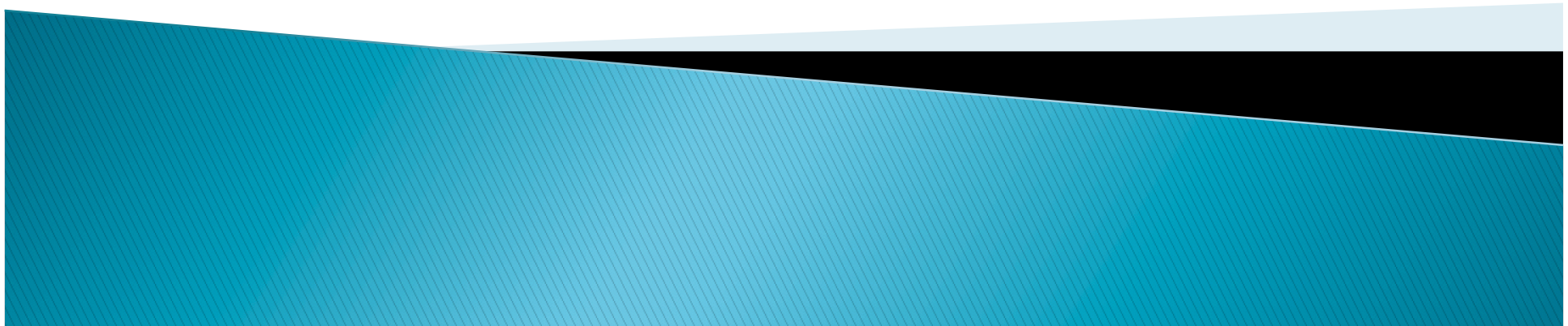# Japan and the Governance of Democratic Market Economies

PEAK

2012 Winter Semester

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1. Electoral and Party Systems
Today's Topic

▸ **Today's Topic**
  ◦ *Why do we have a variety of electoral institutions and what difference does that make for democratic governance?*

▸ **Today's Outline**
  ◦ *Why are institutions necessary?*
  ◦ *Why history matters in the creation/development of institutions?*
  ◦ *What are the ideal types of democratic institutions?*
  ◦ *How does institutionalism help understand Japanese politics?*
  ◦ *How far will institutionalist thinking get us (that needs to be examined further)?*

‣ **Why are institutions necessary in a democracy?**

- *Condorcet's Paradox*
  ➔ Difficulty in reaching a group decision (= cyclical majority) by majority rule (as the members and alternatives increases).

- *Arrow's Theorem*
  ➔ There exists no mechanism for translating the preferences of rational individuals into a coherent groups preference that satisfy conditions of universal domain, Pareto optimality, independence of irrelevant alternatives, and non-dictatorship.

- *Black's Single-Peaked Theorem*
  ➔ The existence of "not worst" (single peaked) condition necessary for transitive group decision.
  ⇔ *Black's Median-Voter Theorem, Plott's Theorem, and McKelvey's Chaos Theorem*

➔ *Bottom line: More than the majority rule (more rules or an agenda setter) is necessary for a group to reach a (sub-optimal) decision*

‣ **So what, if institutions are a second-best solution?**

- *No ideal institution* ➔ *institutional variation*
- *Different institutions favor different results = represents the preference of specific actors*

1. Electoral and Party Systems
Why do institutions vary?

▸ *How can we explain institutional variety?*
- What explains the global patterns of democratic institutions, including electoral systems (majoritarian, proportional, and mixed)?

