

This book is definitely a classic on mixed member electoral systems. It also provides insights for exploring the topics of related research. For instance, while Japan and Taiwan experienced similar electoral reform, why is it that the programmatic turn of political parties happened only in Japan? What is the difference in policy-making processes under the influence of different contextual factors related to party system?

Recent social movements seem to have led to the convergence of Taiwan and Japan's political institutions in terms of lack of political opportunity under majoritarian-leaning electoral systems. These are questions that are left over for pundits and politicians who are attracted by the book's main theme.

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Motoshi Suzuki, *Globalization and the Politics of Institutional Reform in Japan*, Cheltenham, UK: Edward Elgar, 2016, 264 pp
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This book characterizes Japanese politics from the Meiji period to the present as a series of reactions to change in the international politico-economic order. It addresses four main periods: the prewar mercantilist economic order, the interwar command economy, the four decades of postwar 'embedded liberalism', and the current neo-liberal period. The last of these receives most of the author's attention. He summarizes his analysis as follows: 'the extent and process of policy change (dependent variables) are determined by change in the international order (independent variable) and policy authority allocation and related political strategies (intervening variables)'. The analysis addresses two main types of policy authority: central command by political leaders, and decentralized control by sectoral bureaucracies. The work describes subtypes of each.

Before starting his historical analysis, the author spends 50 pages or so elaborating on the complex conceptual framework. Among the terms he defines are: coordinated market economy, embedded liberalism, bureaucratic-cabinet system, globalization, Coasian bargaining, authority allocation schemes, transgovernmentalism, intergovernmentalism, bureau-pluralistic government, core-executive model, presidential model, external ancillary authorities, . . . and so it goes. The definitions are spun with enough organization theory and rational choice theory to make this tough for many readers – few undergraduate college students will be able to follow this material. Nonetheless, the author's preference for comparative theoretical terms rather than terms particular to the Japanese context will discourage the tendency to view Japan as unique, and that is a good thing. