

Local government participation in financial management of public elementary schools: A case study of Japan and Guatemala

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公立小学校の教育費の地方自治体負担に関して——日本とグアテマラの事例研究——

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要約

日本では公立学校の教育費は、国、都道府県、市町村の三部門が負担し財政面で地方分権が成立している。本稿は、日本とグアテマラの公立小学校における財務管理のプロセスや構造を明らかにすることで中央集権的な政府が教育費を負担するグアテマラのような発展途上国において、日本の教訓を活かす可能性分析した。本研究では事例研究を実施した。日本の2校、グアテマラの4校を対象としたケーススタディーである。インタビューは、経理担当職員を対象に学校の財務管理の公的根拠、財源、予算案作成、執行、予算管理について行った。その結果、教育費の負担と管理に地方自治体に関わることで、教育現場のニーズがよりの確に把握されていること、また、経済的に恵まれない家族や大家族の子供の就学向上につながっている可能性があることが明らかになった。

Key words

financial management, decentralization, education, Japan, Guatemala

1. Introduction

In most countries in the world the government sector is in charge of funding public education, thus guaranteeing universal access to compulsory education. The reasons best known to public funding for education; include the following: (a) Public subsidies seek to solve social inequalities; differences in income distribution are attacked through education since it prompts a greater social mobility and reduces inequalities. (b) Despite the high private returns from education, it is difficult for individuals with limited resources to finance their own education. Thus, imperfections in the capital market are another reason to allocate public resources to education. (c) Information on educational investment opportunities favors the less fortunate members of society, and (d) Collateral benefits derived from the investment in education (Patrinos, 2003).

Likewise, decentralization of governments is one of the most important cross-national political trends in the late 20th century. It accompanies other significant social changes such as welfare state reform, globalization, rise of the market economy, resurgence of civil society and the aging and maturing of society (Kamo, 2000). Particularly in Europe, decentralization has been institutionally incorporated into the regional unification process

such that the principle of “subsidiarity” has become a common organizational principle connecting governance on the transnational, national, regional and local levels (Bennet, 1990, 1993; Kamo & Endo, 1995).

In Asia as well, despite the significant historical differences with Europe, decentralization is becoming a cross-national reform agenda. Economic growth and political democratization since the 1990s has given a momentum to political and administrative decentralization. In other words, as a corollary of democratization, decentralization and local autonomy have become vital reform agendas (Kamo, 2000).

There are various kinds of local government systems in the world; each nation’s system is different from the others because of the special particularities of the country, its natural environment, climate, national traits, and so on. However, there is one thing that is common worldwide: local autonomy is needed to secure a democratic and stable country (Yagi, 2004).

Therefore it is worthy to mention that Japan has undergone three major revolutionary decentralizing reforms. In modern Japan, the Package of Promoting Decentralization Act of 1999 aims for (1) the realization of a local administration able to react to the diversity of local values, (2) independent decision-making by local government, and (3) the building of a multi-polarized country. The first reform corresponds to the Meiji restoration (1868), and the second is the reform after the Second World War (1945). Fruitful results have been achieved on the local govern-

ment modernization and democratization in the light of these reforms (Niikawa, 2001).

On the other hand, Latin America presents, on a different level, a variety of experiences in the decentralization of education (Prawda, 1993). Practically all countries have undertaken some form of decentralization of their education system which involved the transfer of decision making autonomy to actors within (“deconcentrated” bodies) or, more likely, outside (intermediate or local governments, schools, etc) the ministry of education’s bureaucratic structure, with the main purpose of delivering educational services more efficiently. This variety of models is centered on different accountability relationships. However in the Guatemalan case it is not possible to strictly talk about a decentralization process, instead, we have to talk about “deconcentration”. “Deconcentration” is understood as the act of bestowing authority to regional representatives of the central administration to make certain decisions, with the understanding that these representatives remain under the hierarchical control of the central government (Ketleen & Cooper, 1997).

This paper focuses on financial management as part of the decentralization process component and considering that any transfer of responsibility to the regional or local level must be accompanied by a transfer of the necessary revenues.

2. Methodology

The present study used a qualitative method, case study with semi-structured interviews.

