expert dispatch programme;
- c. Equipment supply programme;
- d. Training programme for overseas participants;
- e. Other programmes.

JICA technical cooperation assistance budget to the Republic of Indonesia is increased from year to year, for instance the total expenses in the fiscal year 1987 is 8,037 million yen and 1988 around about 10,021 million yen.

TRAINING PROGRAMME AS PART OF TECHNICAL COOPERATION ASSISTANCE

Two types of training are provided by JICA relating with technical cooperation assistance as follows:

- a. Group training course, for which courses was organized by JICA;
- b. Individual Training Course, for which courses are organized in accordance with recipient technical assistance country request or related with JICA's project assistance (counter part training) .

The allocation of training for Indonesian Government also increased year to year, for instance 332 people in 197 and 393 people in 1988.

CONCLUSION

We applicated very much these seminar gave us the opportunity to meet directly with staff of JICA HQ office and we wish that the cooperation between both governments could be increase in regarding technical cooperation assistance.

Generally, our experience was very valuable, and I'm sure it will help to my future works and also for my personnel career development.

HUMAN RESOURCES DEVELOPMENT

by Mr. Harry Mutuma Kathurima
(Kenya)

INTRODUCTION

Human Resources may be defined as the personnel available to an organization which facilitates achievement of its goals and objectives.

Human Resources development is rightly regarded as a critical ingredient of economic development. The causation appears to run both ways. It is necessary for human resources to grow if development is to proceed in the productive sectors. The productive sectors, in turn have to grow and diversify in order to permit wide opportunities for human resources to develop and to employ the enhanced flow of skills and talents that are produced. Human resources is therefore a complex matter. Its major determinants include formal education training, on-the-job learning, research, induction of foreign skills knowledge etc. This paper will attempt to examine the experiences of the first three of these determinants with reference to the Kenyan and Japanese experiences.

Prior to examining these determinants, I shall briefly explain the rationale for my choice of this subject.

RATIONALE FOR HUMAN RESOURCES

In many developing countries a serious gap has developed between investment in physical infrastructure and human infrastructure. This situation has led to considerable under utilization or inefficient utilization of existing capacity because of poorly developed human resources.

Secondly, in several societies there has been social and political turmoil despite rapid G.D.P. growth rates because of lack of attention to human welfare goals.

Finally, several developing countries have failed to make adequate economic progress despite availability of sufficient financial resources (e.g. OPEC members) because human resources management development programmes have not been fully developed as yet in these countries.

THE STATUS OF HUMAN RESOURCES DEVELOPMENT IN KENYA

Kenya gained its independence in 1963. The three social ills which were identified as demanding immediate concern was poverty, illiteracy and disease.

The government therefore placed emphasis on the vitality of its human resources through a system of education based on a four-tier system. The first tier is pre-primary education. The government's concern now is to strengthen its supervisory role and foster better coordination among agencies handling this level of education. The government also plans to expand this education countrywide because it is less spread in the rural areas. In this regard, it is intended to register all pre-primary schools and eventually prepare a uniform curriculum for introduction to the schools.

The second level of education in Kenya is primary school education. This is considered as having the highest returns to the nation in all economic and cultural aspects. At the moment it is free but not available to every school-going child because the schools are lacking in some areas. Steps have been taken to expand primary education by both public and private sectors.

After eight years of primary education pupils are expected to air a competitive exam. Those who qualify proceed to high school or secondary schools. Others join polytechnics for training in vocational courses like carpentry, dress-making, masonry plumbing and other artisan courses.

The third tier or level of education in Kenya is secondary education. Secondary schools are run and managed through the Central Government, others through municipal and local authorities and a few are private. Many secondary schools have been started and managed by local people through an effort popularly known in Kenya as "HARAMBEE." This is a Swahili word which means pulling together.

The government is now ensuring that the current expansion of secondary schools is moderated in order to respond to the demands placed upon the system by the expanding supply from primary schools and national requirements for higher education and training (see appendix I). As the costs of education are escalating the government intends to build fewer new secondary schools. The cost-sharing principle is now being applied so that the responsibility of establishing additional secondary schools is intended to largely become shifted to the local communities and the private sector.

The government's attention on special schools which offer specialized education to those suffering from blindness, deafness, physical and mental disabilities is however on the increase. Parents are being encouraged to enroll children who require

such education into schools in order to afford them equal opportunities with other Kenyans.

Those graduating from secondary schools proceed to the three national polytechnics or the sixteen institutes of technology. Here they attain diploma courses which are oriented mainly to applied sciences and arts. They are later able to find jobs as technicians. Those others who qualify for university education join the four national universities. This is a very small section of the students. Hence a few of the parents (who can afford) send their children abroad for degree courses because exam. though they may have qualified for the local universities the number of candidates the local univesities can take is limited.

The role that the university education should play in the development of the nation is covered in the report on the 1988 presidential working party on education and training. For the next decade and beyond. In brief it is acknowledged that the universities should be tasked with the responsibility of producing Kenyans who have the skills to guide the socio-economic development of the nation to the desired destiny. Hence, appropriate manpower is expected to acquire essential knowlege to fill the managerial gaps in the public and private sectors — some of which are occupied by foreigners.

MANPOWER TRAINING

Appropriate training results to high productivity of labour. Productivity was identified in the first part of this report as the main ingredients of an organization and consequently the rationale for human resources development.

Manpower development in Kenya can be categorized in three phases of evolution. The first phase was initiated in 1963 soon after independence. The governments concern in this phase was rapid Kenyanization of the public sector. The second phase began in 1970s. Its emphasis was transformation of the public service from an organization merely geared to administrating public affairs into an instrument of development administration. The third and current phase started in the early 1980s. This phase identified the necessity of coordinating the established training institutions in order to meet the growing requirements for manpower in the private sector.

Hence, the government is new through creation of a ministry of manpower develoment, adopting a policy of ensuring the economy is provided with adequate indigenou stilled manpower for both the private and public sector. A

comprehensive manpower planning process which relates demand for trained manpower to supply from the training institutions is one of the main functions of the new ministry.

In view of the scarcity of jobs in the country and also the increasing costs of training personnel, the training curriculum aims at importing entrepreneurial skills to prepare individuals adequately for self employment generation. Cost sharing between beneficiaries of training and government has also been introduced to rationalize the scarce resources and in order to also ensure the number of trainees is increased because the government is able to meet costs owing to reduction on its financial burden.

One of the key criticisms of technical assistance that is tied to foreign experts is its failure of these experts to achieve their objectives due to the length of time taken to familiarize themselves with local problems. Apart from this ignorance the experts spend a large proportion of this aid package in allowances, salaries and other forms of remuneration. Manpower training in Kenya is aimed at reducing dependence on foreigners. With the successes already achieved in various fields the government is therefore actively discouraging the use of foreign personnel except in those areas where local skills and expertise are still non-existent.

The Directorate of Personnel Management (DPM) which is an agency similar to the National Personnel Authority in Japan also focusses on the country manpower needs. As shown on Appendix II it is located in the office of the President for purposes of easy coordination with other ministries. Prior to recruitment of any foreigners, DPM studies the needs and authorizes such recruitment in case it is has confirmed that no local Kenyan can take up such a responsibility. The agency is therefore an important control instrument.

CONSTRAINTS

Despite the effort the government has made and is making, it shows be observed that diverse problems have been experienced in the process of human resources development in Kenya. These problems include the failure of the education and training system to meet the human resources requirements. This appreciation of this problem recently made the government adopt 8-4-4* system of education. Shortage of skilled manpower still exists in some areas particularly in the professional and technical levels. Shortage of skilled labour cannot only hamper implementation of projects but can limit expansion of industries and

consequently exacerbating the problem of unemployment.

Thirdly, for labour productivity to be achieved, appropriate technology should be availed. Labour productivity in Kenya has been declining due to among other things, under utilization of plant capacities and reliance on imported technology since the country does not have adequate resources to develop technology independently. Finally, we have observed above that the country is grappling with the problem of ad-hoc manpower planning and training through the new ministry and the Directorate of Personnel Management (D.P.M.).

*8-4-4 system of education places an emphasis on vocational training of pupils. Therefore those who do not qualify to proceed for further studies can independently start their own income-generating work-through self employment.

8 denotes the years spent in Primary School

4 years spent in high school

4 years spent in the university.

THE JAPANESE EXPERIENCE

I shall examine three bound areas in this section namely; the Japanese education system, the role of the government and thirdly the role of the private sector in development of human resources in Japan.

Education;

The constitution of Japan and the Law of Education which were enacted in 1946 and 1947 respectively stipulates the basic principals of education in this country — "The people shall be obligated to have all boys and girls under their protection receive general education as provided for by law" (Article 26).

The Fundamental Law of Education requires that the pupils personality is developed fully and that they are reared to become of sound mind and body in recognition of the fact that Nation building and society depends on them. Other principals of education include a nine year compulsory education, co-education and prohibition against partisan political education.

The management of specific areas of the school system and running of day to day affairs of these institutions is therefore built upon the constitution and the law of education. In view of the limited scope of any paper, I shall not examine important features of the education system in Japan like its ad-

ministration and financial support — in great however details Chart 1 on Appendix III illustrates now the present school system is set up.

Suffice it to say, education system in Japan like in Kenya and many other countries begins with kindergarten. After attainment of six years the children start a nine year formal education in elementary schools. This education as observed above is compulsory. Other levels of education include lower secondary, upper secondary, special schools for the handicapped, higher education, junior colleges, colleges of technology and universities.

Educational finance may illustrate the emphasis or priorities placed upon education and hence development of human resource in a nation. In the fiscal year 1984 which ended in March 1985 total public expenditures on education in Japan accounted to 16,064,502 million yen. This accounted for 6.7% of the national income and 18.5% of the per total of nation and local government expenditures.

In Kenya, 35% of the total public sector recurrent budget was allocated to education in the fiscal year 1987. This figure rejected a sharp increase from 15% spent in the 1960s and 30% spent in 1980s. Although Kenya and Japan economies are diverse in many ways, it is clear from these figures than the two governments recognizes the vitality of education to their nationalities. Whereas Japan has advised 100% school attendance for school-age children Kenya is grappling with expanding its facilities to reach as many houses as possible. Due to its high quality and universality the educational system in Japan has indeed become the driving force for the social and economic development of the nation. On the whole it has greatly contributed to the improvement of the people's living and cultural standards.

THE PUBLIC SECTOR

The working population of Japan is 57 million. Approximately 53 million of these people are engaged in non-agricultural and forestry work. Thirtynine million of these workers are engaged on a full time basis. More than 4 million are engaged no public servants by the National and Local Governments. This means that 7.7% of the total working population in Japan is in public service employment.

The National Personnel Authority (NPA) which was established in 1948 and the Personnel Bureau which is under the Prime Ministers Office are both responsible for the overall management of the human resources. However, in

view of the fact that Japan operates a system decentralized system of personnel management much of the operations of the human resources are managed by the respective ministries or agencies.

Among other things, the National Personnel Authority has two basic functions namely maintenance of fairness with the personnel administration and secondly the protection of interests of government personnel. NPA operates a MERIT PRINCIPLE in order to maintain a fair and ventral personnel system.

Although as observed above the development and improvements of the quality of the civil service after recruitment are primarily the responsibility of each ministry, NPA is responsible for formulating guidelines for training programs and giving technical guidance and assistance to other agencies. NPA also directly administer junior training programmes of each level of the civil service. Other functions of NPA include establishment of position classifications, setting examinations and appointments and dismissal of personnel, salary administration, handling appeal and grievance procedures. It also guarantees employee status by setting standards on demotions temporary retirement of dismissal.

The bureau which is in charge of the personnel administration in the prime ministers office mainly handles overall coordination of personnel under the basic standards set by the NPA. The bureau also maintains efficiency welfare and discipline of personnel in relation to specific subjects of performance evaluation health and safety management and recreation. The bureau also administers the retirement allowances and salaries of special service employees who include cabinet ministers, parliamentary vice ministers, judges, employees of the Diet and Courts and Self-Defence Agency both civilian and military.

Public servants in Japan undergo two types of training i.e. on-the-job training and off-the-job training. Job rotation is also another form of training which occurs regularly. The purpose of on-the-job training is to mature employees aptitudes and knowledge. The success achieves in OJT in Japan may be attributed to the fact that work-style in this country emphasize group or team work aimed at each employee leaving and gaining experience while working as a member of a group. Whereas decisions in many countries are arrived at through a top-down process the Japanese organizations practice a bottom-up approach. The "Ring" System which is practiced by many organizations in this country has enhanced a sense or participation among employees substantially. The Ring system gives an opportunity to an employee to make a proposal from a lower level. This proposal is conveyed upwards within the government or organization as other employees are offered a chance to submit their views through divi-

sion prior to adopting the proposal through affixing a signature.

THE PRIVATE SECTOR

Human resources development in a private company begins with an orientation programme for new employees. New employees are not expected to display any special qualities since education in Japan emphasizes basic generalities rather than specialized knowledge and ability.

