Between Decentralization and Recentralization: Conflicts in Intramunicipal and Intermunicipal Governance in Tokyo’s Shrinking Suburbs

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Abstract
The suburban territory of Tokyo Metropolis, officially called the Tama Area, is experiencing path-dependent, multifaceted shrinkage in the sociodemographic, economic, and political and administrative (including fiscal) dimensions. The following two processes taking place in the opposite direction are at work: the political and administrative decentralization of authority and responsibility and the sociodemographic, economic, and fiscal recentralization (or reurbanization) of workplaces, residences, and municipal finance. Amid decentralization and recentralization, intramunicipal and intermunicipal conflicts, which are interrelated, are emerging in the lowest tier of government. We first explore intramunicipal disarrays of ideas and practices within a municipal government and subsequently investigate intermunicipal contradictions that are generating oscillations between unification and fragmentation among municipal governments. These two conflicts result in the failure to promote inclusive and geographically extensive intermunicipal cooperation only through the efforts of municipal governments. This failure partly stems from the path-dependency of Tokyo Metropolis incorporating past political and administrative separations at intrametropolitan and intrasuburban levels. Consequently, municipal governments face difficulty in building healthy relationships with upper-tier governments, civil society, and the market. In conclusion, we emphasize the importance of creating new forms of governance systems for promoting spatially wider and functionally integrated intermunicipal cooperation by combining physical and virtual environments, which respectively have geographically greater and lesser limitations, and by involving private and community actors. This creation requires both politically bottom-up and top-down approaches by exploiting the emerging sense of the increasingly intertwined future under suburban shrinkage and by consolidating intermunicipal cooperation activities that are fragmentally dispersed.

Keywords
decentralization; intermunicipal cooperation; local governance; metropolitan planning; recentralization; suburban shrinkage; Tama Area; Tokyo Metropolis

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1. Introduction
Uneven transformations of suburbs (Phelps & Wu, 2011) are embedded in and shaped by (post-)suburban politics and governance (Ekers et al., 2015). However, to date, there are few studies on these issues at the local level (Young, 2015), particularly in the context of suburban shrinkage. Given the importance of the local scale in the promotion of social and civic values and effective metropolitan governance, there is a need to address this gap. Thus, from the perspective of local public administration, this article explores the shrinking processes of...
the suburban territory of Tokyo Metropolis—the Tama Area (hereinafter, Tokyo’s suburban territory)—which contrasts with its urban territory named the Special Ward Area (see Figure 1).

Under the Local Autonomy Act of 1947, Tokyo’s suburban territory comprises 30 municipalities classified into 26 cities (shi), three towns (machi), and one village (mura), and the urban territory comprises 23 special wards. In 2020, the suburban and urban territories had a population of approximately 4.2 million and 9.6 million, respectively, and an area of approximately 1,160 km² and 630 km², respectively. Tokyo’s suburban territory is experiencing the path-dependent, multifaceted trajectory of “post-suburb → shrinking suburb” in the sociodemographic, economic, and political and administrative (including fiscal) dimensions (Ohashi & Phelps, 2021a). As illustrated in Figure 1, this suburban territory is facing the concurrent processes of the political and administrative decentralization of authority and responsibility without considerable fiscal decentralization (hereinafter, decentralization) and the sociodemographic, economic, and fiscal recentralization (or reurbanization) of workplaces, residences, and municipal finance (hereinafter, recentralization); in this article, recentralization indicates a combination of suburban shrinkage and urban regrowth. Decentralization and recentralization are at work in opposite directions—a suburban-to-urban direction and an urban-to-suburban direction, respectively (see Figure 1).

Thus, this article examines the changes in local public administration amid decentralization and recentralization, including the impacts of the Covid-19 pandemic and the 2020 Tokyo Olympics and Paralympics held in 2021. We interpret information obtained through interviews with academics, current and former government officials, private practitioners, and representatives of non-profit organizations and community groups. The details of informants (interviews 1–45) are described in Ohashi (2018), and the details of five new informants (interviews 46–50) are noted in this article. We highlight the emerging conflicts in intramunicipal and intermunicipal governance amid decentralization and recentralization, which hinder the consistent and timely policy making and implementation of municipal governments in close cooperation with upper-tier governments, civil society, and the market. In conclusion, we emphasize the importance of creating new forms of governance systems to mitigate these conflicts and to materialize spatially wider and functionally integrated intermunicipal cooperation (IMC).

2. Contextualizing Local Government Affairs Amid Decentralization and Recentralization

With globalization and the formation of polycentric spatial structures (Muller, 1997), suburbs have, through spatial enlargement and functional expansion, transformed into post-suburbs with population and industrial diversity, which are different from traditional, residential communities. Despite the absence of a consistent definition of post-suburbs, it is important to explore “the distinctive mix of interests and politics that may be apparent in post-suburban settlements [with diverse actors]” (Phelps, 2015, p. 16). Post-suburbs come “to embody new political sensibilities” (Phelps, 2015, p. 170) with “different types of urban regime transforming from a ‘pure’ suburban form of Molotch’s (1976) ‘growth machine’” (Phelps, 2012, p. 671). The non-local, relational politics of (post-)suburbs (Phelps, 2015) reveal converging and diverging patterns of interest by different tiers of government at different phases of (sub)urbanization (Ekers et al., 2015). Particularly, globalization compels (post-)suburbs to “internalize a contradictory regional politics—one held between the bounded territoriality of institutional structures and the unbounded nature of globalizing urbanity” (Keil & Addie, 2015, p. 909), especially in Asian metropolises (Aveline-Dubach, 2014). Thus, much attention has been paid to the increasing complexity of suburban politics and governance (Ekers et al., 2015) that create “the chain of causality that produces outcomes” (Young, 2015, p. 3). Yet, “there is often a serious lacuna at the local level….We need to study the local state and what drives the key actors” (Young, 2015, p. 52).