The criteria for selecting the target schools in both countries was those schools located in urban areas. In Japan, one elementary school located in an urban area in Osaka Prefecture (Western Japan) and one elementary school located in an urban area in Aomori Prefecture (North Japan) were selected to compare financial management practices within the country. From now on they will be called Momoyama School and Kitayama School respectively using fictitious names in order to ensure privacy. Interviews were conducted with principals, accountants and members of the parent-teacher association.

In Guatemala, four elementary schools located in urban areas of Guatemala City were selected and it was not necessary to identify them because the financial management practices are the same. Semi-structured interview guides were administered to principals and teachers in charge of the finance committee and to parent-teacher association members.

Interviews were conducted in Japanese in Japan and in Spanish in Guatemala and lasted one hour in average. A total of ten hours of audio recordings were made during the fieldwork of this study. The audio has been transcribed, translated and classified in order to explain and interpret the results.

The interview guide consisted of two parts: (1) general information, structure and organization of the schools and (2) the financial management process which included legal basis for financial management, budget planning, budget resources, budget

execution and budget control.

3. Administration levels of Japanese educational system

According to the Japanese Ministry of Education, Culture, Sports, Science and Technology, educational system administration levels are as follows:

(1) Central level

The Ministry of Education is the national authority over the entire official system of education and is particularly influential at the elementary and secondary school levels. It directly oversees all national educational institutions, and it allocates resources and provides general supervision to prefectures, municipalities and private institutions of higher education.

(2) Prefectural level

They provide advice and financial assistance to municipalities on educational matters. Within the prefecture, the governor has the responsibilities of operating prefectural post-secondary institutions and supervising the administration of private elementary and secondary schools, while the minister of Education supervises private universities, junior colleges and technical colleges.

(3) Municipal level

Municipal boards of education operate public elementary and lower secondary schools in their jurisdictions, adopt textbooks for compulsory school use from the Ministry of Education’s approved list, make recommendations to the prefectural boards of education on the appointment and dismissal of teachers, and conduct in-service training for teachers and school personnel.

3.1 Educational finance in Japan

Public education is financed by national, prefectural and municipal governments and is augmented by tuition and admission fees at high school and higher education institutions. National and local governments do not levy special taxes for education, but finance it through general taxes and rental fees or commissions from national or municipal enterprises or estates. Private institutions, established as non-profit corporations, receive income from tuitions and subsidies from national and local governments. Business and industry sometimes make contributions to private institutions of higher education. The education budget for local governments consists of resources from the prefectures (54.3 %), the municipalities (21.7 %), and the national government (23.7 %) (Ministry of Education, Science, Sports and Culture, 2000). The expenditures for education at the local government level are divided into three areas: expenses for school education, expenses for social education, and expenses for educational administration. Compulsory education institutions in Japan are funded by the national and local governments and do not require tuition. School education is mandatory, and though private in-

stitutions at those levels receive government subsidies, tuition is required. At all grade levels, various miscellaneous costs are the students' or guardians' responsibility. These include fees for other books—such as supplementary study guides, stationery, and instruction materials—extra-curricular activities, and costs for commuting, school trips and excursions, classroom activities, and Parents and Teachers Association membership. School lunch is served in kindergarten, elementary school, and junior high school; this cost too is the students' responsibility. Public and private institutions of higher education also require tuition from the students, and this varies greatly with the particular institution and program.

4. Administration levels of the Guatemalan educational system

According to the Guatemalan Ministry of Education, national educational system administration levels are as follows:

(1) Central level

At the national level the Ministry of Education implements educational policies according to National Educational Law, the main competences of the Ministry of Education are: (a) coordinate and execute educational policies (b) be responsible for the quality of education and pedagogic investigation and training courses for teachers (c) elaboration of the plans of educational development, and (d) evaluation of the quantitative and qualitative achievements of the education.

(2) Prefectural level

The main competences of Prefecture Directorates of Education are: (a) to coordinate the execution of the policies and national educational strategies in the corresponding departmental scope (b) to plan, to direct, to coordinate, to supervise and to evaluate the execution of activities of administrative and educational projects, and (c) financial management. An important instance at this level is the educational supervision that serves as connection between the schools and the Prefecture Directorate of Education in both education and financial matters.

(3) Municipal level

Since at this level administrative and financial coordination with the Ministry of Education are not clearly defined by law, minimum or no support for schools is provided.

4.1 Educational finance in Guatemala

All central level administrative units, as well as Prefectural Directorates of Education receive budgetary allocations and are accountable for their use. It is important to emphasize that the distribution and execution of the local financial resources is carried out by Prefectural Directorates of Education with the funds coming from the general budget of the nation. At the moment, according to legal dispositions, the central level is in charge of the reception, programming and distribution of the resources coming from the government's allocations, transferring the re-

sponsibility of the administration and execution to prefectural levels. Due to the scarce percentage of the total public expense, the educational sector is allocated, and its demands are not satisfied. Actually, for the execution of their financial programs the Prefectural Directorates of Education depend on the budget ceiling assigned by the central level and must adapt their expenses, to such budget ceiling, instead of to the demands and necessities of their jurisdiction. The decentralization process at prefectural level in the Ministry of Education in Guatemala begun in 1996, and as part of the process, Prefectural Directorates of Education are supposed to plan and execute their own budget according to their particular necessities, which is contradictory to the above mentioned.

In Guatemala, the financing sources of education come from enterprises, external or international cooperation, households and governments. In 2001, enterprises contributed 0.09 % of the education expenditures of primary and basic secondary school, external cooperation contributed 3.65 %, government 47.46 % and parents 48.80 % (GSD Consultores, 2003). It is also important to mention that the Ministry of Education generally dedicates between 95 % and 98 % to expenses in human resources. Infrastructure programs are the responsibility of other governmental organizations such as the Ministry of communications, transport and public works, social funds like the Fondo de Inversión Social –FIS– (Social Investment Fund) and Fondo Nacional para la Paz –FONAPAZ– (Peace National Fund) (Centro de Investigaciones Nacionales, 2002).

5. Results

5.1 The case of Japanese elementary schools

(1) Organization of the school

Financial management at the school is the responsibility of the principal, vice-principal, general coordinator and accountant. The two elementary schools have different organizations (Table 1).

(2) Role of the parents and teachers association in the financial management process

Parent-teacher associations exist in both schools but, in addition, Momoyama School also has an "Association for Educational Promotion" which supports school social, cultural, sport and community oriented activities. The parent-teacher association (PTA) manages its own budget, raised from the parent's annual fee which is used basically to support social, cultural, sport and community oriented activities. According to the information from the interview of PTA members at Japanese schools, their funds are not supposed to be used for school building maintenance because the association aims to focus on the students activities support.

(3) Main Components of Financial Management

This section will describe the components of financial management at Japanese schools. For this research, legal basis, financial resources, budget planning, budget execution and

Table 1: Japanese school committees

School Committees in Momoyama School	School Committees in Kitayama School
a. Special Education Committee	a. Department of Research
b. Research Committee	b. Department of School Affairs
c. School Health Committee	c. Department of Health Educ.
d. Department of Orientation	d. Department of Environment Maintenance
e. Department of School Affairs	e. Department of General Affairs
f. Department of General Affairs	f. Department of Student Guidance
g. Department of Financial Management	

budget control are considered as components of financial management. Financial management of Guatemalan schools is presented in Section 5.2 (3).

The most important laws about financial management in Japan are: School Education Law, Law Concerning Organizations and Functions of Local Educational Administration and Norms and Regulations of the Municipal Board of Education. In both schools revenue comes from the Municipal Board of Education except for teachers' salaries, which are paid half by the Central Government and half by the Prefecture.

Regarding budget planning, in Momoyama School it is made in November for the next fiscal year, considering that in Japan the fiscal year begins in April and finishes in March. It is based on the necessities of the school and prepared by the principal, vice-principal and the school accountant. The school budget plan is handed over to the municipal board of education for its revision and approval. The budget approval is officially informed to the school in February.

In the case of Kitayama School, after the municipality analyzes its total income, it allocates the budget for the board of education. The board of education divides the approved budget between the 13 elementary schools of the city. The school budget is decided by the municipal board of education and the school is officially informed of the results in April. Within the school, the budget planning is made in May, after learning the amount the school will be allocated. Based on the necessities of the school, the principal, vice-principal, accountant and representative teachers of each grade will decide how to spend the budget.

In both Japanese elementary schools, the administration department accountant is in charge of the budget execution, under the principal's supervision. The accountant must register all the purchases made in the accounting books with the respective invoices and following specific procedures.

It is important to mention that both schools in Japan do not use cash for their transactions. According to the information from the interviews with school accountants, municipal boards of education decide payments according to the following procedure: "(1) The school accountant is responsible of comparing

market prices. (2) The accountant and the principal choose the best option and prepare the respective documents. (3) The accountant makes the purchase order for the company and they deliver the product to the school. (4) The product is verified at the school and a document confirming that the product was satisfactorily received is issued. (5) Finally the payment order is sent to the municipality accounting office, directly in charge of the payment to the providing company".

With respect to the budget control, in both schools this matter is the responsibility of the accountant with the supervision of the principal and vice-principal. Budget control is exerted through different mechanisms: (1) accounting books (inventory books, the book of cash inflow and outflow and the daily expenditure book) (2) connection to the on-line financial system of the respective municipality (3) purchase applications are presented to the board of education because in those purchase applications appear the previous balance, the amount spent and the available balance (4) financial reports are made twice a year. One mid-term report is submitted in November and the final report is submitted by the end of the school year, and (5) the principal should prepare a final report which contains the detail of all the expenses made in the year and the balance for the following year.

5.2 The case of elementary schools in Guatemala

(1) Organization of the schools

In the four Guatemalan elementary schools teachers organize committees to carry different school tasks: Committee of Finances, Committee of Discipline, Committee of Cleaning, Committee of Culture, Committee of Sports, Committee of Evaluation and Committee of School snack.

(2) Role of the parent-teacher association in the financial management process

There are two types of parents' organizations in Guatemala, the Parents Association, which is a traditional organization integrated only by parents. Its main objective is supporting school activities. They do not have any budget and are in charge of the coordination of some social or cultural activities once or twice a year. One of the schools presented this kind of organization. In addition, the so called "Junta

Escolar” (School Committee) is the equivalent in Japan to the PTA and the members are representative parents and the principal. Three out of the four schools of the sample reported to have a PTA.

The Juntas Escolares were established in public schools in 1998 in Guatemala. Parents and principals are responsible for managing the budget for the purchase and distribution of school supplies, school snack program, teachers’ bag (teaching material supplied to teachers), scholarships and purchase of building materials for maintenance and minimal repairs of school buildings. The Ministry of Education provides each Junta Escolar every year with Q 5,000 quetzales (USD 625) in order to accomplish these activities. (Programa de Promoción de la Reforma Educativa en América Latina y el Caribe & Centro de Investigaciones Nacionales, 2008)

(3) Main components of financial management

In Guatemala the most important laws for financial management are the Ministerial Ordinance No. 185 of January 1968 “Instructive for the operation of the Financial Committees” and the Presidential Decree No. 399 of December 1968. “Regulation of Fund Collection in Public Educational Institutions of the Republic”. The financial resources in the four schools come from:

(a) Enrollment fees

Every year parents have to pay enrollment fees for their children. Payments are fixed by each school. Enrollment fees include the payment for the school snack program and maintenance of the school building.

(b) School kiosk rent

Each school has a kiosk, which is rented to people that

Table 2: Comparison between Japanese and Guatemalan financial management system

	Characteristics	Advantage / Limitations
Japanese Financial System		
Legal basis	<ul style="list-style-type: none"> There is national and regional laws related with the school financial management. 	<ul style="list-style-type: none"> Allow the adaptation of financial management at local level.
Financial resources	<ul style="list-style-type: none"> The main budget comes from the municipalities but the schools also receive subsidies from the Central and Prefectural Government. 	<ul style="list-style-type: none"> There are three funding sources which enables the smooth running of the schools.
Budget planning	<ul style="list-style-type: none"> This process involves school and municipality staff. Likewise, depending on the city's procedures are different. 	<ul style="list-style-type: none"> Generally the budget allocation does not respond to the request made by the school but it is enough.
Budget execution and control	<ul style="list-style-type: none"> Japan has a professional people in charge of the financial matters in each school. 	<ul style="list-style-type: none"> The execution and the control of the funds is a task easy to carry out.
Guatemalan Financial System		
Legal basis	<ul style="list-style-type: none"> There is only national law related with the school financial management. 	<ul style="list-style-type: none"> This law regulates general aspects but the specifics are left to the educational supervisors that generate differences in the payment of enrollment fees for parents depending on the school.
Financial resources	<ul style="list-style-type: none"> School budget comes from the Parents through the enrollment fees and school kiosk rent. 	<ul style="list-style-type: none"> Usually the expenditure for maintenance and operation* are charged to the parents.
Budget planning	<ul style="list-style-type: none"> The process is the same in all schools because they have to follow the same standard. Basically made at school with support from educational supervisor. 	<ul style="list-style-type: none"> With the purpose of not charging higher enrollment fees to parents, schools always work with a low budget.
Budget execution and control	<ul style="list-style-type: none"> In Guatemala the teachers are in charge of taking the finances of the school. 	<ul style="list-style-type: none"> Many times teachers have problems with the execution and control funds for lack of of knowledge and training in these topics.