This orientation programme can be compared to that of public servants which is mounted for new recruits at Institute of Public Administration by N.P.A. The aim of this programme is to assist new employees understand the outline of the companies operations and to enable to feel as part and parcel of the organization. Secondly the orientation programme enables one to share the companies value judgement and understand its managerial philosophy which will have been developed over many years. Finally the programme enables one to acquire basic knowledge and ability to undertake any responsibilities that may be assign to them. The main feature of the Japanese human resources development is on-the-job training (OJT) in coordination with off the job training and rotation. These aspects therefore bear simillarity with the type of training in the public sector. One would be right to note than apprenticeship which had been practiced since the days of modern industrialization of the late 19th and 20th century was a join of OJT.

Since OJT cannot much the knowlege and skills an employee is expected to possess Off-J-T is adopted in order to supplement the technological knowledge and experience acquired through OJT. Since the Japanese cherish group or teamwork which aims at enhancing experience as a member of the group, it is easy for one or two members of an organization who attend Off-the-Job-Training to pass knowledge adjusted is the rest of the group.

Anality control is an aspect which has contributed to productivity of Japanese industry enormously. Quality control was introduced in Japan from United Stated in 1940s. The basic principles of this policy are:

1. To contribute is the improvement and development of the enterprise;
2. Respect humanity and build a contented workshop which is satisfying to work in;
3. Display human capabilities fully and eventually draw out infinite possibilities.

Quality control in Japan is now enforced by many members of a company who get together to review and check all work by having each department form small work units.

CONCLUDING REMARKS

It is clear that more attention to the development of human resources and has been lacking in Kenya and many Sub Saharan African Countries. In order to lessen the "Skills Gap" existing in these countries deliberate restructuring of existing policies on education, budget rationalization should be adopted. The Meiji Restoration in Japan not only brought about a uniform systems of education but it abolished the class system and made Japan a Unitary State under the emperor.

Greater focus on research of human resources as it relates to planning, financing and management and measurement should be encouraged. New aid criteria in developing countries which takes into account human development is vital. Technical programmes should also be structured in such a way that the locals replace foreigners. This situation will enable the local expertise to participate more fully in decisions and also develop local entrepreneurship.

The Japanese experience has taught me that if Kenya and other developing countries have to achieve desired modernization, the concern of our leaders and governments should not only be "pouring in resources from abroad for physical investment" or "setting commodity prices right." As has occurred in Japan both the private and public sector should adopt policies which make an employee associate his successes and failures to his group and an organization. Only when will commitment and hard work be reflected in ones performance. The continued emphasis on one language should be supported by all agencies because of its benefits in making society homogeneous as the Japanese experience has proven.

APPENDIX I

EDUCATION TRENDS FOR VARIOUS INSTITUTIONS 1963-1987

	1963	1973	1983	1986	1987
Primary Schools					
No. of schools	6,058	6,932	11,966	13,437	13,849
Total enrolment ('000)	892	1,816	4,324	4,843	5,031
Sex ratio	192	130	108	108	107
Secondary Schools					
No. of schools	151	964	2,230	2,417	2,592
Total enrolment	30,120	174,767	493,710	458,712	522,261
Sex ratio	215	204	148	141	144
Teachers Colleges					
No. of institutions	37	21	21	22	22
Total enrolment	4,119	8,905	13,657	15,644	17,817
National Polytechnics					
No. of institutions	1	2	2	2	3
Total enrolment	864	3,721	5,398	5,313	5,186
Institutes of Technology					
No. of institutions	0	1	4	16	16
Total enrolment	0	110	454	4,694	4,248
Government Universities					
No. of institutions	1	1	1	4	4
Total enrolment	571	5,149	9,223	10,143	17,538

APPENDIX II

Ministries

Departments

Office of the President — Office of the Permanent Secretary, Secretary to the Cabinet & Head of Public Service
— Store House Comptroller, Directorate of Personnel
— Department of Defence
— Provincial Administration & Internal Security

Ministry Finance

Ministry of Agriculture

Ministry of Planning and National Development

Ministry of Manpower Planning and Employment

Ministry of Water

Ministry of Health

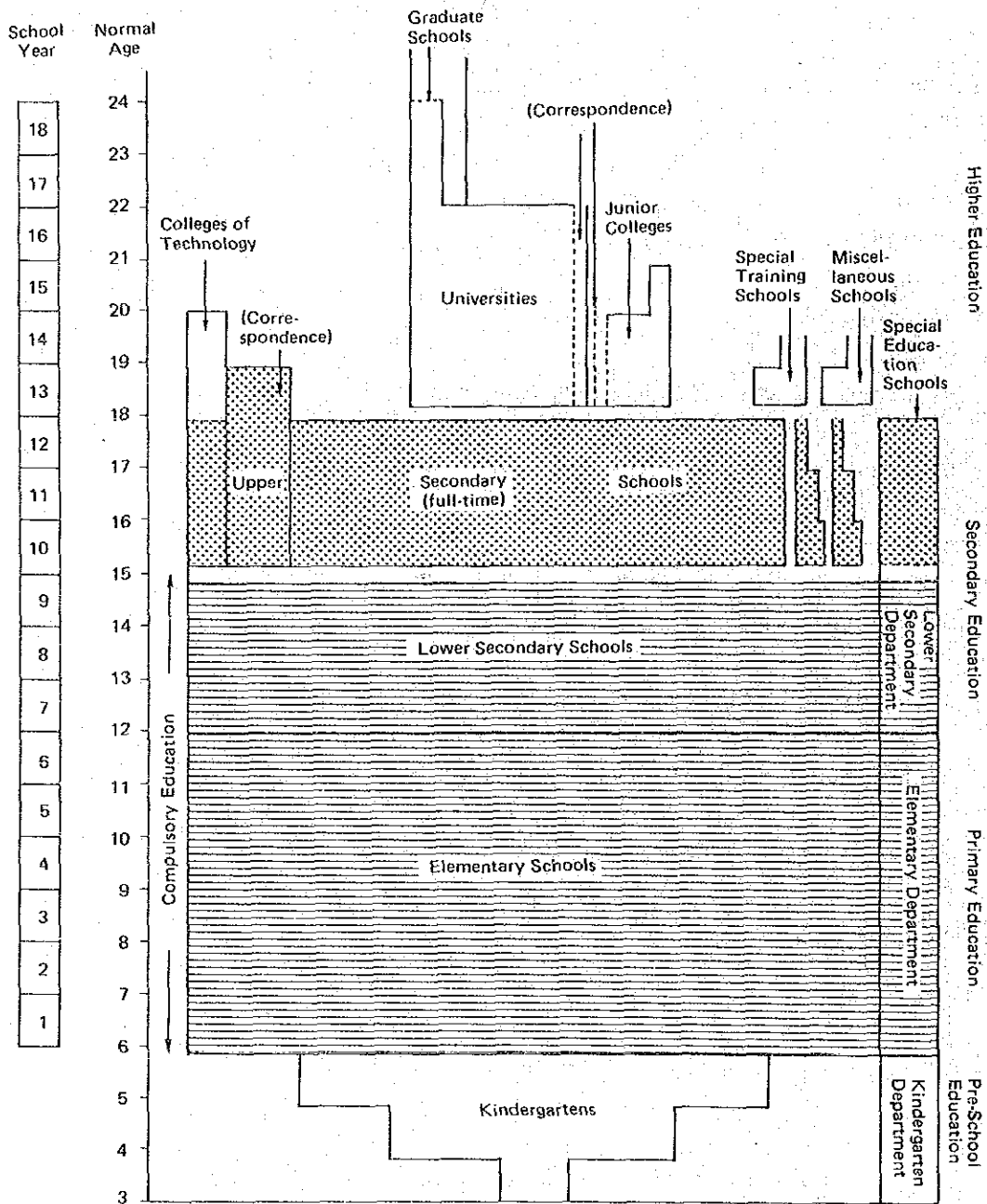
Ministry of Lands and Settlement

Ministry of Environment and National Resources

Ministry of Transport and Communications

Other Ministries

APPENDIX III



Bibliography

1. Critical Analysis of the Management of Financial
Human and Material Resources in Public Administration
Japanese National Revenue Section 1977
2. A brief outline of education in Japan
International Affairs Planning Division April 1988
3. Japans Industrialization and Human Resources Development
Institute for International Cooperation-JICA March 1985
4. Development —
Journal of the Society for International Development 1989
5. Human Development in the 1980s and Beyond
United Nations Policy Articles No. 19 1989

PROBLEMS OF SMALL AND MEDIUM SCALE INDUSTRIES IN RELATION TO TECHNOLOGY TRANSFER AND TECHNOLOGY ADVANCEMENT

by Mr. Mohd Anis Bin Ajmal Mohd
(Malaysia)

Introduction

Small and medium scale industries need new technology or innovation in production techniques in order to remain competitive. Being small this group of entrepreneurs cannot afford heavy capital layout and expertise (in house) to develop own technology. In order to survive this group have to depend on researches made either by the government or by big enterprises.

Position of Small and Medium Manufacturers in Malaysia

1. Export of manufacturing products has become an important contributor to the national GDP, (For the Fourth Malaysia Plan Period of 1981-85 it accounted for 19.14%) and currently enjoys a growth rate of 10-11% annually.
2. In term of infrastructure, apart from providing roads, electricity and water, the government had developed to date 105 Industrial Estates, 9 Free Trade Zones (FTZs) and numerous Licenced Manufacturing Warehouses (LMWs) *¹ for enhancement of industrialization process. The result is encouraging in term of employment opportunities and foreign exchange earning capacities. Manufacturing export have surpassed that of agriculture products in the ratio of 5 : 4. However the linkages between the big manufacturers in the FTZs with the rest of the economy i.e. the smaller enterprises are not well established. The big concerns have placed little in significant demand for local intermediate products for their production, hence resulting in little technology transfer from the big manufacturers to the small and medium scale entrepreneurs or manufacturers.

*¹ Refer P. 7 of Country Report.

3. The above situation has caused concerns to the government and also to the local manufacturing community which by percentage is the biggest in number, but of small and medium in size. According to the 1985 figures (Dept. of statistics, Malaysia) there were 5,820 manufacturing concerns of which 3,722 (64%) are small and 1,638 (28.1%) are medium and only 460 (7.9%) are of large category. Since most of the small and medium scale industries are owned by locals, the political implication to the government is big. Any industrial policy which favours only foreign investors will bring adverse effects to the political climate and hence will bring negative effects on the economy as well.

The Japanese Experience

1. In Japan, especially in the 70s and 80s we saw a lot of small and medium entrepreneurs being adopted by big companies as their sub-contractors to produce parts and components for their products. These parts and components were produced in accordance with strict control of the big companies in term of specifications and standards. Hence small (and medium) Japanese manufacturers had become very competent in their production or manufacturing ability and hence their reliability. Toyota, the biggest automanufacturer in Japan, has recently quoted that the rejection rate of parts and components produced by Japanese sub-contractors is only .001% as compared to US sub-contractors of .01% rejection rate. From this example we can see that the Japanese sub-contractions system has produced efficient small and medium size entrepreneurs. In the event these small entrepreneurs no longer become sub-contractors to big firms, they could still, on their own, continue to survive.
2. An article in the Economist (Oct.— Nov.'90) quoted about 900,000 companies had been component suppliers to big firms. Owing to a recent shift of policies by some big manufacturers to produce their own components and parts in house (recession and economy of scale were cited as being the basic reasons) half of these small firms are as longer engaged in subcontracting business with the big manufacturers. However these small firms do not have to "close shop" or "go bust." The number of small enterprises that were forced to close down or went "bankrupt" in 1989 were rather small and according to MITI, employment problem was the main reason for

closure.*² The White Paper issued by MITI also quoted other reasons for closing down as M MMM to find successors to the business as a sole proprietor becomes old, and in the case of retailing business, the competition from supermarkets make it difficult for small retail shops to survive. However, enterprises that have had experiences as sub-contractors managed to survive by themselves turning into a manufacturing concern. For example, one such company which employs less than 100 employees and used to be a supplier to a dairy manufacturer has become an important yogurt producer in its own right.

How Japan Manages Small and Medium Enterprises

1. Japan for a long time has given recognition to small and medium size enterprises as important components of its economy. According to 1986 figures, and of 6.5 million business establishments, 6.45 million or 99.3% are belonging to the small and medium category.*³
2. Various guiding principles and laws were drawn up to later for the needs of small and medium enterprises. With these principles and laws the government were able to intervene and to give guidance to the enterprises for their growth and continued existence by way of ensuring economic efficiency, upgrading of production techniques or the supply of information on market conditions, both local and overseas so as to make them competitive and responsive to market demands and market conditions.

*² MITI official interviewed quoted the number of small/medium enterprises closed down in 1989 is 7,218 (less than 0.1%?)

*³ According to the Small and Medium Enterprises Basic Law (1963) definitions of Small and Medium Enterprises and as follows:

Medium — manufacturing, mining, transportation, construction:

¥100 million or less in capital, with 300 or un employees.