Concurrently, there is a growing body of research on shrinking cities (Martínez-Fernandez et al., 2012), albeit rarely with a focus on suburbs specifically. Research on shrinking cities in Japan has focused on rapidly declining provincial areas rather than metropolitan areas (Martínez-Fernandez et al., 2016). Changing local politics and governance in Tokyo’s shrinking post-suburban territory remain underexamined. The understanding of shrinking cities has shifted “from the ‘traditional’ explanations of localized urban decline to recognition of ‘glocalization’” (Cunningham-Sabot et al., 2014, p. 14), capturing these cities as “the combination of global processes and local configurations” (Martínez-Fernandez et al., 2016, p. 1). Therefore, this article contributes both to research on shrinking cities and on (post-)suburbanization.

Decentralization in political, administrative, and/or fiscal terms has been promoted across various countries for better responses to diversified needs at the local level. In Japan, political and administrative decentralization has been implemented in a phased and relatively gradual manner since the 1990s (Hein & Pelletier, 2006), albeit without considerable fiscal decentralization. However, “the central government has traditionally set the policy framework in areas ranging from city planning to industrial, welfare, education, and environmental policies…[with] little opportunity for policy innovation at the local level” (Martínez-Fernandez et al., 2016, p. 13) in the context of the Japanese developmental state. Nevertheless, municipal governments in Tokyo’s suburban territory are, when compared with the national average, likely to be well resourced enough to take advantage of decentralized powers. The problem is that the
Figure 1. Tokyo’s suburban territory amid decentralization and recentralization and with statutory and non-statutory IMC activities. Note: The Tama Council for the Promotion of Tourism comprises the chambers of commerce and industry of all municipalities, Tokyo Association of Mayors, Tokyo Town & Village Association, etc.
consequences of recentralization—suburban shrinkage and urban regrowth—place limits on their actions. It becomes essential to explore (post-)suburbs as “processes” rather than “things” (Keil, 2017). (Post-)suburbs are “heavily path-dependent, reflecting different political, economic, cultural, and environmental histories” (Ekers et al., 2015, p. 20), involving both rapid and gradual changes (Lefebvre, 2003). Despite the growing importance of research on suburban shrinkage (Hanlon et al., 2009), changes in the local public administration of shrinking post-suburbs have been less examined from the perspective of processes, including political and administrative path-dependency. To examine the different modalities of suburban governance internationally, Ekers et al. (2015) created a framework consisting of the three modalities: the state, capital accumulation, and emergent forms of authoritarian governance (or authoritarian private governance). This article focuses specifically on the modality of the state in light of the lowest tier of government, with some attention to the other two modalities. Considering the likely prevalence of recentralization and recentralization in other countries, the case of Tokyo highlights significant implications for new forms of governance systems attuned to more complex processes of suburban shrinkage than suburban growth (Ohashi & Phelps, 2020) and aimed to ensure the better adaption and resilience of metropolitan and local areas (Pike et al., 2010). This article also contributes to the theorization of (post-)suburbanization by offering a deeper conceptual understanding of the trajectory of “post-suburb → shrinking suburb” (Ohashi & Phelps, 2021a) from the viewpoint of local governance and politics.

3. Tokyo’s Suburban Territory Amid Decentralization and Recentralization

Given that Japan has a three-tier government system consisting of national, prefectural, and municipal levels, Tokyo Metropolis has a specific public administration system. The Local Autonomy Act of 1947 designates special ward governments in Tokyo’s urban territory as special local governments and municipal governments in Tokyo’s suburban territory as ordinary local governments. Special ward governments have a narrower scope of local public services than ordinary local governments. The Tokyo Metropolitan Government (TMG) conducts a part of these services, such as firefighting, water supply, and sewage treatment, in the urban territory (see Cybriwsky, 2011). The TMG levies the municipal inhabitant tax on corporations, fixed assets tax, and special land ownership tax (suspended since 2003). Half of the revenue obtained from these three taxes is spent to conduct the part of the services, and the remainder is distributed to special ward governments to reduce their fiscal disparities (called the fiscal equalization system). Given that municipal governments conduct the part of the services, the TMG provides municipal governments with disbursements such as subsidies. The subsidies include comprehensive grants for cities, towns, and villages (shichōson-sōgō-kōfukin) aimed to reduce urban-suburban disparities and to help municipal governments implement their own policies with few usage conditions. Within TMG’s comprehensive grants, the policy cooperation quota (e.g., for purchases of electric vehicles and equipment for fire brigade teams) was newly established in 2018 to ensure policy consistencies between the TMG and municipal governments; the usage of this quota was expanded in 2021 to the promotion of digital transformation (DX).

This public administrative system is rooted in history. Tokyo Metropolis was formed in 1943 by the merger of Tokyo Prefecture (Tōkyō-fu) and Tokyo City (Tōkyō-shi) through the implementation of the metropolitan governance system. Tokyo Prefecture was introduced in 1868 with a decision on capital relocation and reformed in 1871 by the abolition of feudal domains and establishment of prefectures. Tokyo City was created in 1889 in the form of being separated from Tokyo Prefecture through the implementation of the system of cities, towns, and villages. The then administrative jurisdiction of Tokyo City almost corresponded to Tokyo’s urban territory. Tokyo’s suburban territory was transferred from Kanagawa Prefecture to Tokyo Prefecture in 1893. The reasons for this transfer included the intention of the government of Tokyo City, which suffered from a cholera epidemic, to ensure better watershed management by merging Tokyo’s suburban territory with water sources to Tokyo City. The then suburban territory consisted of the following three administrative jurisdictions: the Northern Tama (Kita-tama), Southern Tama (Minami-tama), and Western Tama (Nishi-tama) Counties (see Figure 1). Tachikawa, Hachioji, and Ome—main outer suburban cities designated as Business Core Cities (BCCs) and directly connected to Tokyo Station by the railway lines of East Japan Railway Company (JR East)—respectively belonged to these three counties (see Figures 1 and 2). These three cities are experiencing divergent trajectories in the sociodemographic, economic, and political and administrative (including fiscal) dimensions because of local, or intrasuburban, differentiations of specific dynamics, which are considered the underlying mechanisms of their trajectories (for details, see Ohashi & Phelps, 2021b). Despite few relationships among the Tachikawa City Government (TCG), Hachioji City Government (HCG), and Ome City Government (OCG) due to the past administrative separation, this divergence is making their IMC more challenging (Ohashi & Phelps, 2021b). Two other BCCs, Tama and Machida Cities, belonged to the same county (the Southern Tama County) as Hachioji City. At present, there remains only the Western Tama County, which has markedly shrunked in size and now accommodates Mizuho, Hinode, and Okutama Towns and Hinohara Village.

