

new democracy; Pinochet was in the Senate for life, together with a few of his friends. Professor Huneeus shows in detail the skills and the patience which the democratic leaders, and in particular President Aylwin himself, displayed in never going beyond what the Constitution allowed them to do, in a context in which elected representatives from two of the parties were composed of supporters of the fallen regime. This is perhaps the most extraordinary feature of the new Chilean democracy, a feature which Professor Huneeus rightly emphasizes after having shown major analytical qualities in uncovering the articulation and mechanics of the dictatorship.

J. Blondel  
European University Institute and  
University of Siena

Matthew Carlson, *Money Politics in Japan: New Rules, Old Practices*, Boulder, CO: Lynne Rienner, 2007, pp. x + 175, appendices, index, \$49.95 hbk, ISBN 978-158-826-500-5  
doi:10.1017/S1468109908003022

Matthew Carlson addresses one of the most important and least studied aspects of Japanese politics: money politics. His book is based on an excellent understanding of Japanese politics and uses newly collected data on fundraising and campaign spending by Japanese politicians. He combines thorough quantitative analyses of fundraising and spending data with several illuminative case studies to persuasively support his conclusions.

Specifically, Carlson finds that the ruling Liberal Democratic Party (LDP) outraises and outspends its opponent, the Democratic Party. Incumbents also tend to raise and spend more money than newcomers. In addition, funding reform measures passed in 1994, which tightened rules on fundraising for the personal support groups of politicians (*koenkai*) and the designated fundraising organization for politicians, seem to have caused a flow of funds into the local party organizations, which are subject to less strict fundraising rules. Candidates running in districts also spend more money than those who are only listed on the party proportional representation lists.

None of these findings is particularly surprising. It is useful that Carlson has developed a data set of pre-election spending (in contrast to the more commonly used figures that cover spending only in the very short and highly regulated campaign period), which he uses to confirm the accuracy of these claims. However, the reader is left with a sense that much more could be said about money politics in Japan than the careful, limited, and expected conclusions that Carlson reaches. For example, Carlson never addresses the question of why money plays such a prominent role in Japanese politics. He hints in places at the fact that the reported expenditures may not be entirely accurate, but how much money is spent in addition to the amounts reported to the government? Are the campaign period expenditures accurate, or do candidates spend more on activities that are illegal and therefore cannot be reported to the government? What role do government subsidies play in campaign finance? Has a class of candidates developed that relies largely on government subsidies to cover their campaign costs? Have stricter liability laws for candidates resulted in a decline in illegal campaign activities? What has happened with corporate donations since the ban on most corporate donations went into affect?

It is perhaps unfair to ask Carlson to write a different book than the one that he actually wrote, but it is disappointing that with such a dearth of accurate information on the role of money

in politics in Japan, this excellent work spends nearly all of its effort in addressing and answering relatively easy questions. Carlson substantiates and supports expected outcomes rather than trying to tackle the more difficult and perhaps ultimately unanswerable questions that would be of greater interest to most readers.

Carlson does, however, address the question of the impact of electoral and campaign finance reforms enacted in 1994 on candidate behavior. He finds that fundraising has declined and that though the numbers of *koenkai* have decreased, they still remain important parts of campaign efforts. These findings, along with his excellent discussion of specific campaigns and the alternation in office arrangements in some districts (Costa Rica agreements) are some of the most interesting and useful portions of the book. He never makes clear the role of subsidies, and it would have been helpful to know if much of the reduced fundraising amounts reported were actually transfers of government subsidy payments from the parties. Perhaps the amount of reported fundraising has declined even further if part of the current reduced amount is subsidy money.

A potential problem with Carlson's empirical findings is the endogeneity problem in his regression results on fundraising and campaign spending. As Carlson notes, a simple regression of campaign spending on electoral outcomes in the United States will find no relationship between the amount spent by a candidate and that candidate's likely change in chance of electoral success. This outcome occurs because of the causal loop that exists between campaign spending and election results. More money spent makes candidates more likely to win, but candidates that are sure winners or sure losers are less likely to spend money on a guaranteed victory or a guaranteed loss. Thus, the amount of money spent affects the likely outcome, and the likely outcome affects the amount of money spent. Carlson recognizes this problem and cites it when he obtains unexpected results, such as the finding that spending by incumbent LDP politicians is not strongly correlated with positive electoral outcomes. However, this problem is difficult to resolve, and the correct interpretation of Carlson's findings is perhaps more elusive than Carlson acknowledges.

Japanese politics remains a money-drenched political environment, though the amount of money (at least of that reported to the government) has declined significantly as a result of reforms. Politicians have adjusted their behavior to operate most efficiently under the new rules, with some predictable consequences (rise in importance of local party branches because of the looser regulations on their activities) and some surprising consequences (agreements between candidates to alternate their campaigns in local districts). Carlson oversells his conclusions a bit when he repeatedly argues that the 1994 reforms were meant to reduce the role of money in politics. It is true that these justifications were used to help pass the reforms, but the fact that these reforms have resulted in only incremental changes to money politics would probably not have come as a surprise to those who negotiated the compromises necessary to pass this legislation.

This book provides an important overview of campaign finance in Japan with several appendices, the most useful of which gives a readable overview of the legislation that governs campaign fundraising and expenditures in Japan. Though some of the more interesting questions concerning money politics in Japan are left unanswered or even unaddressed in this book, it lays a foundation for future, needed works on money politics, especially as other nations as well as Japan grapple with similar money-drenched political environments.

Ray Christensen  
Brigham Young University