— while sale: ¥30 miullion or less with 100 or less employees

— retail and services: ¥10 million or less with 50 or less employees

Small — manufacturing: 20 or less employees

— Comment and services: 5 or less employees

3. In 1963 a number of laws concerning small scale enterprises came into being.
 - (1) SME Basic Law (1963) — among others this law defines policy objectives and sets the foundation for future directions for the small and medium enterprises. Based on this law the Japanese government instituted measures to elevate the level of modernization in production techniques, promote sound management techniques and principles, overcome disadvantages in business activities. The government also established measures on low to promote and nourish small scale businesses.
 - (2) The SME Guidance Law (1963) — this law was introduced with the objective of bringing further improvements to productivity.
 - (3) The SME Modernization Promotion Law (1963) — this law was aimed at promoting specific measures in specific industries in order to modernize them.
4. Apart from policy guidelines and laws, the government had also drawn up a number of initiatives for the benefit of small and medium enterprises such as in the fields of finance and taxation. Special considerations were given to those involved in sub-contracting to larger firms.
5. To service such a large number of enterprises (6.45 million) a sound organizational set up, comprising of government and non-government agencies, is needed at all levels, i.e. national, regional and prefecture/city levels. In 1948 the Small and Medium Enterprise Agency was set up and later in 1967 Japan Small Business Corporation was formed. MITI has about 192 personnel assigned to take care of small and medium enterprises at all levels. Apart from that, other non-government agencies or establishments are also available at all levels to cater for the needs of the small and medium scale enterprises such as in the area of finance and insurance. Example of such establishments are the National Finance Corporation, the Shoko Chukin Bank, Small Credit Insurance Corporation, JETRO and etc. There are also other bodies like the National Federation of Small Business Association, Japan Chamber of Commerce and Industry, National Association for Sub-Contracting Enterprises Promotion and etc. To look into the interest and welfare of the members.

6. Comparatively, in Malaysia, small and medium enterprises do not enjoy such amount of privileges and supporting agencies. Traditionally, small manufacturing has been the responsibility of the Ministry of National and Rural Development. However, late last year this task was reassigned to the Ministry of Commerce and Industry. The Ministry of National and Rural Development is still in charge of Village Industrial Projects while the Implementation and Coordination Unit of the Prime Minister's Department took over the supervision of the Malaysia Handicraft Corporation (a body that is responsible for the promotion of handicraft/cottage industries). However, sad to say those agencies mentioned above do not have proper organizational set up at the state in district levels. They have to depend, on most cases in state development offices, who also do not have enough or paper personnel and have to depend on the various district officers. District officers are not part and parcel of state development offices. Hence there is no formalize chain of command, and being overburdened with other administrative work, at times ineffective. In terms of other support services however, there are several agencies that the small and medium enterprises can turn to. The standard and Industrial Research Institute, Malaysian Industrial Development Agency and its sister agency the Malaysian Industrial Finance Corporation, the Development Bank, etc. to name a few. However these agencies are not especially formed for taking care of small and medium enterprises alone — they may have offer priorities. For example, in the case of granting business loans to small businesses under the credit guarantee corporation*⁴ the participating banks are reluctant to give bigger loans owing to lack of security/collateral and also due to distance and difficulty in communication which make repayment collection difficult.

*⁴ The CGC committee is chaired by the Regional Manages of the Central Bank and other member, and from the various participating commercial banks, representatives of various business associations/chambers of commerce. The writer is also a member representing government side for the Sarawak State CGC Committee.

The Application of AOTS (Association of Overseas Technical Scholarship) as a Vehicle of Enhancing Technology Transfer

1. In the case of Malaysia, most of the big manufacturing firms, with the exception of one or two, are Japanese firms. They are involved in the manufacture of electrical and electronics, semiconductors and also automobiles. However as stated earlier these firms do not practice subcontracting methods of producing components and parts as widely as being done in Japan. Therefore if technology transfer is to be speeded up or enhanced such practice also should be enhanced. Big Japanese firms should train small and medium manufacturers to produce the necessary parts and components needed both locally and also in Japan. This not only promotes faster technology transfer but also higher local content for their products and fostering closer technical cooperation between the two countries to facilitate training in Japan the AOTS programmes could be utilized both for training the big firms own personnel (as currently being done) and also the owners and employees of small and medium enterprise.
2. AOTS is a non profit organization, established in 1959 with the support of MITI. It's main purpose is to promote technical cooperation for industrialization and development of developing countries and enhance mutual understanding and friendly relationship between Japan and those countries.
3. It has been reported that to date, some 38,500 persons from about 150 countries had benefited from AOTS programmes. Among others, AOTS activities programmes are:
 - (1) In Education and Training:
 - Technical Training Services (on private basis) which consist of;
 - a) general orientation on Japanese culture, language society, etc.,
 - b) specific technical in-plant trainings by host companies,
 - c) management planning.
 - Overseas Technical Training in Developing Countries
 - Correspondence course in printing technology for trainees in Pakistan, China and Thailand.
 - Trainee training courses for Japanese people who are in charge of technical training of overseas trainees.
 - Training courses for Japanese Government and International Organizations such as UNIDO and Asian Productivity Organization (APO) .

- (2) AOTS also provides accommodation and training facilities in places like Tokyo, Yokohama, Nagoya and Osaka which are designed to serve as a home-away-from home and as well as a study place. Besides that AOTS provides financial aid to host companies for purpose of inviting trainees to Japan.

Recommendation and Conclusion

1. As stated earlier, 38,500 or more people have benefited from this scheme, and out of this (from 1959-87) 3,407 were Malaysians. However it is not known how many of them are from small and medium scale entrepreneurs. Most probably all of them are employees of the long firms (or subsidiaries) themselves. Therefore I would like to propose that MITI and JICA to reemphasize and reorientate the intake trainees for AOTS programmes to include personnel or owners of small and medium enterprises for training various relevant technical fields.
2. The home government, in this case, Malaysia should also take up were achieve role and interests in promoting small and medium enterprises especially those involved in manufacturing. A specific agency with adequate manpower and know-how should be established solely to coordinate and monitor the performance of small and medium enterprises such as in the case of Japan.

FINAL REPORT ON JAPANESE EXPERIENCE MACROECONOMIC POLICIES FOR INDUSTRIALIZATION COMPARISON WITH PERU

by Mr. Javier de La Rocha Marie
(Peru)

INTRODUCTION

During 5 weeks we have had a very comprehensive seminar covering lectures, visits, observation trips and individual researches as follows:

- Lectures
 - Modern governmental system;
 - Japanese development and power development;
 - The Japanese industrial development and industrial, policy after World War II and its progress;
 - Human resource development;
 - Problems of Economic Development and Economic Policy in developing countries;
 - Role of administration and administrators;
 - The Imperial System and Imperial Family
 - The Japanese Cabinet System.
- Comparatives Studies
 - Presentation and discussion of the Country Reports of each participant and discussion after lectures.
- Visits
 - Honorable visit to the Crown Prince Naruhito;
 - Courtesy call on the Chief Cabinet Secretary;
 - Courtesy call on the President of the National Personnel Administration (NPA).
- Observation Trips and Study Tours
 - Sakuma Regional Power administration;
 - Museum of Technology, Osaka;
 - Kyoto.
- Individual Research
 - International Development Center of Japan;
 - Bank of Japan.

As official of the Central Bank of Peru, this final report is centered on the subject of macroeconomic policies and its influence in Japan economic development.

And analysis on the basic elements of Japan process is intended in the first part of this report.

The second one is an updated description of present Peruvian economic situation, taking into account the stabilization program implemented in August by the new administration.

The third part of the report tries to establish analogies and differences between both economies, Peruvian and Japanese.

The fourth and last part is intended to summarize the main lessons of Japan experience and what Peru's government should do to overcome its present dramatic situation.

Basic Elements of Japan Industrialization Process

In the success of Japan industrialization process we can distinguish four basic elements:

- 1) The establishment and coherence in the conduction of priorities;
- 2) The correct use of instruments;
- 3) The national characteristics;
- 4) The lesser importance in national defense expenditure.

1. One of the key aspects was the design of a national project in which, after the Second World War, economic development was consistently defined as the first priority.

As much important is the stability of the policies plus the dynamic adaptation to the needs of Japanese people and the demand of consumers. This went hand with political stability necessary for promoting investment.

So, the fifties was the decade of basic goods production; the sixties that of heavy and chemical industries, as much as when Japanese economy was widely opened to foreign competition; the seventies was the one of knowledge intensive industries; and the eighties were of further intensification of creative knowledge.

For the nineties, different approaches are envisaged; the government, specially backed by the Ministry of International Trade and Industry (MITI) proposes that high growth of the economy must continue which

the Bank of Japan and the Ministry of Foreign Affairs suggest to lower the level of GDP growth.

2. Between the Instruments Utilized We Can Emphasize:

- a) Education, Government Promotes Research and Development (R & D) through major expenditure assignments to the MITI and universities research and big sciences (science and technology somehow borrowed from abroad). Much importance is done to the development of managerial capacity. We should mention also the promotion of R & D in a kind of Joint Venture with big and medium private sector enterprises;
- b) Establishment of "a small," inexpensive but elite bureaucracy staffed by the best managerial talent available;
- c) Mainly relevant was the role assigned to the Minister of International Trade and Industry since 1949 for promoting development (replacing the former Ministry of Commerce and Industry);
- d) Concertation instead of confrontation between the government and the private sector, taking into account the market rational;
- e) Assistance in Quality Control (Q.C.).
- f) Special care putted in the importance of small and medium enterprises. So, regulations take care of not providing "severe impact to small and medium enterprises and discipline of indigenous industries" (Watanabe dixit).
- g) Working conditions (family system) plays key role for harmonious relations (*ringisho*).

One word we can emphasize is MANAGEMENT, as the good conduction and the logic of the steps of Japanese process of industrialization is astonishing, specially considering the high level of equity existing in this country in comparison with another developed ones.

3. Some particularities of Japanese people that cannot always be gathered specially in developing countries, have helped in sustaining the process of rapid development during the last decades such as:

- Homogeneity;
- Widely shared nationalism;
- Hardwork spirit;
- Discipline;
- Private entrepreneurship;

-- Family labour system.

4. Finally, another aspect -- not crucial perhaps but very important as Germany experience can also suggest -- is the lesser importance that, relatively, expenditure in national defence have had in Japan. Otherwise, this fact is strengthened by constitutional mandate. This has permitted to Japan government to provide subsidies and tax incentives to the private sector without having a severe impact on public deficits, and so, inflationary pressures.

Updated Summary of the Country Report

Industrialization in Peru had resulted from the implementation during the last 30 years of the Economic*¹ Center for Latin America (ECLA) supported model of Import Substitution, promoted by the Argentine's economist Paul Prebisch.

As it happened wherever it was applied, industry grew but on a very dependant of intermediate and heavy goods basis because its premises of exchange rate control, urban subsidies (specially for food imports in the case of Peru) and other incentives to urban located industries. In addition, domestic market was captured by mean of the system of tariff and non-tariff restrictions (quantitative ones) for those products that could compete with local ones. A huge system of controls was implemented, with its consequence on additional bureaucracy and administrative corruption.

Another result was a distorted structure of the industry because of wrong signals for the allocation of scarce resources, derivated from the taxation and tariff schemes.

Due to the lack of regional infrastructure, Peruvian industry is concentrated in the capital zone, fact that made heavier the problem of centralism.

Otherwise, during the seventies, emphasis was putted into the increasing of public administration of the economy, generally, and industry, particularly.

In one side through the creation of public enterprises, inexistant before 1970 and accounted to more than 200 at present, for the production and com-

*¹ For Studies

mercialization of basic (oil, minerals, steel, fishing, utilities, telephone and telecommunications) and other goods and services (parts, sea transport monopole, air transport, military uniforms, cinemas, etc.).

On the other side, each time more complicated regulation and control system was implemented, which drifted the so-called informal sector (illegal) which importance is not empirically measured but for much evident.

All this, and the lack of consistency in the management of the economy, especially during the last 5 years when population was exacerbated and an unilateral decision was taken for the non-payment of the external debt (included the bilateral one with governments and its agencies) resulted in a huge inflation rate of 2 million percent between July 1985 and July 1990. This, without taking into account the 400% corrective inflation rate officially registered only for the month of August, when the distortions in relative prices were intended to be solved by implementing a so-called, *therapy for the stabilization of the economy*.

In consequence, Peruvian industry faces nowadays a prospect of recession for the short-term due to the unavoidable need of stabilizing the economy, restoring so the conditions for future growth of GNP on the basis of an export oriented economy.

Nevertheless, other major problems that we confront are the presence of terrorist fundamentalist groups and the 300,000 hectares of land dedicated to the production of coca leaves. This last point prorogues an inflow of the so known "narco-dollars" that causes distortions in the exchange rate market, determining a non promotional of exports price for the US dollar in the context of a free market flotation.

Recently, the new Peruvian administration has taken measures for opening the economy to foreign competition aiming to, both, increase productivity of local enterprises (and so its competitiveness) ; and push prices down*2.

Also, the first steps were taken to reinsert Peru into the international financial community.

Undoubtly, Peruvian population is suffering more impoverishment (i.e., the price of one gallon of gasoline rised 32 times in August while real salaries are at less than the half of its level in 1985) and additional social problems can emerge. But people's response is of understanding the necessity of the

*2 All licenses and other guarantitative restrictions and prohibitions were eliminated.

Instead, now only 3 rates prevail: 15%, 25%, 50%

stabilization program and it organizes mutual help in daily life, specially for common nourishment.

Japanese Experiences of This Subject

We can both confront the Japanese experiences on this subject and the main differences between both economies.