In addition, there were the following three waves of municipal amalgamations and splits led by the Government of Japan (GOJ): the Great Mergers of Meiji...
During the suburban growth period (from the late 1950s to the mid-1970s), municipal amalgamations and splits occurred concurrently in Tokyo’s suburban territory. Because large municipalities such as Tachikawa, Hachioji, and Ome Cities upgraded from towns to cities earlier than small municipalities, the amalgamations were related to large municipalities that absorbed towns and villages and the splits to small municipalities that upgraded to cities separated from the umbrella of counties, each of which comprises towns and villages. The upgrades for Tachikawa, Hachioji, and Ome Cities occurred in 1940, 1917, and 1951, respectively, and the numbers of towns and villages which were absorbed until the mid-1970s (after their upgrades) was one, 10, and six, respectively.

The processes of decentralization in Japan, which were closely related to the Great Merger of Heisei, are broadly divided into two phases: (a) from 1993 (almost coincident with the collapse of the bubble economy) to 2001 and (b) from 2006 and beyond. In the first phase, the Decentralization Promotion Law of 1995 and the Comprehensive Decentralization Law of 1999 were enacted to establish more equal relationships between central and local governments; however, this phase is recognized as incomplete with few accomplishments. In the second phase, some achievements, including both central-to-municipal and prefectural-to-municipal transfers of authority and responsibility, were achieved by the Act on Promotion of Decentralization Reform temporarily enforced from 2006 to 2010. However, local governments have continued to be dependent on the GOJ and have less autonomy in a situation where fiscal decentralization is insufficient to maintain the influential powers of the GOJ.

The urban and suburban territories of Tokyo Metropolis have experienced a rapid reversal of fortunes in the sociodemographic, economic, and fiscal dimensions (for details, see Ohashi & Phelps, 2021a). In Figure 3, red and blue lines, which respectively correspond to Tokyo’s urban and suburban territories, show the annual growth rates of population (x-axis) and those of employment (y-axis) at five-year intervals from 1955 to 2015. The radius of the circle at each point denotes the annual growth rate of local tax revenue during the corresponding five-year period. In contrast to municipal governments facing the continuing slowdown of fiscal growth, special ward governments, which experienced fiscal decline in the 1990s partly because of the doughnut phenomenon, recovered fiscal growth with a reversal of positive and negative values in the annual growth rates of local tax revenue in the early 2000s. Although the TMG collects the above-mentioned taxes in the urban territory under the fiscal equalization system, changes in these annual growth rates indicate changes in fiscal capacity in the lowest tier of government to some extent.

Figure 2. Tokyo Station and Tachikawa, Hachioji, and Ome Cities as BCCs facing political and administrative fragmentation.

Tokyo Metropolis has made a rapid shift from post-suburbanization to recentralization (or reurbanization) from the viewpoint of the urban life cycle theory of Van den Berg et al. (1982) which consists of the following four phases: urbanization, suburbanization, disurbanization, and reurbanization. As shown in Figure 3, the first and second phases of decentralization were almost coincident with recentralization. Thus, delays in decentralization and the rapid shift to recentralization have been creating the conflicts in intramunicipal and intermunicipal governance in Tokyo’s shrinking post-suburban territory, as explained below.

4. Emerging Conflicts Underlying Intramunicipal Government Affairs

Amid decentralization and recentralization, each municipal government is experiencing intramunicipal, or internal, disarrays mainly due to a weakening of administrative capability and capacity, especially in fiscal and personnel resources (see Figure 4). Overall, delays in decentralization partly disabled municipal governments’ efforts to improve their capability and capacity during the (post-)suburban growth period when they had leeway. Simultaneously, the rapid shift to recentralization deprived municipal governments of the time needed to optimize ideas and practices. Local politics and governance in Tokyo’s suburban territory—especially in long-established municipalities such as Hachioji and Ome Cities—have continued to be heavily influenced by elderly people such as politicians, government officials, and local worthies who remain attached to past successes during the (post-)suburban growth period (Interview 41, Community Group). (Sub)urban shrinkage takes time to appear on government agendas (Wiechmann & Pallagst, 2012), and political and administrative arrangements change more slowly than
sociodemographic and economic transformations (Soja, 2011). Consequently, municipal governments have been unable to alter the systems of local public administration even with the use of decentralized powers. Municipal government officials also feel that decentralized powers are almost useless against forces of recentralization (Interview 5, HCG). Continuing suburban shrinkage weakens the administrative capability and capacity of municipal governments and makes it more difficult for them to work in a consistent and timely manner with upper-tier governments, civil society, and the market, as depicted in Figure 4.

First, amid the spatiotemporal divergence of political and policy agendas among different tiers of government (Ohashi & Phelps, 2021a), there are inconsistent overtures to upper-tier governments. In this respect, a former public official of the TMG commented:

Owing to the recent shift of the GOJ toward the revitalization of the provinces, municipal governments in the Tama Area have found it increasingly difficult to clearly express opinions [toward upper-tier governments]. Because municipal governments see no prospect of survival without reliance on the Special Ward Area [prioritized by the TMG], they cannot suggest that they are part of the provinces that should be prioritized by the GOJ. Consequently, municipal governments have been forced to differentiate ideas and practices like chameleons, depending on the content of political and policy agendas. (Interview 21)

Moreover, insufficient fiscal decentralization undermines local public administration, as noted by a former public official of the TMG:

In the past, municipal governments in the Tama Area did not receive many subsidies from upper-tier governments to ensure autonomy in expressing opinions. However, they get used to receiving subsidies. Despite decentralization, municipal governments have still been inclined to follow the intentions of upper-tier governments to gain subsidies. (Interview 39)

The continuing subsidy system has hindered autonomous actions of municipal governments. Municipal governments (as part of Tokyo Metropolis) sometimes seek TMG’s support, but, at other times, they (as part of the provinces) favor GOJ’s help. Likewise, municipal governments confront an intergovernmental dilemma about whether to engage with the GOJ or the TMG. This dilemma partly stems from the political and geographical proximity to the metropolitan center.

