Japan changed its electoral system for the lower house in 1994 and thereafter great scholarly attention has been paid to how parties and politicians changed their electoral strategies. This book’s main focus is on the shift in Japan’s party system around 2000. Now with the electoral reform and the economic changes in the so-called “Lost Decade,” Japan’s party system changed to what this volume calls the “2000 System,” in which two major parties (the LDP and the Democratic Party of Japan, DPJ) compete on economic issues, in particular the issue of neoliberal reform vs. redistribution to the weak and poor.

The main argument throughout the volume is that regime change in Japan is an evolutionary process. Furthermore, it argues that in order to understand the process, it is essential to focus on parties’ survival strategies under the new electoral environment and policy changes. That’s why the volume is roughly divided into two parts.

Chapters in the first half thus revolve around the evolutionary process in the party system after the 1990s. Schoppa’s chapter nicely explains the disappearance of the old leftists (the Japan Socialist Party, JSP). With the end of the Cold War and the collapse of the bubble economy, the main issue dimension shifted from diplomacy/security to the economy, giving rise to a new opposition party (DPJ) focused on neoliberal reform. Reed’s chapter describes the LDP’s failure to adapt to the new electoral environment. The party simply continued its same old practice of “if you win, you are LDP,” only tarnishing the image of a cohesive, unified party. In retrospect, Koizumi was exceptional in that he excluded rebels to purify the party, while the leaders after him just followed the pre-Koizumi logic. Weiner’s chapter focuses on the evolution of the DPJ as a credible challenger against the dominant LDP. In contrast to the conventional wisdom, he suggests that the DPJ has been able to spread its supporters beyond urban areas, while gradually dissociating itself from the old leftists. Martin’s chapter argues that, after the end of the Cold War, diplomacy/security reemerged as a central issue in electoral competition. Her model shows more hawkish voters are now more likely to vote for the LDP.

The second half focuses on various policy issues. Maclachlan’s chapter looks at the issue of privatization and compares three different outcomes (JNR, NTT, and post office). She argues that when opposing groups were divided and when elites were united, the results were radical reform. Koizumi skillfully used new institutions—the expanded cabinet office and the Council on Economic and Fiscal Policy (CEFP)—to undermine the opposition and unite the ruling elites, while in the end of the chapter she
admits Koizumi’s reform was just temporary. Toyoda’s chapter focuses on how Koizumi eliminated and merged government financial institutions that played significant roles in distributing cheap loans to traditional LDP supporters. Similar to MacLachlan’s chapter, Toyoda also looks at the cabinet office and the CEFP and describes how Koizumi overrode opposing interests. Miura’s chapter analyzes why the labour market was deregulated after the late 1990s. She argues that globalization and the Lost Decade gave a strong impetus for managers to implement neoliberal reform in human resources, namely by hiring more temporary dispatched workers to cut costs.

I believe there are three major contributions made by this volume. First, to my knowledge, this edited volume is one of the first attempts to shed light on the gradual but steady process toward the new party system, which ultimately resulted in the very first government turnover through electoral means in sixty years since 1955. Although there is a large body of literature on the electoral reform and its consequences, up-to-date analysis on how the LDP lost and, in particular, how the DPJ took power is very limited. This very timely volume offers extremely valuable information on the latest developments in Japan’s political economy from many different perspectives. Second, I would like to draw attention to the fact that this is not simply a book on parties. Rather, by ambitiously combining chapters on party politics and policy changes in various aspects, the volume makes one realize that party systems cannot be understood without taking into account policy platforms that parties advocate. Third, chapters in this volume offer very interesting future prospects about Japan’s party politics. For example, Reed in his chapter argues that any party should require more than one defeat to restructure its organization, like the New Labour in the UK. Of course, how many years the LDP will need to purify its members and position itself as a credible alternative to the DPJ is an open question, but political scientists, practitioners, or anyone interested in Japan should find this volume thought-provoking.

Let me conclude this review by pointing to some problems with the book. First, I feel the volume could have benefited from a better editorial structure. Specifically, there is no overarching thesis uniting the different chapters. The main argument—it’s an evolutionary process—sounds a little too broad, as, arguably, anything can be evolutionary and no clear-cut theoretical predictions can be made out of it. Second, therefore, chapters look a little disunited. Some of the chapters on party politics do not really talk about how parties changed policy/ideological positioning: For example, one question that was never answered is why the LDP was so successful in winning after 1994 even though it continued to cater to the same old issues. Similarly, the chapters on policy changes do not really incorporate the idea of evolving party politics. It is rather plausible to me that the neoliberal reform by Koizumi was part of the response to the emerging opposition (DPJ).

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