* Expenditure for maintenance and operation include soap, payment of extraction of garbage, brooms, towels, disinfectant, plaster, chlorine, photocopies, repairs of the building, printing, building maintenance and telephone bill payment.

do not belong to the school and should pay a monthly quota for the right to sell.

(c) Parent's voluntary contribution

Contributions for school sport festivals, cinema shows and others.

As for budget planning, principals of the four elementary schools in Guatemala reported that because of the school fiscal year beginning in January and finishing in October, budget planning is made in July and August for the next fiscal year.

Planning is based on the necessities of the school and the principal, together with the teachers, decide the budget. Principals need the approval of the parents in order to request the evaluation of the school budget by the educational supervisor. After the budget planning is evaluated and approved by the educational supervisor, a resolution is issued to the school. Finally, the budget plan is officially approved in September. The school principals said "although the budget is usually small, and school staff would like to ask for a larger amount, they realize that parents make big sacrifices to pay the enrollment fees".

The responsibility of the budget execution lies with the financial committee (2 teachers) and the supervision of the principal of each school. The financial committee should register all the purchases with the respective invoices in the accounting books authorized by the Ministry of Education.

Finally, the financial committee has the responsibility to control the budget under the supervision of the principal. The budget is registered in two accounting books authorized by the Ministry of Education: "Accounting book 1" where they register the expenses for the snack program and school store and the "Accounting book 2" to register the maintenance of the school building. Monthly reports are elaborated by the financial committee and supervised by the principal. Also they elaborate an annual report, which contains details about all expenses incurred in the year and the balance for the following year. The Ministry of Education also carries out periodic audits in the schools, usually once each two or three years.

6. Discussion

It was found that in Japanese schools, expenses related to building maintenance and operation are satisfied and covered by the municipal budget. PTA activities are not related to school financial management, but they play a significant role supporting social, sport and cultural activities for children (Ministry of Education, Science, Sports and Culture, 2000). On the contrary, Guatemalan schools have basic necessities that are neither covered nor satisfied by the central government or the prefectural directorates of education, the amounts are charged to parents in the enrollment fees. In addition, the activities of the Juntas Escolares (School Committees) are aimed to solve problems of maintenance of the school building.

Although Japan has an administrative centralized system, the

financial structure of the educational system and its legal basis allows municipalities to adequate the budget to the local level, this is an advantage for managers at municipal and school levels who work coordinately and based on different school requirements.

The Guatemalan Constitution in the Article 76, points out the decentralization of education and between 1990 and 2000 the Ministry of Education promoted policies oriented to decentralization that led to the creation of 22 prefectural education offices. However, most decisions are still taken at national level by the Ministry of Education (Programa de Promoción de la Reforma Educativa en América Latina y el Caribe & Centro de Investigaciones Nacionales, 2008).

In terms of financial management, where funds come from is the most important issue. In Japan, the country political division, public institutions organization and the national financial system allows revenue collection at different levels. Because of the characteristics of the system each level of organization has its own budget and prefectural and municipal levels receive subsidies from the central level. In the case of Guatemala, prefectural and municipal levels do not have any representation at the Ministry of Education and vice versa. There is no connection between the two structures and funds come from the Ministry of Education to the Prefectural Directorates of Education. The findings of this study reflected that the funds to manage elementary schools in Guatemala come from the parents; contradicting the Article 74 of Guatemalan Constitution that states that education is free and compulsory, and threatens the basic right that all children should have to access education.

Considering the characteristics of Latin American countries, it is important to mention that the decentralization process in terms of financial issues has had negative impacts in countries with weak institutions and in post-conflict process. (Jutting et al., 2004). In addition, differences in fiscal capacity at the local level may generate increased disparities in spending and educational outcomes. Hence, the Japanese educational finance system could be a good model to follow because the local level manage their own budget but at the same time receive subsidies from the central level to balance the disparities in their particular financial situations. This type of administration is called "Combined-type of Local Administration" (Yagi, 2004).