So, primarily we can point out:

- A first state of protectionism, specially during the 50's;
- The existence of non negligible public sector enterprises, after submitted to a process of privatization;
- A certain degree of centralism that makes necessary to reinforce deconcentration;
- Some prevailing of subsidies and tax incentives but in a lesser scale than in Peru and for more rational extent in time. Nevertheless, it calls the attention the subsistence of strong subsidies to rice production;
- Existence of Pollution although from different causes (insufficient sewage system, accumulation of garbage in urban zones plus industrial and mining waste) .

Secondly, for what it concerns the differences we can consider:

- Lack of management in Peruvian economic conduction, manifested in continuous countermarches and unstable policies and objectives;
- Absence of homogeneity in the population. This can be considered also as a potential but, for the moment, it is a restriction as Peruvian nation is not completely achieved (many nations and mestizos cohabited in Peru's territory) but in process of being consolidated;
- Indiscipline. Too much and incoherent regulations and abuses had provoked the rejection of the population to a normative conduction (i.e., mentioned illegal or informal sector and tax evasion) ;
- On the other hand, we can through into relief private entrepreneurship and hardwork that could and should be better consolized by the mean of developing managerial capacity (education) as implementing deregulation and privatization process.

Conclusions

In Peru, per capita GDP in 1989 was equivalent to that of 1961 but the forecast for 1990 (when a negative rate of output — 8% is expected versus a 2.6% of population annual growth) gives us back to the fifties.

For recovering this, we must attain a very high and sustained level of annual economic growth. So, it is necessary, as it was in Japan after World War II, to give the first priority to development, especially through industrialization.

The present administration has started to put order in the economy (specially reducing inflation) and has stepped some important structural changes in order to obtain better allocation of resources and to develop our comparative advantages.

According to successful experiences abroad, specially in Japan, the core of the new model of development in Peru should be the promotion of exports, this without neglecting import substitution there where it is convenient and profitable for the country.

As exchange rate market is distorted by the inflow of dollars of narco-traffic, special care must be envisaged to the intervention of the Central Bank, but accurate and fine turning intervention in order to avoid excessive primary monetary emission. So, promotion of exports should be backed also by governmental assistance, basic infrastructure, information (marketing), quality control and less bureaucracy, specially in custom and ports services.

Nevertheless, some other basic conditions must be attained to reinforce the process, as follows:

- National pacification;
- Deregulation;
- Privatization ("started" 15 years ago without a minimum goal) ;
- Changes in land property that facilitates financial support from the banking system (actually credits are scarce for the sector because of absence of guarantees) ;
- Reinsertion into the financial system (in process) ;
- Strengthen of free competition;
- Reform of tax structure and its administration.

Deregulation and privatization (except for education, health services that must be improved; and basic infrastructure) as much as promotion of exports are crucial for the success of the stabilization and for banishing adminis-

trative corruption.

Otherwise, tariff system must be accurated, for example, determining the dates of further reductions on convergence into only one rate. The strict accomplishment of this calendar would stand surety to economic agents and improve expectations.

As in Japan, a small but strong public sector would permit to restore infrastructure and privilege expenditure in social sectors.

Finally, concertation (a politically corroded word in Peru) must be revamped.

The challenge is huge for Peru but, good examples as Japan, the present efforts of the new administration — most in a correct direction, and entrepreneurship forces of a willingly majority of the population disposed to overcome the present situation, backs hopes for a better future.

Attachment No. 1

The Stabilization Program: A Summary

Implemented in August 8, 1990, it considered the correction of the basic prices in the economy as follows: oil, goods and services of public enterprises, flotation of the exchange rate, reduction of bank's reserves rate,*³ liberalization of the interest rate and elimination of prices controls. For what it concerns salaries, an special payment was bringed and it was announced that minimum wage would rise but, from a real index (1988 = 100) of 45% in July, it fell to 36% in August.

Due to this "shock therapy," all the liquidity of the economy in national currency was reduced to the equivalent of only US \$200 million. This fact permitted the intervention of the Central Bank into the exchange rate market, both for recomposing international assets (from a negative level of US \$201 million the day before to almost US \$500 million two months later) and re-monetizing the economy. This was backed by the high level that real interest rates reached, restoring so the demand for national currency.

Otherwise, a key point was the announcement of eliminating all the tax exemptions and imports restrictions, the correction of the tariff system and some new extraordinary taxes, plus the strict control of expenditure of the public sector, at the level of daily revenues (cash management).

*³ From 80% to 60% as a first step.

SUMMARY REPORT ECONOMIC POLICY

by Mr. Luis Pacheco Romero
(Peru)

1. Why are you interested and choose this subject?

I am interested in the subject of economic policy because:

- a. Economic policy, if it is sound, coherent, appropriate, it comes to be the condition for all other policies — at a multisectoral and sectoral level — to be feasible.
- b. This subject is of a multi-sectoral kind, so it is more comprising and comprehensive than others. So, if I come to Japan, and want to have an overall insight of this country, it is more suitable to work on a subject of this nature.
- c. My field of work has been for many years the formulation of development plans, in its different stages (diagnosis, evaluation, etc.). Economic policy is narrowly linked to that. This is why I sought to have a meeting have in Japan at the Economic Planning Agency — which I did.
- d. Japan has attained development having a long-range policy framework, to orientate the allocation of resources and energies in the short-term horizon. Economic policy is an instrument which can enable political authority to make the long-range and short-term spheres to combine. This integration of both temporal horizons is crucial, and it is in the care of economic policy.

2. Country report of this subject

Summarization of the present issue of this matter in your country.

I shall approach this point by distinguishing three aspects relating economic policy in Peru:

- Agents of development and economic policy;
- Economic policy basic features;
- The context of economic policy.

Then I will employ the same item structure for point No. 3 on the Japanese experience.

a. Agents of development and economic policy

(1) The state as a machinery working for growth and development, and the role of bureaucrats.

Priorities are fixed, but entrepreneurs (be it in the private or in the public sector) don't follow them properly or even apply something different. This occurs because there is little coordination between these different areas:

— Central government/public enterprises happens that norms, regulations are issued by the ministries, but the state enterprise belonging to the particular ministry does not apply the ordinance or regulation strictly. They make a loose legal interpretation of the norm or even avoid it.

— Public sector/Private sector

There appears to exist a confrontation rather cooperation between these two sectors. This is historically explained by the role political elite has played in my country. Political scientists call that kind of power elite an oligarchic type. That exclusive, small, highly concentrating wealth and power aristocratic group dominated Peruvian society since the Independence from Spain (1821), but more properly from the end of the XIX century (decade of 1890s) and had almost no integration to the rest of the country. So when the military came to power in 1968 with a nationalistic standpoint, aiming at economic and social reforms, and political modernization, power groups opposed the new trend. In a sense, the confrontation of civilians to military is a heritage to this (the media are controlled by the economic groups), because the military became associated with the image of the state, wanting to implement changes beyond the electoral system. Nowadays, the state is seen as the cause for the negative economic situation in Peru, but since 1980 (this meaning 2 government period of 5 years each, both voted for in democratic elections) things have not improved. The 1980–1985 period was a chance for a civilian right-wing party to get hold of the economic and social situation, and it failed. Then, in 1985–1990 a populist, social-democratic party was given the same opportunity with the highest rotation ever. And it also failed so, in this going-back-and-forward situation, right-wing forces are struggling for privatisation. And this is economically reasonable,

for it would help fighting against fiscal deficit, inflation, economic inefficiency, corruption and stagnation. But it can also be seen as the old confrontation between the remnants of traditional power elite and middle-class hesitant, ambiguous forces aiming at changes (moderate ones, but without a good analytical framework and organization to get held of the whole country). So ideology is present here shadowing a technical approach to this issue. And the result is lack of cooperation between both sectors and confrontation continues to prevail.

— Ministry/Ministry

The lack of coordination is also present between a Ministry and other Ministry or between a Ministry and the Central Bank. The Central Bank is in charge of devising and applying the monetary policy; but it tends to forget other issues of economic policy. Monetary policy should not be the axis of economic activity. Monetary policy—as it seems to be the case of Japan—should support economic growth (be it industrialization or whatever the main orientation is). This is the source of institutional differences between the Central Bank in Peru, and, for example, the National Planning Institute, which has a broader view and has to see that the economy as a whole (production, employment, life conditions for the people) grow in a consistent way. Macroeconomic stability is a necessary but not a sufficient condition. But then, also the Ministry of Economy and finance can have its own policy regarding prices, or taxes or financing in a short-range horizon, and other Ministries—like Agriculture, Education, for example, may have needs for long-range investment projects or the construction of infrastructure; and then differences also emerge. In the end, the view of the Ministry of Economy prevails and short-term policies and actions mark the characteristic of Government conduction of the economy (and society). The important subjects related to the long-range horizon is continuously postponed deferred. In all these problems, bureaucrats seem not to have an overall approach. Each one, belonging to a Ministry or agency, makes no effort to see beyond the institutional frontiers. They are in fact not keenly interested in long-range matters, in multisectoral issues or in nation-building. Due to how salaries, they even have to get a second job or, otherwise, tend not work as hard as they could.

The agency created in Peru for personnel issues at a national level produces regulations for retirement, wage levels, and also promotion, but they seem to be in the need of a more effective approach. In this, the Japanese case could be most illustrating (and I will, certainly, portray things learned here to them). But, again, this agency itself works slowly, issues complicated regulations, promotes new regulations but people don't feel that they are having better working conditions. And years continue to pass by, and credibility weakens. The Institute devoted to these matters in Peru has lost prestige, and compares badly with the position and influence NPA seems to have here in Japan.

On a Government scale, as a whole, since there is little incentive to work harder, a promotion regime of good quality is lacking, since inflation has been an evil situation as of 1977, corruption is an unavoidable outcome.

The lack of interest for a higher level of knowledge, for training, is another feature presented by bureaucrats. Only a few aim at having a better education; even they feel short of doing it due to English- or French-language need of at universities or higher education centers abroad. Also, pessimism, low work, and in some cases cynicism, are traits shared by people working in the State sphere (central government and public enterprises and institutions).

(2) Entrepreneurs

They used to be an exclusive group. Now small and medium-size enterprises are coming up quickly in Peru, and also the underground economy is spreading fast. The major enterprises have been located — until 1968 — in agriculture, mining, fishing and services. Thereafter, industry developed, as well as banking.

At present, large enterprises dominate the scene. Entrepreneurs, however, have had a lack of nation-oriented attitude. They, at most, look for the profit of their company, whatever the impact on the country as a whole. Moreover, they are taking care it seems more of their individual situation rather than that of the enterprise. So they tend to develop higher levels of consumption, and there is no room for an initiative to have savings as a condition for investment. Tax evasion, capital flight are frequent phenomena among entrepreneurs.

(3) Workers

They tend to work protecting their posts. Unemployment and underemployment figures are growing. They do not concentrate on doing their jobs as well as they could, since most of them go on working perhaps with relatives in the underground economy, or driving buses, or selling things, etc. Transport facilities are inadequate, so they have to get up very early and more to the working areas in Lima spending 1-1/2 or 2 hours one way. They are exhausted by the end of the journey. The highest productivity cannot be expected in these conditions. Also, they are not normally informed about the goals of the enterprise or the role of the enterprise within the country as a whole, so they could make their activities in a mechanistic way.

(4) Church and Army

These institutions have still a strong influence on the social and political sphere and, indirectly, on the economic dominion. Although State and Church are separated in Peru, catholicism is the official religion and this gives the authorities of the Catholic Church spiritual and real power. In the last elections (for the 1990-1995 government period) the head of the Catholic Church in Lima publicly expressed his preference and even organized a procession for one of the candidates (who lost) and ordered to pray for a good result (subtly speaking for Mr. Vargas Llosa, defeated by the present president). The Church tends to have conservative views and opposes changes especially in the educational field. But improvement and change are needed in the educational system in Peru. If the Ministry of Economy allocates resources for the Ministry of Education to work out new programmes, different orientation on certain matters, the way such a course or whatever is related to cultural and religious aspects, the Church will speak up against the proposed policy and mobilize pressure groups to half the action intended. As for the Army, they left Government in 1980, after 12 years of administration. But it retains power deviation. So budget expenditure goods to defence and related matters, in a proportion that many civilians complain. Precisely since 1980 there's in Peru and domestic threat - the Shining Path movement, characterized as a terrorist rather than a revolutionary political group. So army is actually in need of financial support from the Government. They, in all, seem not to intend seizing

power disrupting the democratic system. But if things were out of control, they would move in, because they sometimes appear to complain that civilians are not quite realizing the real dimension of the danger the terrorist groups (there is another one, parallel and not converging with the "Shining Path" movement) represent and they say they are decided to maintain control of the country in a national security perspective.

It should be mentioned that Army personnel works along with civilians, building bridges, roads and other infrastructure works.

(5) Families

There is no national project. People belong to different cultures, races, social status, income levels, geographic areas. So common interests on a national level are not always present. Even, there is resentment in the provinces towards rich Metropolitan Lima, which concentrates and centralizes political decision, production, wealth, amenities. Whenever regulations are issued for the country as a whole, but expressing Lima standpoint or perspective, there is an understandable complaining.