Next, municipal governments are beset by growing demands from local communities under advocacy planning and community participation, which are emphasized under decentralization. However, a municipal government, especially a large municipality that experienced amalgamations, struggles with the diverse opinions of locally differentiated communities, each with a specific history and identity. In other words, the past administrative separation makes key municipal governments, such as the TCG, HCG, and OCG, internalize more political and administrative fragmentation, making it difficult to promote civic engagement (see Figure 4). In this regard, a public official of the HCG commented:

We need to close and consolidate elementary and junior high schools, especially in fringe areas [with falling student enrollments]. A consolidation between one (or two) elementary school(s) and one junior high school is a likely option. However, this optimization is not an easy task owing to the difficulty of consensus building with local communities, especially in the areas dominated by traditional communities. Past amalgamations created a mixture of traditional and new settlements within our administrative jurisdiction. Traditional communities tend to firmly disagree about this optimization while regarding schools [where they grew up] as important to local identity; they oppose even changes in school names. By contrast, this optimization is easier in new settlements, such as the Tama New Town, because newcomer communities tend not to express strong disagreement. (Interview 20)

Moreover, although the GOJ is promoting the densification and contraction of built-up areas under a compact city strategy, it is difficult for a large municipal government to uniformly apply this strategy to the entire administrative jurisdiction that is an aggregation of locally differentiated communities (Interview 5, HCG). Although larger municipal governments are likely to be more capable of exploiting decentralized powers, they tend to encounter more difficulties in consensus building with local communities.

Furthermore, recentralization compels a municipal government to prioritize more locality-oriented social welfare provisions (e.g., elderly care, childcare, education) and to narrow its vision, including the mindset of government officials (Ohashi & Phelps, 2021a). Decentralization magnifies this compulsion.

Lastly, a municipal government fails to exploit public benefits from private entities even with decentralized powers. This aspect is more relevant to smaller municipal governments. In this regard, a former public official of the TMG commented:

Not all municipal governments in the Tama Area welcome decentralization. While large municipal governments [such as the TCG, HCG, and OCG] that are autonomy-minded welcome it, small municipal governments are challenged by it. One reason is a lack of human resources. Municipal governments, especially small ones, do not have experienced professionals who can negotiate with private developers. In the past, there was a clear division of roles...
Figure 4. Interrelated conflicts in intramunicipal and intermunicipal governance in Tokyo’s shrinking post-suburban territory.
As such, municipal governments have—amid decentralization and recentralization (Phelps & Ohashi, 2020)—these governments are confronting intermunicipal conflicts that are aggravated by the above-described intramunicipal conflicts. As illustrated in Figure 4, these intramunicipal and intrametropolitan conflicts, which are interrelated, are causing oscillations between unification and fragmentation among municipal governments, resulting in the failure to cultivate spatially wider and functionally integrated IMC across the entirety of Tokyo’s suburban territory.

Overall, the suburban territory has incorporated political and administrative fragmentation—at both intrametropolitan and intrasuburban levels—which has hindered inclusive and geographically extensive IMC. In this regard, a Special Counselor of the Tokyo Urban Planning and Development Corporation (TUPDC), who is a former public official of the TMG, commented:

The TMG originates from the government of Tokyo City [which existed from 1889 to 1943]. Thisorigination has created a tendency in which the public administration of the TMG has been skewed toward the Special Ward Area. The TMG has a low number of government officials who engage in and have a thorough knowledge of the Tama Area when compared to the Special Ward Area. The TMG suggests the importance of respecting the autonomy of municipal governments. This suggestion can be said to be an excuse for TMG’s reluctance to be involved in the Tama Area. Through the process of upgrading to cities [with splits from counties, each of which comprises towns and villages], politics in the Tama Area has become fragmented. In my view, the current situation [related to IMC] would have been a little different if there had been the proactive involvement of the TMG before these splits. This political fragmentation makes it more difficult for the TMG to promote IMC in the Tama Area. It would be unrealistic that municipal governments in the Tama Area will merge in the near future because reductions in the number of mayors and politicians [at prefectural and municipal levels] will cause fierce opposition. Because sudden, radical changes in political and administrative systems are impossible, gradual processes are needed. One of the important actions for promoting IMC in the future is to reduce the number of municipal-level politicians. (Interview 49, February 18, 2022)

Moreover, a municipal government fails to attract private investors in the trend of privatization (or economic decentralization) being promoted since the early 2000s. In this respect, a public official of the HCG commented:

We have attempted to increase the number of elderly care management centers, each of which is planned to serve a radius of approximately 500 m [in alignment with GOJ’s policy about the Integrated Community Care System]. We have issued public invitations to private enterprises for the construction and operation of these facilities. However, we have struggled to attract them because this business is less profitable in the Tama Area than in the Special Ward Area. They also have difficulty in finding labor since young generations wish to work in white-collar service industries in the Special Ward Area and are reluctant to work at blue-color elderly care facilities in the Tama Area. (Interview 17)

As such, municipal governments have—amid decentralization and recentralization—come to internalize the intramunicipal conflicts that hamper the building of healthy relationships with upper-tier governments, local communities, and private enterprises (see Figure 4). These conflicts make it more challenging for a municipal authority to govern its administrative jurisdiction, further leading to difficulty in promoting IMC, as discussed below.