Although Japanese local administration has sometimes been criticized by western countries, for using this type of administration, authors such as Kinnosuke Yagi (2004) have pointed out its advantages, adding that the relationship between central and local governments are a "model of mutual dependence". Likewise, it can be thought that this model could be effective in Guatemala and that it would allow for a bridging of the gap and disparities between prefectures and municipalities.

In terms of budget planning, it is important to mention two dimensions; the first is related to the process inside the school and the second to the institutions involved in the process outside

the school. Budget planning inside school is similar in Japan and Guatemala with the budget planning being formulated in base of school needs. Regarding institutions involved outside school, there are significant differences in both countries. Japanese schools either submit their budgets to the respective municipality (Mulele, 2006) or wait for the budget allocation in order to plan for their yearly expenses. Guatemalan schools collect the budgeted amount from parents. This factor significantly influences the quality of the educational services that the school can offer to its community members, which includes the physical and pedagogic conditions of the school building as well as the minimum teaching materials teachers need.

Regarding budget execution and control, it is important to emphasize two aspects; the first is that as much in Japan as in Guatemala there is an already established mechanism to execute and control the school budget, the difference lies in the department that it is performed by. The second aspect relates to the staff in charge of executing and controlling the budget inside and outside schools. In the case of Japan, there is a professional accountant inside the school and the municipal government as provider is in charge of controlling the budget execution from outside the school. In the case of Guatemala, the Prefectural Directorate of Education is the immediate superior level that controls the school funds from outside the school, through the educational supervisors. Parents may also check how the school budget is being used.

Inside the schools, the Teachers Financial Committee is in charge of the task, providing that members of this committee are neither trained in law nor in accounting procedures for budget execution and they lack experience in the field. The same can be said about educational supervisors which is a big weakness of the educational system.

In the case of Japan coordination already exists between the different administration levels and the schools, but in the case of Guatemala, this is a point that deserves attention and reflection. In most cases in Guatemala City there is no coordination between the municipal level and schools; as explained above, the municipal government is not part of the structure of the Ministry of Education. Additionally, the principals said that the municipal government assumes that the Ministry of Education has the obligation of supporting schools; therefore they do not consider school support as one of the municipal government duties. This reflects a lack of laws and understanding related to these issues.

Because the Guatemalan system is still centralized and the number of educational supervisors is not enough, schools do not usually receive adequate attention and training in the field of financial management.

7. Concluding remarks

Decentralization of financial management is not an end in itself and does not automatically accomplish productivity, equity and quality improvements. Successful decentralization requires: (a)

full political commitment from national, regional, provincial, municipal and local leaders, (b) clear operational manuals and procedures, (c) continuous training for the skill levels to be performed at the central and decentralized units of government; and (d) adequate financial, human and physical resources to sustain the process (Prawda, 1993).

Parent-Teacher Associations play an important role supporting school activities. In Japan, the aims and activities are different compared with Guatemala, but in both cases PTAs support the children education according specific needs.

Legal bases in Japan allow coordinated management at local level of the financial management through support by municipal board of education, while in Guatemala there is no financial relationship with the municipal level and all decisions and all kinds of revenue depend on the Ministry of Education.

The fact that Guatemalan parents have to pay enrollment fees at school has a definite negative influence in school enrollment. Families with two or three children of school age may not be able to afford the fees, preventing children from attending school.

The most important lesson learned comes from the fact that the Guatemalan financial system was allowed to be seen from a different perspective. From a national perspective, it might be normal to consider that parents are supposed to contribute economically to their children education. Learning about the Japanese financial system opens the possibilities of local government participation as an expression of decentralization and as an organization that, being closer to schools, may deliver a better administration if given the responsibility.

Japan has defined administrative and financial structures at different levels and has professional people in charge of financial matters in each school, making the execution and the control of the funds an easier task to carry out. In Guatemala, school teachers, lay in finances, are in charge of the school finances, leading to problems in both the execution and the control of funds. Educational supervisors and teachers who are members of the financial committee should be periodically trained in financial administration issues in order to perform their job better.

Finally, although decentralization is not a universal solution for the present world, further studies are needed regarding the "combined type of local administration" for developing countries such as Guatemala in order to find the best ways to respond to educational local needs.

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(Received February 18, 2010; accepted April 13, 2010)