But also in Lima, people are not continuously illustrated as to the Government aims. There is little or none consultation. So families have no sense of participation in the domestic decisions. They have of course an opinion; but decisions are simply informed, and applied. And when information in fact given, sometimes technical jargon is used and families do not necessarily understand the logic of the policy.

b. Economic Policy Basic Features

Some of these features have been already mentioned:

- No integration in all cases between monetary policy and policy in the real sector;
- Short-range views inhibiting long-range policies even to be formulated;
- Too general, macro level policies, forgetting regional and sectoral differences in the country;
- A lack of an international vision; globalism and internationalization are taking place in all evidence, but policies seem to be derived so far on same terms;
- Economic issues overshadow social aspects; the necessary treatment of

social problems in given second priority, or even less. In the present case of an stabilization programme, social aspect is looked after only in a compensatory manner, not in a productive-oriented way.

- Lack of aggiornamento in the policy formulation; in other words, there is little work in bringing up-to-date whatever is happening outside (abroad) in terms of technological development, or in the reshaping of institutions. Policy makers act as if Peru were isolated. This might change, however, with the present government.

c. The Context of Economic Policy

(1) Domestic Context

The present Government faces various challenge:

- The need to stabilize the economy
- Narco-trafficking
- Terrorist activities
- Spreading absolute poverty in various areas of the country. Real income per capita has been reduced to a level similar to that in 1963 or 1964.
- No single party has a majority in Parliament and the Executive Branch is trying to have a multi-party presence in the cabinet

(2) International Context

The country faces the following international environment:

- Globalization of finance
- Internationalization of production
- The formation of economic blocs, in a moment Peruvian economy is weak
- Technological development is taking place in a rapid way and demanding very expensive operations
- International trade calls for ever more competitive firms, productive processes and infrastructure. This is not the usual temperament of Peruvian entrepreneurs.

3. Japanese Experience of This Subject

a. Agents of development and economic policy

Integration of society seems to be a basic feature in Japan. Majority of people know well what the goals of the system are, the means to attain them and the mechanisms displayed for it. and they agree to all of it. In this way, consensus is operating and convergence of energies and resources takes place.

Of course dissensus should be so happening, within entities, agencies, groups; and this is normal. But the overall trend is that nation-building process took place, and we see this process to continue unfolding related to a stage of consolidation of the country and its emergence as a world power, at least in financial and economic spheres. In this social environment, economic policy can have smoother conditions for operation and success, than in other countries.

Bureaucrats are well trained or gain experience at work. Life-long employment is a sort of higher education continuous source. Psychologically, officials know that it is worthwhile working because promotion is not an unfeasible fact. They might have distortions, as in any bureaucratic apparatus, but as a whole, on a macro level, there is a rationality and a single orientation, where national goals are relevant. This is what the long-term trends show.

In this way, priorities are fixed, and applied. But what I got from my visit to the Economic Planning Agency and the Bank of Japan is that, in spite of privatization, planning is still relevant. Goals are still established and, although, it is indicative, it exerts an influence through the Ministries and other Government agencies. Rules are there to point out an orientation and private companies get along with them. Anti-monopoly laws and regulations mark a limit to large firms to merging cases, etc. For example, Saitama Bank and Kyowa Bank have recently announced their merging. Immediately the Minister of Finance has stated that anti-monopoly law shall be consulted to see the case.

On the other hand, coordination between ministries is effective. It was a good thing to get to know about the Economic Planning Agency having a representative of the Policy Board of the Bank of Japan, and also 5 councils, especially the Economic Council and the Social Policy Council. At the same time, the Bank of Japan includes in its Board of Directors representatives from the Ministry of Finance, the MITI and the Ministry of

Agriculture, Forestry and Fisheries. It is also important to see that the Economic Planning Agency has a Vice-Minister for International Economic Affairs (while the Ministry of Foreign Affairs has a Information Analysis, Research and Planning Bureau).^{*1} At the same time, the Economic Planning Agency has a Parliamentary Vice-Minister, aiming at connecting the Executive and Legislative Branches.

This careful organization cannot avoid-it seems-having duplication some times. But this, in away, could also be fostering competition.

Entrepreneurs appear to be conscious of their role in the economic sector and even in the country. The expression heard on TV or read in news papers that Japan must play an active role in international society is pointing out that private enterprises are also effectively present in the international economy and that they represent Japan as such. It is a point whether the identification of enterprise plans with national goals will continue to be as relevant as they seem to be today. There appears to be no dilemma between the private enterprise abroad and Japan. They converge. They act as a single force.

Workers are characterized as hard-working people. But they have good working conditions. They see clearly the aims of the company, the methods, they see the product. And they know that all that effort is helping Japan to continue growing. So there's a merging of the micro and the macro-levels: the enterprise as the immediate "universe" and the national context. So cooperation is the result. The State and the Church are separated, on the other hand. There's a careful treatment of this point, although some critiques have been heard related to the way in which Enthronement unfolded.

The Army originates expenditures, but in a scale not so large as in USA or even Germany, which is in a similar position after World War II as Japan. Families are, then, direct witnesses of the emergence of Japan as a world financial power. And it sounds reasonable to stand certain difficulties in the social sphere. The government has already diagnosed the lack of the social conditions. And it has included these matters as goals for the

*1 See the document "Economic Planning Agency," the Organization Chart pages 4 and 5. See also Institute of Administrative Management, Organization of the Government of Japan, 1989, page 55.

present decade, in the vision that MITI issues. People enjoy already good infrastructure services in certain sectors. Now it is to the Government to see that growth in social development take place.

b. Economic Policy Basic Features

- Integration between monetary policy and policy related to industrialization.
- A long-range vision (for the decade) orienting the short-range decisions.
- The employment of coordination mechanisms for distinguishing global affairs and sectoral or regional affairs. For regional development purposes, there is a National Land Agency which issues a plan (lecture at Sakuma Regional Power Administration, on 22nd October); this plan is coherent and dependant on the Economic Plan.
- The emphasis on international affairs is an outstanding element in the economic policy. Elabolistism is a fact and Japan will have to live with it. Therefore, a policy has to be designed and applied for that purpose. More than one agency has a Department devoted to international affairs, besides the Ministry of Foreign Affairs: the Ministry of Finance (the International Finance Bureau), the Ministry of Agriculture, For Fish. (the International Affairs Department), the MITI (the International Trade Policy Bureau), and even the Ministry of Education.
- The emphasis on economic matters has overshadowed the social aspects in Japan. This should be having a change within the next years.
- Research and Development activities in Japan reveal its interest for being up-to-date in the evolution of trends abroad and technological evolution. Japan has passed from being an imported of technology, to an export country. But there seems to have existed a strategy for catching-up with innovation. Already since 1956, Government was facing the new potential development *3; Economic White paper of 1956 predicted: "The period of post-war has gone. We are now facing different situations. The growth through recovery has ended. The future growth will be driven by modernization."*4 Today the prognosis has already been

*3 In this regard, see Economic Planning Agency, The Japanese Economy 1955-65, Tokyo, October 1990, pages 9-13.

*4 Opposit page 9.

done, guarding productivity enhanced by technological innovation.*5

c. The Context of Economic Policy

(1) Domestic Context

Economic growth led by domestic demand has been achieved. But people are expecting improvement in the area closely related to their life.

There is still an imbalance in the external sector but measures shall be taken.

In this context expansion will be sought after, looking for an internationally harmonized economic structure, achieving an expansion at international trade, and implementing further fiscal and administrative reforms.

(2) International Context

Expansion in the industrialized economics should be very small. Even recession has been predicted for the U.S. as from the beginning of next year, although it might be short and mild. If the Peruvian Gulf crisis worsens, economic forecasts of growth will have to be revised.

But, still, Japan has a prominent position as a financial power in the world. Countries are as king for assistance, and Japan seems to have an awareness of responsibilities in the interantional society.

Conclusion

History explains present situation in anything. Japan has been gradually moving to be a country having a definite aim, managing to get the support of the people for this, and having progress steadily. Heterogeneity might be a factor in deterring third world countries to improve their economic and social conditions.

The wise management by the state of national affairs in different circumstances and stages of evolution has been a crucial factor. But the people responds, and here groupism, and straight forward collective behaviour is important. There is a need for a power elite to exist, one having a national project, a long-range vision, and possessing an ability to handle things pro-

*5 *Economic Outlook 1990*, Economic Planning Agency, March 1990, page 22.

perly, adapting with intelligence to changes in the international and domestic scene.

But there is also a need for an homogeneous population to make policies to be feasible. There is a dialectical relation between leadership and the population in a cultural, social, institutional appropriate Framework. This relationship has generated capacity of reaction in crisis periods and of definit advancement in better times. There must have been conflicts, differences, dilemmas, but both the state and the other agents of development, all together, have acted in a interrelated way, producing what we are witnessing.

But times are challenging. To every country. And new circumstances ask for new answers, new actions and perhaps strategies. The scene is completely different for developing nations. But in one case or in the other, wise decisions, policies and action are needed. Huge tasks are to be undertaken in the developing countries; not less responsibilities are to be carried on by Japan. The key point is that the international system sees that all of its components (societies, enterprises, international organizations) work along a single rationale — that of improving conditions for people to enjoy a good quality of life. For, in the end, the aim is not a higher level of productivity or a better export ratio or price stability; all these are means to construct as suitable environment for human beings.

SEMINAR ON NATIONAL GOVERNMENT ADMINISTRATION

by Mr. Abdulhabil A. Saudi
(Philippine)

INTRODUCTION

Firstly, it will always come to the mind of the participant to this course, the National Government Administration when we were considered finally to participate in this seminar way back in our respective country. Individually and separately, we chose our respective topic of interest within the broad concept of Government Administration. Some chose their topic because it was the concern of his or her office. Some went beyond to seeing the main issue confronting the National interest of his own country. Hence, we can say the varied choices of participants on their Country Report spell the difference of their experiences and their biases way back home. These are laid down though in a comparative study in order to establish a breaking point of departure if even it desires to break through. It shall also be the basis of take off for future plans; since, internationally plans are considered to be cyclical and as basis of another one made later.

For this participant, I chose Human Resource Development because I feel development in any respective can only be attained with the development of Human Resources. Almost everything depends on area. Though there are get many factors to be considered on play important roles in development but man makes the lead. I wish to set side by side the experiences in my country on this subject with that of Japan. It is not though to compare which is best because there is no steadfast rule in development. What is applicable to one country is the best for her. But perhaps, by so doing some learnings can be achieved. Some innovations can be established. Some experiences can be shared. These are important from one country to another. Because a family up-bringing can also be applied to Nation-to-Nation relationship in a broader scale. No one has the monopoly of everything. As a saying goes, we need to "learn from everybody with a flexible posture." And this is one gesture towards greatness, towards progress and towards development.

With the foregoing reasons, I chose Human Resource Development in my Country Report.

SUMMARY ON COUNTRY REPORT

Part I.

The Part I of the report presented the broad issues and problems that beset the country today. The following issues had been considered:

- 1) The need to improve government responsiveness to the public
- 2) The need to optimize the use of government corporations as intervention mechanisms for National Development
- 3) The need for greater decentralization
- 4) The need to further professionalize the Civil Service to enhance its role in the new government's program people - powered development
- 5) The need for effective development communications
- 6) The need to further improve institutional processes for plan formulation implementation and monitoring

The above issues and problems are gigantic for the government to solve in a one shot proposition. Time element is surely needed and more than that their resolutions need the institution of appropriate reforms. And as already accepted by the present government, it shall move towards such reforms with the following as its guiding principles:

- 1) Promoting private initiative
- 2) Decentralization
- 3) Cost-Effectiveness
- 4) Efficiency of frontline services; and
- 5) Accountability

Theoretically, these principles were the basis of the government in its regulations concerning. Social and economic activities. These activities shall be left to market mechanisms and that the government will only intervene when the market forces alone are not sufficient to satisfy the demands of equity and social justice.

Part II.

Part II of the Country Report tried to present the policies and strategies to professionalize civil service. It identified numerous problems in the past and it is still searching for the resolutions of these. Among the identified

problems and the following:

- 1) Unclear scope of the Civil Service System
- 2) Inappropriately large bureaucracy
- 3) Lack of effective Accountability System
- 4) Low pay and lack of incentives
- 5) Inefficacious training programs

These problems were clearly shared by the people in the government and as the result, it created more and more complications. In effectiveness and unresponsiveness were very much apparent. And these problems are in search for solutions and probably, the sharing of experiences is one way of easing these and finally dealing with it effectively.

