

## Discussion of Session III

The discussion in Session III focused primarily on the matter of corruption. With most Asian countries, as one participant called it, “sitting in the same boat”, they have long struggled with corruption that is deeply rooted in each society. The corruption shakes the confidence of the people in a democracy and, at the same time, affects development. Many participants share the view that the problem is the weakness of institutions, as Prof. Pangalangan suggested. Asian countries have already established good systems making laws, and they have many legal tools to halt the corruption, but implementing the enforcement of such laws still lacks effectiveness.

One participant argued that we should not place excessively high expectations on the existence of opposition parties or on decentralization. The opposition parties may also become corrupt after they come to power. And decentralization just shifts the level of problems. Meanwhile, other participants emphasized the role of lawyers and the people in watching and monitoring those in power.

In addition, it was pointed out that developed countries like the U.S. are also not free from corruption, although we sometimes say that corruption is a cultural aspect of Asia. It was suggested to study the countries that are successful in managing corruption problems. Singapore was mentioned as one of the countries that are always at the bottom of the list of corrupt countries.

Another subject discussed in Session III was administrative reform, particularly the establishment of Independent Administrative Institutes (IAIs) in Japan, which Prof. Ofuji mentioned. As the participants from Japan explained, governmental organizations have been criticized for their inefficiency or for providing poor accountability or transparency. Under the government’s reform policy, such governmental organizations will be privatized or reorganized as IAIs. Such reform is expected to increase the efficiency of the economy as a whole, to enhance structural reform, and to create new jobs in the private sector. The national universities will also be converted to IAIs. The universities will have much autonomy, and their management is expected to improve.