▸ *The importance of historical junctures in democratization*
  ◦ *Western Europe as the epicenter* (during the early 20th century)
    - The inventors of the Westminster model and the proportional alternative
    - Debate over what shaped the emergence of the consensus model
      ➔ class cleavage and pre-industrial social cleavages / redistributive and regulatory policies/ party and market organizations
      ➔ The Rokkan-Boix Theory and the Cusack-Iversen-Soskice Critique
  ➔ *Point: These concepts and connections will be revisited*

  ◦ *The spread and indigenization of the Western model* (post WWII)
    ➔ Colonial independence and fall of dictatorships

▸ *Why are electoral systems persistent in democracies?*
  ▸ Are government alternation and social homogeneity necessary conditions for electoral system differentiation? (cf. Lijphart)
  ▸ Why are electoral system changes less frequent in democracies than dictatorships?
    ➔ *The logic of increased returns and veto player theory*
  ➔ *Why the Japanese electoral reform of 1994 is historically interesting, and why a theoretical perspective is necessary to understand its implications.*

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1. Electoral and Party Systems
Majoritarian Democracy

▸ *Mostly Open Questions*
  ◦ What are the features of majoritarian democracy as *the* model?
  ◦ Which of these features are attributable to the electoral system?
  ◦ Is the relationship with the electoral system logical or historical?

▸ *Features of majoritarian democracies*
  • Majority (one-party) cabinets
  • Cabinet dominance
  • Two party system
  • *Majoritarian/disproportional electoral system*
  • Interest group pluralism
  • Unitary centralized government
  • Predominance of unicameral legislature
  • Constitutional flexibility
  • Absence of judicial review
  • Dependent central bank

1. Electoral and Party Systems
Consensus Democracy

▸ *Mostly Open Questions*
  ◦ What are the features of the consensus democracy alternative?
  ◦ Which of these features are attributable to the electoral system?
  ◦ Is the relationship with the electoral system logical or historical?
  ➔ *Japan is considered a mixed electoral system*
     Examining Japan as a case helps answer the above questions

▸ *Features of consensus democracies*
  • Coalition cabinets
  • Executive–legislative balance
  • Multiparty system
  • *Proportional representation*
  • Interest group corporatism
  • Federal decentralized government
  • Strong bicameralism
  • Constitutional rigidity
  • Judicial review
  • Central bank independence

1. Electoral and Party Systems
Japan's Electoral Reform

▸ *Japan's electoral system*
  ◦ Old system ➔ Single transferable vote in multimember districts
  ◦ Currently ➔ Single member districts with proportional representation

▸ *Politics before and after electoral reform*
  ◦ *Why was the old system discarded?*
    · One party (LDP) dominance/factionalism/money power politics
    · How was it discarded? = who promoted electoral reform and why?

  ◦ *What would be the expected changes according to theory?*
    ➔ (hint!) what feature of majoritarian democracy was missing
    · Weakening of LDP dominance/two party system /strong party organizations / policy competition

  ◦ *Did the expected changes materialize?*
    ⇔ contested point repeatedly discussed in this course
    · The argument that electoral system will determine the pattern of governance = electoral system determinism
    · Does the contested consequences of electoral reform falsify electoral system determinism?
    ➔ History (context) matters in examining the effects of the electoral system

1. Electoral and Party Systems
Wrap up and Preview

▸ *Democratic principles and institutions, chicken or egg?*

- ◦ Do government institutions represent coherent principles?

  "Who will do the governing and to whose interest should the government be responsive when the people are in disagreement and have divergent preferences? One answer to this question is: the majority of the people…The alternative answer is: as many people as possible" (Lijphart 2012, 2)

▸ *Can majoritarian institutions be consensual in governance?*

- ◦ Anything problematic about the following statement?

  "Both claims are quite plausible—but also contradictory: if the programs of the two parties are both close to the political center, they will be very similar to each other and, instead of offering a meaningful "choice" to the voters, are more likely to echo each other" (Lijphart 2012, 62)

- ◦ *Hints, or topics for following lectures*

  ➔ Going beyond electoral system determinism
  - · *How do voters know where the party is located (how their policies differ)?*
  - · *How do parties "locate" themselves?*
  - · *Why do parties have to discipline affiliated lawmakers?*
  - · *Why do legislative proceedings and legislative coalitions exist?*