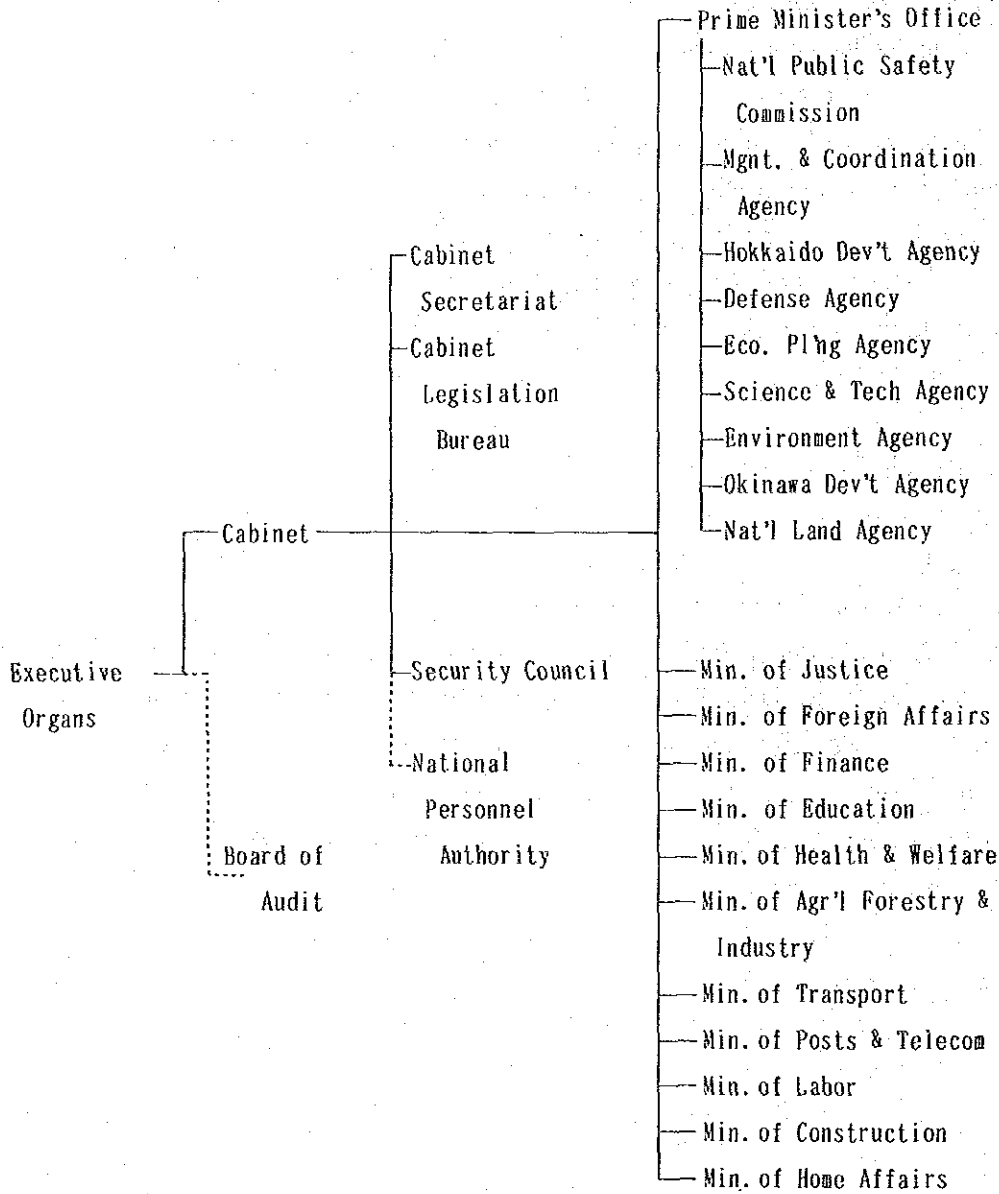
Some past activities were also presented in the report for actual references and will serve as basis for comparison.

JAPANESE EXPERIENCES IN HUMAN RESOURCE DEVELOPMENT

The write-up this participant is presenting is subjected to too many limitations. This is not through away of nationalizing but rather to set fairness and objectiveness to the actual situation obtaining in Japan. The collection of the data was not through, and the time allotted was limited. Hence, the presentation of the data herein contained is not exhaustive. But in one way on the other, this presents roughly the personnel actions being implemented in Japan.

A. Outline of Executive Organization

For purposes of reference, the organizational chart of the Executive Branch to include the location of the National Personnel Authority (NPA) is hereby presented.



Note: A dotted line (---) indicates an organ with independence

B. Personnel Policies and Standards

1. Recruitment and Selection of Employees

Employment of personnel is carried out on the basis of examination results, the records of work performance and the evaluation of other demonstrated abilities. The normal initial appointment of employees is through an open and competitive examination. Candidates for appointment are selected and appointed from the eligibility lists in which their names are entered in the order of their examination scores. Promotion is carried out on the basis of an evaluation of their actual performance. Appointments to positions of Division Chief or above in Central Offices of ministries and agencies, subject to review and evaluation by the NPA, as provided by NPA Rule 8-12. Furthermore, for the purpose of maintaining the working efficiency of personnel and ensuring fair management of the public service, the status of an employee is guaranteed and is not subject to such actions as dismissal, compulsory leave of absence, etc. Against his will, unless with cause.

2. Examinations

There are three categories of examinations for entry to any Ministry or Agency: Level I, Level II and Level III. There are other twelve types of Examinations given for Specialist Positions in Specific Ministries and Agencies.

The purpose of the Examinations is to ensure that the most and highly qualified persons are employed in the National Public Service. The Examinations are conducted to clarify the knowledge, skills and aptitude necessary for the duties associated with each position.

Level I and II Examinations are intended for the University Graduate Level. Although the difference between the two is that the Level I is intended for the High Ranking Officials while Level II is for other positions. Level III however is intended for High School Graduate Level.

Eligibility lists for Level I drawn up by the NPA in the order of the Examination results, the NPA certifies (recommends) an appropriate number of candidates for each position open at each Ministry and Agency, taking into consideration the wish of the candidates. For all other positions, appointments are made freely from an appropriate eligibility list without recourse to the certification procedure.

Appointments to the positions which require specific knowledge and technical skills or other special ability, such as in the fields of shipbuilding,

nuclear engineering, etc. are made by each ministry or agency, with NPA approval. A selective examination is given "comparable to a regular entrance examinations."

3. Personnel Actions

a) Temporary Employment

Temporary employment is approved by the NPA under urgent and unavoidable circumstances for a period not exceeding six months.

b) Transfer

Employees are periodically transferred to various posts for the purpose of training and career development. In doing so, employees become qualified for promotion.

c) Promotion

Appointments made to the position of Division Chief and above within a Central Office of a Ministry or an Agency or to a similar level as designated by the NPA are subject to review and approval or to an evaluation of experience and demonstrated abilities by the NPA. In all instances, promotion is made following the principle of seniority.

d) Guarantee of Employee Status

The status of an employee is guaranteed so that he may give his undivided attention to his duties without worry. No such action as "dismissal," "compulsory leave of absence" and "demotion" can be imposed against an employee unless with cause.

e) Retirement Age

The fixed retirement age system requires employees to retire when they reach the age of 60.

f) Salary and Allowances

Remuneration of an employee is composed mainly of salary and allowances. The monthly salary rate of an employee is decided by the application of one of the 17 salary schedules (which are grouped into nine kinds) fixed according to the job category.

In addition, position hardship allowance and teacher's duty allowance complement the regular salary. Allowances include managerial allowance, entrance incentive allowance, family allowance, city allowance, housing allowance, commuter allowance, hardship duty allowance, remote area allowance, overtime allowance, holiday pay, night duty allowance, day/night watch duty allowance, end-of-the-term allowance, diligence

allowance, cold area allowance and others.

The salary of government employees are seen to it that their pay equates those who are in the private sector. If there is any difference in their pay, the NPA recommends to the Cabinet/Diet; and the difference shall be paid in terms of allowance or salary rates are adjusted accordingly.

g) Retirement Benefits

When public service personnel retire, in addition to pension, a lump sum is paid as a retirement allowance. The nation is liable for that entire amount as employer. The nature of this retirements is mainly as a reward for continuous service.

The amount of the retirement allowance is (monthly base salary at time of retirement) x (index for number of years employed and for the retirement reason).

C. Working Hours and Leave of Absence

Working hours are eight hours a day from Monday to Friday and four hours in Saturday. However, employees work on only alternate Saturdays, making the overall total forty-two hours a week.

Leaves fall into three types, annual leave, sick leave and special leave.

Annual leave is made up of 20 days given off in a year. Up to 10 unused days can be transferred from the previous year to the current year.

There are no restrictions on the number of days given for sick leaves, however, when it exceed 90 days, salary is halved. Normally, employees are placed into temporary retirement before falling into half salary.

Special leaves are granted when an employee exercises his public rights or in other cases such as: marriage is for five days; childbirth for the period of six weeks before the scheduled delivery date and eight weeks after the delivery. When the wife of the employee gives birth, the husband can take up to two days. Leave may be also taken in the case of the death of a close relative for the period of between 1 to 7 days according to relationship.

D. Discipline: General Provisions

"Public service personnel must serve the entire people of Japan and must strive their utmost to perform their duties." The following are designed to enable public servants to achieve this goal.

- 1) All public-service personnel must take an oath of duty before an appointing officer.
- 2) Civil-service personnel must obey the laws, regulations and orders of their superiors.
- 3) Civil-service personnel must devote themselves to their duties while on the job.
- 4) Civil-service personnel must not engage in activities that undermine the credibility of public personnel whether on or off duty. It is important not only to abstain from criminal activities, but also to maintain high moral standards in their private lives.
- 5) Public-service personnel must not in any way leak secrets obtained while on duty. This applies also to the period following their retirement from the civil service.
- 6) Public-service personnel are prohibited to go on strike, because they are the servants of the Japanese people.
- 7) Public-service personnel are prohibited from undertaking leadership roles in political activities.
- 8) Public-service personnel are banned from engaging in private-enterprise activities without obtaining proper permission and authorization.
- 9) Public-service personnel are prohibited for two years after separation from obtaining employment at a private corporation with which they were closely associated while in public service in terms of regulation and procurement. The NPA is authorized by law to allow employment when it finds no involvement by that employee.
- 10) The types of disciplinary actions are disciplinary dismissal, suspension from duties, reduction in salary and reprimand.

E. Training of Personnel

In Japan, the practice of lifelong employment is common. Organizations hire primarily applicants who have just graduated from Senior High School or Universities and are not trained for the job for which they are hired per se. Employers normally provide occupational training to these new employees.

For civil-service employees, training is to acquire knowledge and skills necessary for their current positions and also for future positions in the government.

Training can be divided into On-the-Job Training (OJT) and Off-the-Job Training. Another aspect of training is job rotation which occurs regularly.

All employees are receiving on-the-job training until they retire. The Japanese emphasize group and team work aimed at each employee learning and gaining experience while working as a group member.

Furthermore, decisions in Japanese organizations are gradually arrived at from the bottom-up which is a sharp contrast with the top-bottom process.

The Ringi System has become a very common way of making bottom-up deciding in Japanese organizations, thus enhancing a sense of participation. Basically, this Ringi system is one in which someone, usually lower level official, writes up a proposal for something and this proposal is then passed up within the organization with people discussing and reviewing it as they affix their signature.

On the other hand, off-the-job training is performed away from the actual work site. For a certain period of time, a group of employees receive training, or other organizations are commissioned to train them. Although in general, the Ministries and Agencies of the Japanese government provide training for their own employees at their own training facilities.

The Ministries also keeps periodically changing staff positions. This is called job rotation which is considered a part of training as well as a course to promotion.

The NPA on its part coordinates with Ministries and Agencies in the conduct of trainings. Trainings for the different levels of positions are lined-up. There are also short- and long-term Fellowship Program for Oversea Studies.

CONCLUSION

There are clear differences and similarities in both my country and that of Japan on regards Human Resource Development. On similarities, it is fair easy to compare and make-up for some deficiencies. But for the differences and peculiarities, they might well work where they are right now for the moment.

Past experiences of both countries are their best teachers. But definitely, it needs a helping hand who shall put all these in the right perspective. The so-called "round peg on the round hole" principle must be applied. Best plans will not work at all if not implemented, or if not done correctly; and especially by the right people.

In general, the experiences of Japan on this subject is a great in-put to

every nation. Patience, perseverance, hardwork and discipline are must factors to achieving success. With them missing, there is no hope to more forward. And perhaps, the world shall look with extra consideration what Japan did and translate to its lowest term where a particular country can benefit out of it. And my country is not an exception to it.

Finally, I pray that responsible people in every government in the world will look positively to the development of Human Resources — because from them honest public service shall be reaped and will eventually make a peaceful earth. By then, mankind shall enjoy longlasting PEACE!

Thank you to JICA, and the Japanese Government.

COORDINATION OF PRIME MINISTER OFFICE

by Ms. Chitrapa Soontornpipit
(Thailand)

INTRODUCTION

The coordination functions in the government are very important because there are various ministries departments agencies and state enterprises to carry out the activities of administrative organs for social and economic development. The more complex various social and economic become, the more important are the coordinating functions in the government.

So I choose this subject because my office is office of the permanent secretary of the prime minister's office. It's main functions are acting as the central cooperation among the agencies concerned under the prime minister's office.

COUNTRY REPORT OF THIS SUBJECT

There are seventeen agencies and five state enterprises under the prime minister's office but in the government house there are three agencies which are concerned the activities of prime minister's office namely.

1. Office of the permanent secretary
2. The secretariat of the prime minister
3. The secretariat of the cabinet

The functions of these agencies are as follows:

1. Office of the Permanent Secretary

- 1.1 To carry out official duties which are the general official routines of the office of the prime minister and which are not assigned to any particular department under the office of the prime minister.
- 1.2 To supervise and control over matters relating to policies, programming and budgeting of all departments, agencies and state enterprises under the office of the prime minister. Also, to plan and programme at the ministerial level, and to co-ordinate policy analysis and policy formula-

tions.