5. Emerging Conflicts Underlying Intermunicipal Government Affairs

5.1. Contradictions in Promoting Intermunicipal Cooperation

In Tokyo’s shrinking post-suburban territory, where municipal governments face positional ambiguity in a metropolitan context and difficulty in intermunicipal vision sharing (Phelps & Ohashi, 2020), these governments are confronting intermunicipal conflicts that are created by emerging contradictions amid decentralization and recentralization. The intermunicipal conflicts are aggravated by the above-described intramunicipal conflicts. As illustrated in Figure 4, these intermunicipal and intrametropolitan conflicts, which are interrelated, are causing oscillations between unification and fragmentation among municipal governments, resulting in the failure to cultivate spatially wider and functionally integrated IMC across the entirety of Tokyo’s suburban territory.

In addition, the past administrative jurisdictions of the Northern, Southern, and Western Tama Counties have hampered IMC beyond their then jurisdictional boundaries, including the cooperation among the TCG, HCG, and OCG (Interview 46, Deputy Mayor, OCG, February 10, 2022). These past intrametropolitan and intrasuburban administrative separations have caused difficulty in creating solidarity among municipal governments, further weakening their influence on upper-tier governments (see Figure 4).
Given the political and administrative fragmentation above, contradictions are emerging in one of the following three issues: (a) efficiency, (b) leadership, and (c) networking, all of which are important for coping with suburban shrinkage.

First, there is a contradiction between increasingly required efficiency through some rationalization of local public services and the reluctance of municipal governments to cooperate. In this regard, a public official of the OCG commented:

The Ome Municipal General Hospital, the main hospital in the Western Tama Area, receives many patients [who are not taxpayers for our city] from outside the city, although being operated mainly by our tax revenues. This facet is relevant to the problem of beneficaries. The sharing of medical functions with other hospitals in neighboring municipalities would be necessary. However, it is difficult to do so because each municipality wishes to maintain a relatively full set of medical services. (Interview 35)

Municipal governments have shared facilities that generate externalities, such as an industrial waste disposal facility. However, they are facing a challenge of IMC concerning the sharing of facilities with net benefits to local communities. Each municipal government comes to increasingly cling to the existing capital (Interview 35, OCG) owing to fewer opportunities for new capital formation by investments from outside the municipality, which were numerous during the (post-)suburban growth period. The municipal government thus becomes keen to re-evaluate existing capital, including one that received less attention under (post-)suburban growth, for maximum utilization and accentuates the distinctiveness of its municipality to appeal to the outside. Decentralization intensifies this eagerness as each municipal government is forced to become more self-reliant.

Second, there is a contradiction between a weakening of the influential powers of large municipal governments and the continuing necessity of their leadership for coordinating municipal governments with different intentions. In Tokyo’s suburban territory, there are statutory and non-statutory IMC activities at narrow or modest spatial scales. These activities have been occurring within geographically proximate areas and/or along natural and artificial capital (e.g., a river and railway lines, respectively) spanning across different municipalities, where municipal governments have similar policy and planning agendas. Statutory IMC activities under the Local Autonomy Act of 1947 take the form of wide-area cooperatives or partial cooperatives. As shown in Figure 1, Tokyo’s suburban territory has the following two wide-area administrative councils (WACs) as wide-area cooperatives: (a) the Western Tama WAC, or Nishi-tama Network, established in 1983, and (b) the Northern Tama WAC, or Tama-6, established in 1987. Currently, the former comprises Ome City and seven neighboring municipal governments and the latter comprises five municipal governments after the amalgamation of Tanashi and Hoya Cities into Nishitokyo City in 2001 (see Figures 1 and 5). The Western Tama WAC has been led by the OCG, which is the most affluent among constituent municipal governments (Interview 42, Western Tama WAC) and previously benefitted from revenues from the Boat Race Tamagawa located in Fuchu City (Interview 28, OCG). Nevertheless, the OCG is concerned only for the future of its city and has limited concern for its neighbors, as public officials in charge of the Western Tama WAC noted:

After GOJ’s insistence on amalgamations slackened, the OCG and neighboring municipal governments, which have historically had strong local ties, have spontaneously continued IMC by establishing the Western Tama WAC. Neighboring municipal governments, which are smaller than us, benefitted from the spillover effects of administrative skills and know-how from the OCG, which has superior capability and capacity. In reality, the problem with IMC is cost-sharing. As the OCG has been weakening the fiscal base, we cannot provide strong incentives for this IMC anymore. (Interview 42)

As shown in Figure 5, the fiscal capacities of the outer suburban Western Tama WAC (with a large contribution from the OCG) and the inner suburban Northern Tama WAC (with relatively equal contributions from constituent municipal governments) have been declining. The former shows a faster pace of decline than the latter amid outer suburban shrinkage.

This contradiction in the issue of leadership is also associated with the desire of large municipal governments to maintain autonomy, which is strengthened by decentralization. In this respect, a former public official of the TMG stated:

IMC necessitates win-win relationships. One difficulty for IMC is that large municipal governments, which are comparatively autonomy-minded, traditional, and/or prosperous, are reluctant to collaborate, although small ones wish to do so. For instance, Hachioji City, with a long history and traditional elites, would regard Tachikawa City as the nouveau riche. (Interview 21)

In this situation, emerging discrepancies in policy agendas and priorities among the TCG, HCG, and OCG amid outer suburban shrinkage (Ohashi & Phelps, 2021a) are making IMC more challenging.