- 1.3 To monitor and evaluate the operation and project implementation of various government department, agencies and state enterprises, and to give counsel and advice on regulatory procedures, including management and organization technique so that the implementation of the various departments and organizations can be carried out effectively and efficiently.
 - 1.4 To supervise, inspect and accelerate the performance of various ministers, departments and state enterprises in accordance with the laws, rules and regulations and government policies.
 - 1.5 To facilitate and accord the general public the privileges of their legal rights and law-suits.
 - 1.6 To facilitate and accord the farmers the privileges of their legal rights and justice on their financial commitments and landholdings.
 - 1.7 To enforce rules and regulations of the office of the prime minister, E.G. The regulation of the office of the Prime Minister on procurement B.E. 2521, etc.
2. The Secretariat of the Prime Minister is directly under the prime minister and is responsible for
- 2.1 Political and policy affairs of the prime minister
 - 2.2 Advisers of the prime minister
 - 2.3 Analyzing issues concerning with the policy formulation, follow-up policies and co-ordinating policies among ministries, governmental agencies and public enterprises under the supervision of the prime minister
 - 2.4 State functions given to guests of the government
 - 2.5 Service to grievous people
 - 2.6 Consumer protection
 - 2.7 Government spokesman affairs
 - 2.8 Safeguarding the office and government guest houses
 - 2.9 National Operation Center which is in charge of collecting data for the administration of the government and for ad hoc committees on special policy of the government.

3. The secretariat of the cabinet is in charged related to major institutous of the country namely,

3.1 Coordination with the agency concerning with the monarch's affairs in submitting for royal approval on conferring rank, royal decoration, conducting royal ceremonies, high ranking government officials appointment, foreign affairs and the coordination between the cabinet and the monarch.

3.2 Duty Concerning with the cabinet

- Arranging the cabinet meeting
- Collecting and analyzing data, coordinating with the ministries concerned for the decision making of the cabinet
- Following-up the implementation of cabinet resolutions

3.3 Duty concerning with the legislation (parliament)

In submitting draft bills etc. to the parliament

3.4 Duty concerning with the people, in publishing law in the royal gazette, reviewing the requests for royal decorations and royal pardon.

4. Coordination among Three Agencies

These three agencies are coordinated among agencies concerning with the administrative activities of the prime minister's office in the form of official coordination by informing. For acknowledgement, passing for acknowledgement and informing for implementation. They have the same boss, the prime minister, so there are no problem in coordinating. Besides the coordination is in the form of unofficial coordination.

My department, office of the permanent secretary, the main official functions are acting as the central cooperation on national development plans and follow-up. The operation and project implementation of various government departments, agencies and state enterprises, in central provincial and local areas of the country. These are the most important function for overall coordination among other departments. I would like to emphasize the role and mandate of the inspectors-general of office of permanent secretary who are responsible for solving coordinate problems.

5. Role and Mandate of the Inspector-General

5.1 Qualification

The inspectors-general are selected from former director general or deputy director general of various departments as the administrative officer

level 10. They are under the permanent secretary (Table 2).

5.2 Number of the Inspectors-General

There are fourteen inspectors-general in office of the permanent secretary.

5.3 Zone of Responsibility

There are seventy three provinces in Thailand which can be divided into thirteen zones.

1 zone — Central provincial area (Bangkok)

12 zones — Local areas (1 zone has 5-7 provinces)

5.4 Duty and Responsibilities

- 1) To inspect and accelerate the operation and implementation of various ministries, department, agencies and state enterprises for project accorded high priority by government
- 2) To inspect particular activities/projects as assigned by the prime minister, the deputy prime ministers, the ministers of the prime minister's office and the permanent secretary of the prime minister's office
- 3) To inspect the important and high priority activities implemented by government agencies in accordance with cabinet resolutions
- 4) To inspect the activities/projects under the sixth national economic and social development plan
- 5) To investigate the activities of administrative organ and matter on which grievous people appeal for assistance
- 6) Other occasional assignments

6. Recommendations and Reports

The inspectors-general have made the necessary recommendations based on analysis and evaluation for improvement and then report to the permanent secretary of the prime minister's office. The permanent secretary of the prime minister's office submits to the minister of prime minister's office. When minister recognizes the necessity of improvement. He makes recommendations to the ministers and agencies concerned with regard to action to be taken. Within a period of time, the ministers and agencies in turn submit a written statement to him on action to have been taken in response. One year later after the response, the permanent secretary may also request them to

report of improvement. If reported improvement are unsatisfactory, it may lead to another round of inspection. The reports submit to the prime minister deputy prime minister and cabinet.

7. Number of Activities/Projects

In one fiscal year (October 1, 1990 — September 30, 1991) the inspectors-general have to inspect approximately 30 activities/projects.

JAPANESE EXPERIENCES OF THE SUBJECT

After having discussion with the senior officers of the cabinet counselling office on external affairs, the cabinet secretariat and the administrative inspection bureau, the management and coordination agency only 1-2 hours and received some documents. I can conclude as follows:

1. The Cabinet Secretariat

1.1 Organization

The Cabinet Secretariat Consists of the Cabinet Counsellors' Office, the Cabinet Councillor's Office on Internal Affairs, the Cabinet Councillor's Office on External Affairs, the Cabinet Security Affairs Office, the Cabinet Public Relations Office and the Cabinet Information Research Office

1.2 Functions

The cabinet secretariat is in charge of the following affairs:

- 1) General affairs related to the cabinet
- 2) Coordination and integration of administrative measures of ministries and agencies for the purpose of maintaining uniformity of the government measures
- 3) General affairs related to the security council of Japan
- 4) Collection and investigation of information concerning the important policies of the cabinet

1.3 The Coordination between the Cabinet Councillors' Office on Internal Affairs and External Affairs

- 1) The cabinet councillors' office on internal affairs and external affairs shall be in charge of the necessary coordination for keeping

integration of the policies of administrative offices such as the coordination of important matters for decisions by cabinet meetings.

2) Matters Requiring Coordination

Establishment of minister's conference, headquarters and others, for land policy, global environment conversation, economic structural adjustment, adjustment of price differentials between domestic and overseas markets, etc.

Others such as ad hoc task force.

2. Administrative Inspection Bureau, Management and Coordination Agency

2.1 Organization

The Administrative Inspection Bureau is composed of

- 1) The planning and coordination division
- 2) The administrative counselling division
- 3) Ten inspectors

2.2 Functions

The Administrative Inspection Bureau is in charge of the following affairs:

- 1) Inspection of the activities of administrative organs and making of necessary recommendations
- 2) Investigation of activities of public corporations and of programs either delegated or subsidized by the national government
- 3) Exercise of good offices to settle citizen's complaints concerning the activities of administrative organs, public corporations and bodies which carry out programs either delegated or subsidized by the national government

2.3 Administrative Inspection

1) Three Years' Plan

The bureau's central office has made the three years' plan of administrative inspections in order to introduce middle-term aspects to the planning process of administrative inspection and to conduct the more effective and systematic inspection. The plan is to be revised every year.

2) Characteristic of Administrative Inspection

— Administrative inspection is conducted from an impartial standpoint.

- The score of inspection is board, covering all affairs of government agencies under the cabinet and public corporations, and affairs conducted by public entities or private sectors as the mandatory or subsidiary of the national government.
- The recommendations and reports are made based on analyses and evaluations of documents and data gained from government agencies through inspection activities.
- This bureau is in charge of the overall coordination of the system and management of government agencies.

3) Recommendations and Reports

When the director-general of the MCA recognizes the necessity of improvements as a result of the investigation; he makes recommendations to the heads of ministries and agencies concerned with regard to actions to be taken. Within a certain period of time, the heads of such ministries and agencies in turn submit a written statement to him on action to have been taken in response. Six month later after the response. He may also request them to report on situations of actual improvements afterwards, if reported improvements are judged unsatisfactory. It may lead to another round of inspection.

Results of investigations are compiled into report and recommendations for improvement are prepared and submitted to government agencies concerned. These reports are also made available to the public. They are circulated not only among government agencies but also to the legislative branch and local public entities.

4) Administrative Inspection for Administrative Reform

The administrative reform is one of the most important subject the cabinet has tackled with. The results of the inspection have been reflected in reports of the provisional commission for administrative reform and the provisional council for the promotion of administrative reform, in this administration reform programs decided by the cabinet or in the legislation related to the administrative reform.

5) Local Inspections

Regional and district offices of the bureau conduct local inspections on administrative activities in their locality, according to the various information grasped through meetings with local prominent figures, or administrative counselors, as well as the opinions directly sent from citizens.

CONCLUSION

Government of Thailand and government of Japan, there are many organizations, ministries departments and agencies to carry out the activities of administrative organs for country development both in social and economic. The coordination among these agencies is very important so that the implementation of the various department and organizations can be carry out effectively and efficiently.

I can find in Japanese government, there are good relationship and good coordination among agencies concerned even though there are many agencies. Also in Thai government, we try to have good coordination and good cooperation among our agencies.

Concerning with the administrative inspection I found that both governments, Japanese and Thailand have the same objective to try to improve the administration and services at national and local government offices.

The administrative inspection in Japan and the administrative inspection in Thailand are the same function and duty and framework. There are some differences in detail as follows:

1. Three Years Plan

We have only one fiscal year plan, we don't have long-term plan like Japan. I think long-term is very good. I would suggest to my department when I went back to my country.

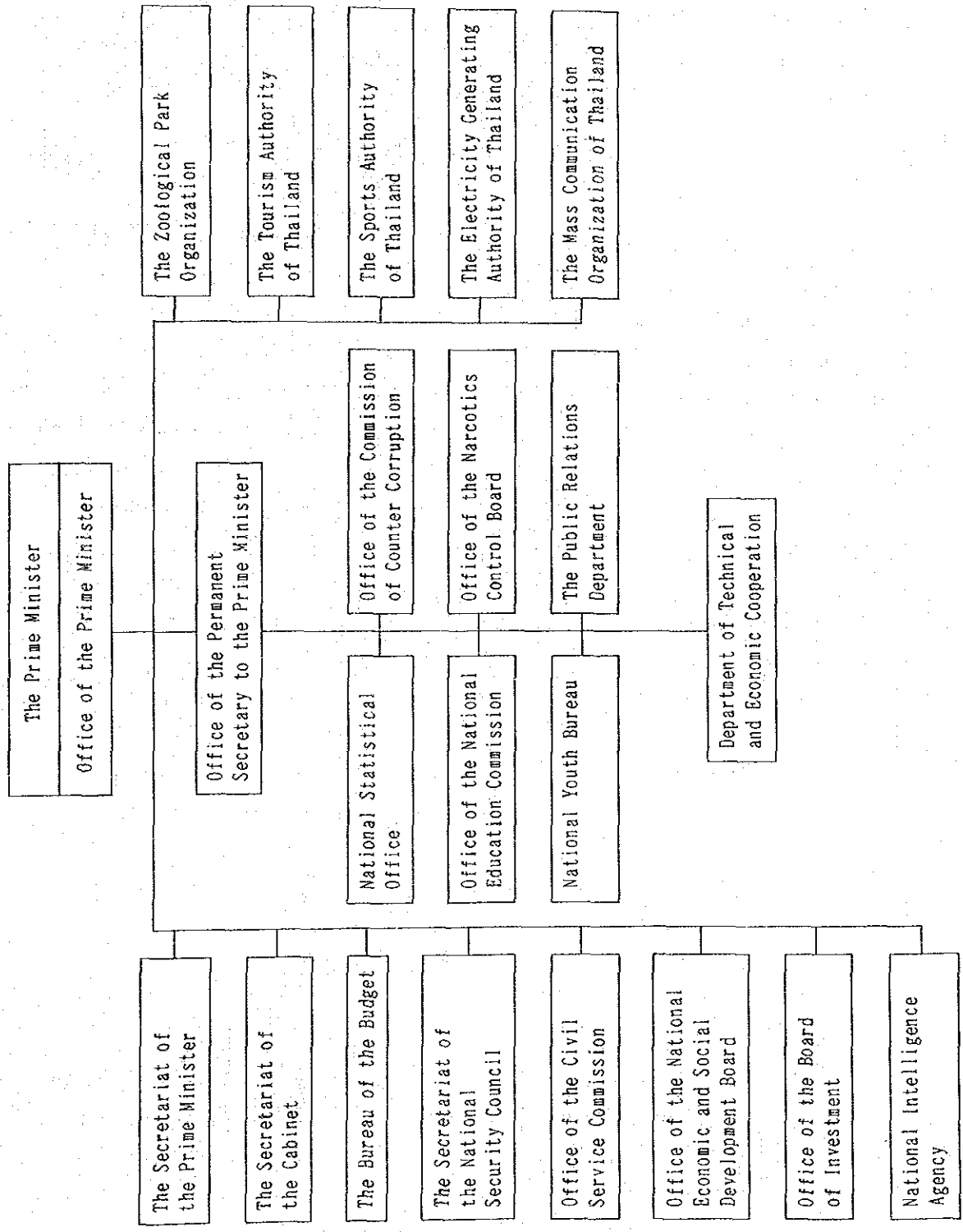
2. Regional and District Inspector

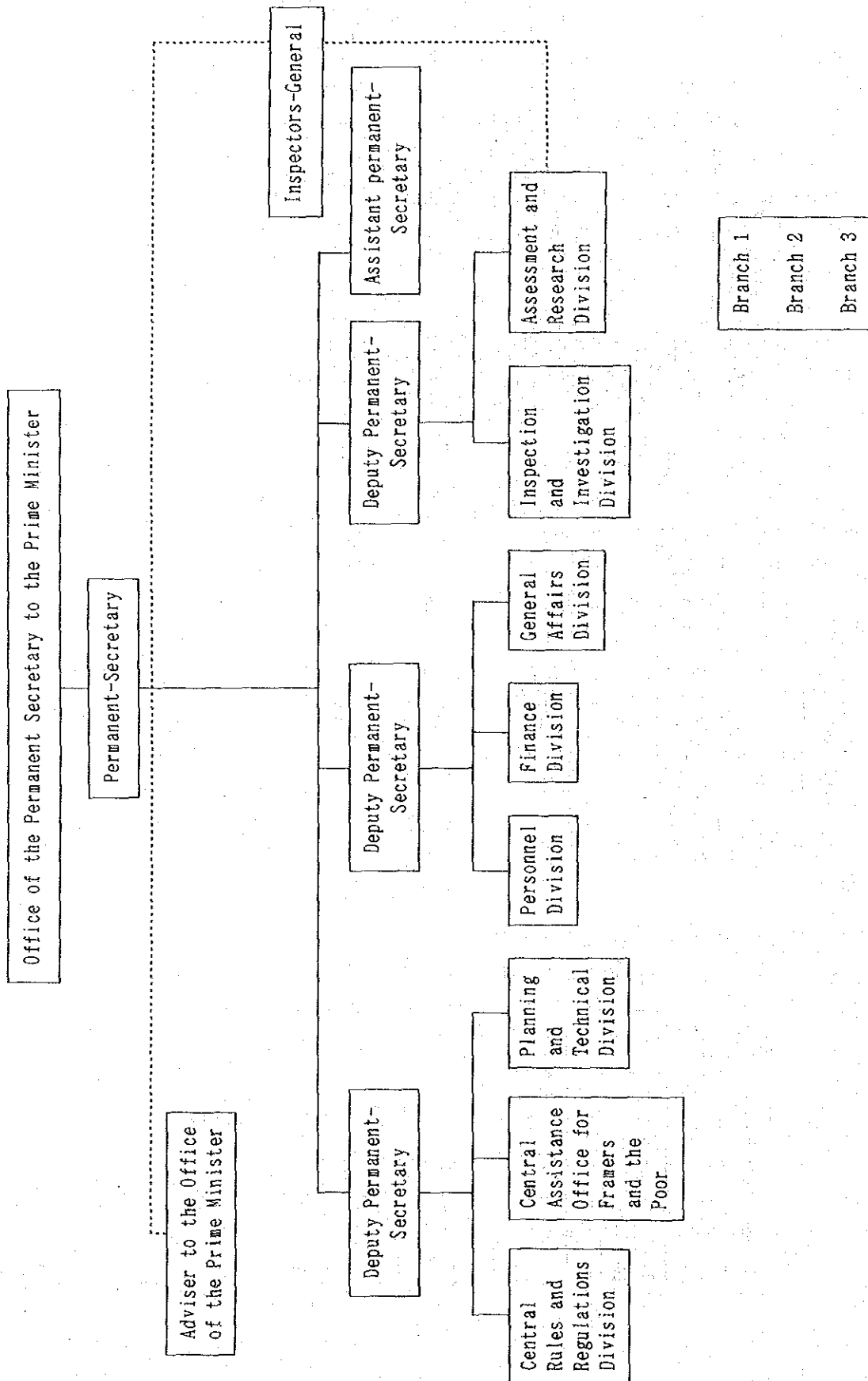
We don't have also, but our inspectors-general can inspect overall government agencies, and in other ministries and department, they have their inspectors for inspecting their administrative organs.

3. The Reports

In my country, the reports for necessary recommendations submit to the prime minister deputy prime minister and the cabinet.

The administrative inspection is very important for governments for improving their administrative organs and to complete the cycle, planning, implementation and evaluation (inspection).





NATIONAL GOVERNMENT ADMINISTRATION SEMINAR GOVERNMENT INFORMATION

by Mr. Kosol Vichitthanaruk
(Thailand)

PREFACE

Under the changing circumstances, the availability, reliability, timeliness and relevance information is very important for the effective administration of the government. The government needs the system of information as a tool for making decisions in administrative aspect, at the same time to create better understanding and relationship between the government and the general public in the following fields:

- (1) Formulating policies in various sectors both internally and internationally.
- (2) Setting up directives, guidelines and allocating appropriate budget for programmes in different sectors.
- (3) Setting up guidelines for programmes and projects co-ordination.
- (4) Following-up, monitoring and solving problems arise from programmes and projects implementation, and surveying the impacts on the general public and the country as a whole.
- (5) Formulating proper guidelines for remedy of problems, crises and conflicts at various levels of the society.
- (6) Informing the general public on the performances of the government, laws, order, regulations, cabinet resolutions and knowledge.

GOVERNMENT INFORMATION OF THAILAND

1. Thailand is the constitutional monarchy state. The current constitution promulgated on December 22, 1978 stated "the sovereign power of the state is to be exercised by the monarch through the Bicameral National Assembly, the council of ministers (cabinet), and the courts" Actually, the monarch is highly respected as head of state, the real power is exercised by the prime minister as head of the government. The prime minister will nominate not more than 44 ministers to form the council of ministers (cabinet)

which will exercise. The executive power and be collectively responsible to the house of representatives.

2. The prime minister discharges this duties through various ministries and semiautonomous statutory bodies. The important function of coordinating and monitoring the activities of these government agencies is mainly charged with the office of the prime minister. There are 14 ministries as shown in Annex 1 and the office of the prime minister is organized as shown in Annex 2.
3. Data necessary for routine administrative work and for the decision-making of the government in each sector has been collected, compiled and processed by responsible ministries, governmental agencies and public enterprises. In 1963, the first computer for data processing was brought into the government sphere to facilitate data processing. Since then, the number of computers used in public data processing has increased rapidly. Currently, there are data processing centers compiling and processing data which can be divided into 13 major statistical sectors as follows:

3.1 Population and Labour

- 1) Office of the Prime Minister
 - National statistical office
- 2) Ministry of Interior
 - Department of local administration (civil registration division)
 - Police department in terms of criminal statistics and immigration
- 3) Ministry of Public Health
 - Office of the permanent secretary

3.2 Agriculture

- 1) Office of the Prime Minister
 - National statistical office
- 2) Ministry of Agriculture and Co-operatives
 - Office of agriculture economics
 - Irrigation department

3.3 Industry (manufacturing, mining, gas, electricity, water supply and construction)

- 1) Office of the Prime Minister
 - National statistical office
 - Electricity generating authority of Thailand (public enterprise)
- 2) Ministry of Industry
 - Mineral resources department
- 3) Ministry of Science and Technology
 - National energy administration

3.4 Business (wholesale and retail trade, services and price)

- 1) Office of the Prime Minister
 - National statistical office
- 2) Ministry of Commerce
 - Department of business economics

3.5 Transport and Communication

Each agency within the ministry of transport and communication collects and compiles data on transportation and communication and has micro computer for data processing.

3.6 Education, Health and Community Services

- 1) Office of the Prime Minister
 - National statistical office
 - Office of narcotics control board
- 2) Ministry of Education
 - Office of the permanent secretary
- 3) Ministry of Public Health
 - Office of the permanent secretary

3.7 Foreign Trade

Ministry of Finance

- Customs department

3.8 Money and Banking

- 1) Office of the Prime Minister
 - Budget bureau
- 2) Ministry of Finance

- Revenue department
 - Controller-general's department
 - 3) Independent Public Agency
 - Bank of Thailand
- 3.9 Personnel Income and Expenditure
- Office of the Prime Minister
- National statistical office
- 3.10 National Accounts
- Office of the Prime Minister
- National economic and social development board
- 3.11 Cabinet Resolutions
- The Secretariat of the Cabinet
- 3.12 Laws
- Ministry of Justice
- 3.13 Others
- 1) Ministry of Interior
 - Office of policy and planning
 - 2) Bangkok Metropolitan Administration
4. Moreover, another form of information system is the inter-ministerial information system. The most evident information system of this type is the information system for rural development. Since 1982 during the period of the 5th economics and social development, the information system for collecting and compiling relevant data for rural development has been set up in order that the mentioned system will be utilized as a total for 6 ministries related to rural development namely, Ministry of Interior, Ministry of Health, Ministry of Education, Ministry of Agriculture and co-operative, Ministry of Industry and Ministry of Commerce for Planning, Projects Approval, Co-ordinating and following-up plans and projects. However, not only the governmental agencies can utilize information from the system, but also the private sector as well. This system has been computerized by installing central computer with micro-computers at every province throughout the country.

5. As aforementioned, information needed for the cabinet's decision-making has been processed by concerned governmental agencies. This information will be provided to the cabinet by ministry when submits the proposal to the cabinet meeting. However, in case the proposal covers other ministries or governmental agencies scope of responsibility, related information must be sought from related ministries or governmental agencies before submitting the proposal to the cabinet meeting.
6. The secretariat of the cabinet is responsible to examine and analyze every proposal. If additional information is needed, the secretariat of the cabinet will ask from ministries or governmental agencies concerned, private organs such as the joint public and private committee or chambers of commerce etc. or the cabinet information center.
7. Recently, in order to facilitate the cabinet meeting, weekly meeting of permanent-secretaries of state has been introduced which has proven to contribute a significant value.
8. Results of the cabinet meeting will be released by government spokesman, under the secretariat of the prime minister, in press conference.
9. Constitution, law, royal command, the monarch's activities, ministerial regulation and matter required to be declared in royal gazette, will be published. The secretariat of the cabinet which has the publishing division and printing house will charge with the planning of royal gazette publishing. The royal gazette will normally be issued on every Tuesday and Thursday. However, special issue will be published for urgent matter. The private can subscribe for either law or trade registration category.
10. Apart from the information for the general public on cabinet resolutions and royal gazette, various ministries and government agencies have their own public relations agencies which deal with the public relations and public hearing within their own responsibility.
11. The public relations department, headed by the director-general, is responsible for public relations activities of the government. The budget received in 1990 fiscal year is 635,646,100. baht which was about 1.6% of total budget and is equivalent to 132,426,250 yen (1 baht = 4.8 yen).

It functions in various aspects as follows:

- 1) Being the center of national public relations.
- 2) Performing public relations both nationally and internationally of the benefit of national security.
- 3) Creating better understanding among the general public on the form of government.
- 4) Dispatching news on economics, social, value, cultural and moral performances of the government by mass media.
- 5) Surveying public opinion for the benefit of further public relations activities and for submitting to the government for administrative decision-making. The annual average number of survey is 4-5 topics.
- 6) Administering T.V. and radio programmes.
- 7) Conducting studies, researches and rendering academic matter on mass communication and public relations.
- 8) Controlling and monitoring 100 radio broadcasting stations throughout the country and 1 T.V. station which is composed of 4 regional stations.
- 9) Publishing booklets or folders etc. on news, laws and regulation which is useful to the people and ethical preaches. About 200 publications will be hand out to governmental agencies and local government annually. Moreover the public relations department will publish results of cabinet meeting monthly as well as laws, regulations and useful knowledge yearly to be dispatched to the people.

STRESSING ON THE PUBLIC RELATIONS OFFICE OF THE JAPANESE GOVERNMENT AS SOURCE OF INFORMATION

1. Organization

Public relations of Japan has been a function of the government until 1960 the public relations office was formally established by law, to be charged with public relations of the government. It comprises 47 officials headed by Chief of the Public Relations Office. Under the leadership of Chief of the Public Relations Office, there are 8 councillors. Each of them is responsible for a specific matter for instance, T.V., newspaper, etc. and 1 senior researcher. The Public Relations Office Serves as the Public Relations Office to the Prime Minister and also to the cabinet. The total annual budget for 1990 fiscal year is 22.2 billion yen, which can be divided into 4 major activities namely.

- 4.2 billion yens for T.V. and radio.
- 5.9 billion yens for publication of government gazettes and publication of news.
- 0.4 billion yens for monthly public opinion survey.
- 1.5 billion yens for other activities.

2. Functions

The Public Relations Office plays a significant role on 3 major aspects as follows:

2.1 Co-ordinating public relations implementation of governmental agencies.

Since every ministry also has its' own public relations unit, the public relations office shall co-ordinate public relations activities among ministries in order to enhance the efficiency of the country public relations as a whole.

2.2 Conducting public opinion survey on general topics for instance living condition etc. As well as on specific topics which is called national monitoring. The specific topics carried out by the public relations office will base on important administrative issues or issues at inter-ministerial level. The public relations office will conduct survey on specific topics as requested by ministries or governmental agencies. The outcome of the survey will be conveyed back to the ministries or governmental agencies concerned. The average number of survey on general topics is 24-25 times and 8 times on specific topics annually.

2.3 Planning the daily publication of government gazette, the result of monthly survey done by non-governmental agencies hired by the public relations office, and other useful publications for the general public and local administrative organs.

Moreover, the public relations office acts as government spokesman by arranging press conference for releasing the results of the cabinet meeting.