Third, there is a contradiction between a growing number of non-statutory IMC entities and minimal mutual networking with needless dispersions of municipal governments’ resources that are increasingly limited
Figure 5. Changes in revenues and expenditures of the Western and Northern Tama WACs. Note: The shares of each municipal government for the Northern Tama WAC from 2000 to 2008 are unavailable. Sources: Authors’ own, prepared with the use of data obtained directly from these two WACs.
under suburban shrinkage. The number of these entities increased to 118 in 2006 (Tokyo Association of Mayors, 2006), in a situation where municipal governments have felt the necessity of promoting IMC amid decentralization and recentralization. However, most entities are small in size and scope. At present, as shown in Figure 1, representative entities are the Regional Industrial Cluster Association along the JR Ome Line (established in 2006), the Tama River Basin Cooperation Conference (in 2013), the City Promotion Association along the JR Nambu Line (in 2016), the Tama Council for the Promotion of Tourism (in 2017), and the Wide-Area Cooperation Summit (restarted in 2017 after a 10-year break). The Tama River Basin Cooperation Conference is working on wide-area issues along the Tama River, the largest river passing through Tokyo’s suburban territory, which originates from Okutama Town and beyond. This conference comprises the following 11 municipal governments: Hachioji, Tama, and Machida Cities (as the BCCs in the Southern Tama Area) and five municipal governments in Tokyo’s suburban territory; Ota and Setagaya Wards in Tokyo’s urban territory; and Kawasaki City in Kanagawa Prefecture (see Figure 1). This conference has the potential to create trans-prefectural, intrametropolitan, and intrasuburban interactions but operates with limited scope and at a modest spatial scale.

Since Tokyo Metropolis was chosen in 2013 to host the Olympics, inbound tourism promotion has become one of the prioritized agendas. The Tama Council for the Promotion of Tourism (involving all municipalities) was established through the lobbying activity of the Tokyo Federation of Societies of Commerce and Industry (headquartered in outer suburban Akishima City) to the TMG (Interview 48, Secretary-General, The Ome Chamber of Commerce and Industry [OCCI], February 15, 2022). This council aims to revitalize Tokyo’s suburban territory by accelerating the flow of tourists, especially from urban through suburban to urban territories. The TMG is supportive because this acceleration does not damage the metropolitan center. However, it is very uncertain whether this acceleration would avert suburban shrinkage.

A symposium of the Wide-Area Cooperation Summit, which comprises the TCG and eight neighboring municipal governments, was held in Tachikawa City in January 2017 after a 10-year break. Their mayors discussed IMC—would be needed to cultivate spatially wider and functionally integrated IMC with consolidating processes of existing non-statutory and statutory IMC activities. In addition, private enterprises such as railway corporations are making cross-jurisdictional activities. JR East, which has reduced the frequency of train operation on the JR Ome Line, is working for area revitalization and tourism promotion by conceptualizing the areas along this railway line as one integrated hotel partly because the pandemic is compelling the company to work for more business multilateralization (Interview 48, OCCI). However, it is difficult for municipal governments to make a large influence on business activities of railway corporations partly due to the non-existence of the subsidy system between them (Interview 42, Western Tama WAC). Most IMC activities are limited to the government sector without few relationships with private and community sectors (Tokyo Association of Mayors, 2006).

Although the leadership of the TCG is re-emerging, the HCG and OCG are not members of this summit. Moreover, smaller municipal governments, which are interspersed between key municipal governments, find it difficult to act. For instance, the OCG wonders about the intention of the Fussa City Government (located between Tachikawa and Ome Cities) that joins both the Western Tama WAC and the Wide-Area Cooperation Summit (Interview 42, Western Tama WAC).

The increase in the number of non-statutory IMC entities does not necessarily strengthen the economic and social cohesion in Tokyo’s suburban territory. Without suburban shrinkage undermining the administrative capability and capacity of each municipal government, this increase is likely to cause excessive dispersions of its resources. Because there are no persons (or organizations) that can oversee the entirety of Tokyo’s suburban territory (Interview 48, OCCI), IMC activities have become increasingly disconnected from one another, with different extents of engagement of the GOJ and/or TMG. Despite the importance of geographically overlapping parts of IMC activities (Interview 49, TUPDC/formerly TMG), institutional reforms—such as the establishment of a bureau specializing in IMC within the TMG and/or an organization where all municipal governments collaboratively work for the promotion of IMC—would be needed to cultivate spatially wider and functionally integrated IMC with consolidating processes of existing non-statutory and statutory IMC activities.

There are public guidelines for cost-sharing for some projects, such as an intercity railway elevation project. However, there are no guidelines for IMC. Therefore, concrete outcomes almost came to naught at that time. For the restart of the summit, the current mayor of Tachikawa City called the mayors of the neighboring municipal governments. In my view, he becomes more confident because he is now one of the old-timers among the mayors. Although it would be difficult to realize fruitful outcomes in the short run, the intermunicipal sharing of information [separately possessed by each municipal government] can be relatively easy to carry out. (Interview 29)
Consequently, these contradictions are generating the intermunicipal conflicts that are causing oscillations between unification and fragmentation among municipal governments, each with intramunicipal conflicts. Amid decentralization and recentralization, efforts made only by municipal governments, without upper-tier governments’ involvement, would result in a continual rise and decline of fragmented IMC activities. This rise and decline would not only cause the waste of municipal governments’ resources but also hinder the involvement of private and community actors. Moreover, the impacts of these IMC activities would be limited without access to urban resources, including global enterprises, which are vital to connecting Tokyo’s suburban territory to global economic circuits (for details, see Ohashi & Phelps, 2021a).

Nevertheless, the TMG, with stronger ownership of Tokyo’s suburban territory than the GOJ, has been inactive in promoting IMC in the suburban territory, although the term “cooperation” is used frequently (Interview 42, Western Tama WAC). Although this inactivity is partly caused by TMG’s respect for local autonomy (Interview 49, TUPDC/formerly TMG), the TMG could act to actualize inclusive and geographically extensive IMC but chooses not to.

Regarding the importance of the involvement of upper-tier governments, a public officer of the TCG commented:

The BCC policies were somewhat imposed on designated suburban cities by the GOJ in a top-down manner. We could not explicitly explain the benefits of these policies to our residents and closely cooperate with them in materializing a BCC. Voices of local communities within each administrative jurisdiction are important to motivate each mayor. While municipalities are rivals from the viewpoint of the Tama Area, they are comrades from that of the whole nation because they need to enhance the value of the Tama Area to compete with other parts of Japan. As for the intercity railway elevation project on the JR Chuo Line, which was implemented between inner suburban Mitaka City and outer suburban Tachikawa City [and completed in the early 2010s], all municipal governments became unified for a nationwide competition. This project, which required substantial funding, needed to compete with similar projects proposed in other parts of Japan to be approved by and obtain financial support from the GOJ. Therefore, all mayors in the Tama Area collaboratively participated in the establishment of the committee to realize this project and lobbied the GOJ, with vigorous support from the TMG and the involvement of national-level politicians elected from the Tama Area. From a local viewpoint, this project could eliminate the waiting times of pedestrians and car drivers for openings of railway crossings, which were very long previously. This elimination matched the needs of local communities in each administrative jurisdiction. Moreover, suburban municipalities across which this project spanned received direct benefits, and other suburban municipalities also received indirect benefits through spillover effects across the entire Tama Area. (Interview 47, February 10, 2022)

Likewise, the unification of municipal governments—based on geographically extensive spillover effects that ensure win-win relationships and the motivation of each mayor with support from local communities—may lead to the commitment of the GOJ, the TMG, and private entities. This aspect is increasingly important amid decentralization and recentralization.

5.2. The Increasingly Intertwined Future Among Suburban Municipalities

Municipal governments are becoming aware of their increasingly intertwined future under suburban shrinkage despite the emerging contradictions explained above; the prevalence of this awareness across the entirety of Tokyo’s suburban territory would likely mitigate the above-mentioned oscillations. Even growing Tachikawa City anticipates future threats as suburban decay intensifies, as noted by a public official of the TCG:

Tachikawa City has enjoyed prosperity as the city of commerce. Many people from outside the city visit our city for shopping. However, we worry about our future because the overall decline of surrounding suburban municipalities will result in the diminution of commercial consumption in our city. Therefore, the future prosperity of surrounding municipalities is essential. (Interview 24)

Declining Ome City also recognizes the importance of Tachikawa City, as a public official of the OCG commented:

We recognize that Tachikawa City is the most important city in the future Tama Area. The future of Tachikawa City is important to Ome City because its prosperity will benefit us. Our proximity to Tachikawa City enables our residents to commute there. However, we do not currently have much cooperation with Tachikawa City. (Interview 28)

Suburban shrinkage has led to the spatial expansion of motivations for IMC based on the increasing awareness of reciprocity. Despite the continuity of little cooperation between growing Tachikawa City and stagnating Hachioji City (Interview 47, TCG), further suburban shrinkage would likely galvanize IMC. This shared sense of the increasingly intertwined future should be exploited in politically bottom-up and top-down approaches to make the above-mentioned institutional reforms for the promotion of IMC, even with the engagement of...
private and community actors who want to tackle suburban shrinkage.

Nevertheless, IMC activities have been limited mainly to social welfare improvements (Tokyo Association of Mayors, 2006) and have continued to be deficient in industrial and commercial promotion (Interview 37, Tama Shinkin Bank), except for tourism promotion described above. This is a context-dependent specificity (Pike et al., 2016b) of local public administration that has accelerated the contraction processes in the suburban economy of Tokyo Metropolis (Ohashi & Phelps, 2021a). Tokyo’s suburban territory needs to promote economic development and rebuild its role as a place of production rather than consumption (Ohashi & Phelps, 2021a). As the first step, intermunicipal sharing of information for economic development (including that of small- and medium-sized enterprises, which municipal governments can obtain in more detail than upper-tier governments) can be achieved (Interview 29, TCG).

Since 2021, eight municipal governments in the above-mentioned Tama River Basin Cooperation Conference have begun to collaboratively disseminate basic data, including information about supportive measures for the attraction of private enterprises. However, this action does not cover the entirety of Tokyo’s suburban territory. Moreover, acting faster than government entities, the Tama Shinkin Bank, one of the three main local banks in Tokyo’s suburban territory (together with the Ome and Seibu Shinkin Banks), is analyzing the economic and business potential from the overall viewpoint of Tokyo’s suburban territory. This bank seeks to accelerate business-to-business transactions in addition to business-to-consumer transactions (Interview 37, Tama Shinkin Bank). Yet, as seen in the comment that the OCCI would need to consult with the Ome Shikin Bank when taking action (Interview 48, OCCI), this action of the Tama Shinkin Bank for suburban economic development possibly faces territorial limitations and also remains disconnected from government activities.

In this situation, the pandemic is creating a possibility of establishing more inclusive and geographically extensive IMC and intensifying urban-suburban interactions through the integration of physical and virtual environments, which have geographically greater and lesser limitations, respectively. Despite the overall spatiotemporal divergence of political and policy agendas among the GOJ, TMG, and municipal governments (Ohashi & Phelps, 2021a), convergence among these entities is emerging in the DX agenda. The GOJ formulated a plan for promoting the DX of local governments in December 2020 and established the Digital Agency in September 2021. The TMG also established the Bureau of Digital Services in April 2021 for the realization of “Smart Tokyo.” The TMG declared its intention to create a digital TMG as “another headquarters” in the virtual environment and to establish a public-private partnership data platform where public and private data can be traded for new business creation. In a new plan for the revitalization of Tokyo’s suburban territory (announced in September 2021), the TMG emphasizes the importance of creating more workable city regions through DX rather than just returning to pre-pandemic conditions. DX can improve the efficiency of local public administration, for instance, through the reduction of paperwork in administrative operations and the improvement of residents’ access to public services (Interview 50, Section Chief, Bureau of General Affairs, TMG, March 11, 2022). DX corresponds with local needs enough to gain support from local communities. From the side of Tokyo’s suburban territory, the Tokyo Association of Mayors, together with the Tokyo Town & Village Association, submitted an official request about DX to the TMG in November 2020. This suburban request partly prompted the action of the TMG to expand the usage conditions of the policy cooperation quota of its comprehensive grants for DX. As for this expansion there are mutual processes between the TMG and municipal governments, both of which wish to promote DX (Interview 50, TMG). In this respect, the Deputy Mayor of the OCG commented:

One possible way to create IMC among the TCG, HCG, and OCG is to exploit the recent trend of the DX of municipal governments, including the open data movement, which is being promoted by the GOJ and TMG. Although a key (or core) computer system is currently operated by each municipal government, it might be possible for the TCG, HCG, and OCG to cooperate on the introduction and operation of the key system. Also, municipal governments will be able to cooperate on the training and exchange of DX personnel [who do not sufficiently exist in government entities]. For this cooperation, cost-sharing and cost-benefit performance must be discussed. It is problematic that there are differences in the quality and quantity of databases among municipal governments. For the realization of this cooperation, there are two approaches: (a) led by the TMG (top-down) and (b) promoted from the Tama Area side (bottom-up) by promoting intermunicipal discussions at the Tokyo Association of Mayors to formulate a unified request from all mayors to the TMG. (Interview 46)

Despite this emerging possibility of cooperation among the TCG, HCG, and OCG, actions only by municipal governments are likely to be fragmented and limited at narrower spatial scales even for DX. Open data movement-related actions of these three municipal governments are different; the HCG started this system in 2014 for the first time in Tokyo’s suburban territory, whereas the TCG and the OCG did so in 2018 and 2019, respectively. Moreover, the TCG is cooperating with the Mitaka City Government and the Hino City Government on a DX-related project and the TMG supported this cooperation through its comprehensive grants even before the above-mentioned usage expansion to DX (Interview 50, TMG). The actions of friendly
municipal governments, mostly with local ties, tend to keep DX-related IMC spatially limited and cause the fragmentation of support from the TMG in Tokyo's suburban territory. Furthermore, in a situation where the GOJ is attempting to provide some standardized alternatives of the key computer system to local governments (Interview 50, TMG), even with the intention of ensuring intermunicipal data consistency to a certain extent, municipal governments might choose different systems in the case of the non-involvement of the TMG. This would result in the failure to introduce the key computer system uniformly across the entirety of Tokyo's suburban territory. This failure would have adverse effects on DX-related projects, including those for smart city development, which are, in a disconnected manner, implemented by public and private entities in different parts of Tokyo's suburban territory. Therefore, in close cooperation with all municipal governments, the TMG should proactively work toward the creation of spatially wider and functionally integrated IMC covering the entirety of Tokyo's suburban territory or even across Tokyo Metropolis by promoting the integration between physical and virtual environments. This IMC would contribute to strengthening intrametropolitan and intrasuburban interactions, which serve to make Tokyo's suburban territory an integral part of metropolitan systems and to establish better relationships with upper-tier governments, civil society, and the market (see Figure 4). In the future, it is desirable to promote this sort of IMC across the entirety of the Tokyo metropolitan area as a functional urban area.

6. Conclusion

The Tokyo case provides the insight that the trajectory of “post-suburb → shrinking suburb”—amid decentralization and recentralization—incorporates the intramunicipal and intermunicipal conflicts that are radical but barely visible phenomena in the lowest tier of government. These conflicts are generating oscillations between unification and fragmentation among municipal governments, resulting in the failure to establish spatially wider and functionally integrated IMC. These conflicts have been created structurally through long-term, complex processes of (post-)suburbanization, including political and administrative fragmentation that occurred before (post-)suburbanization. Suburban shrinkage generates evident contradictions in efficiency, leadership, and networking; contradictions in more issues need to be explored. Consequently, local public administration is becoming too fragmented to cope with more complex processes of suburban shrinkage than suburban growth (Ohashi & Phelps, 2020), somehow indicating limits of government decentralization (Tomaney, 2016) when occurring along countervailing tendencies toward recentralization. Because the reworking of (post-)suburbs is a political process involving all actors (Phelps, 2015), fragmented local public administration impedes this process.

As recentralization is compelling each municipal government to focus on more locality-oriented social welfare provision (Ohashi & Phelps, 2021a) under decentralization, IMC should be spatially expanded and functionally integrated across the entirety of Tokyo's suburban territory, especially with the prioritization of economic development. It is important to not only accelerate intrametropolitan and intrasuburban flows through tourism promotion but also level up the economic performance and productivity of Tokyo's suburban territory itself through this IMC, including the creation of more linkages between social welfare industries and other industries such as manufacturing (Ohashi & Phelps, 2021a). This levelling up requires the strengthening of economic and social cohesion in the suburban territory and the improvement of its connectivity to external territories through the integration of physical and virtual environments, together with the optimization of social welfare provision and the reduction of fiscal burdens on municipal governments. For this to happen, there is a need to establish integrated governance systems with the involvement of upper-tier governments, especially the TMG, which serves to mitigate the intramunicipal and intermunicipal conflicts. The growing awareness of the increasingly intertwined future among municipal governments is the key. This awareness should be exploited in both politically bottom-up and top-down approaches, especially under the emerging convergence among the GOJ, the TMG, and municipal governments in the DX agenda. This process of institutional development would contribute to creating not only economic growth conditions but also political and social values (Tomaney, 2014), leading to better relationships with private and community actors.

Given the importance of achieving institutional arrangements in an integrated approach at both local and regional levels (Pike et al., 2016a, 2016b), the Tokyo case highlights the significance of considering changing intramunicipal and intermunicipal government affairs in a suburban transition from growth to shrinkage for good metropolitan governance. Decentralization is a policy that is not universally suitable across political and geographical settings and varied conditions at different phases of urbanization. The involvement of upper-tier governments has regained its importance for Tokyo's shrinking post-suburban territory. Rather than blindly promoting decentralization, rescaling (Brenner, 2004) in intergovernmental and intermunicipal terms, as well as intragovernmental reforms in prefectural and municipal governments, should be undertaken with attention to changes in the conditions of local public administration. These changes are subject to the relationship between different forms of governance, different phases of urbanization, spatiotemporal processes of political and policy convergence and divergence among different tiers of government, and technological advances, including those related to smart cities. We have shown how an understanding of changes in local public administration
contributes to a conceptual appreciation of different trajectories of (post-)suburbanization for theoretical development (Phelps & Wood, 2011) and to the establishment of adaptive systems of governance to ensure metropolitan and suburban sustainability and resilience.

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Conflict of Interests

The authors declare no conflict of interests.

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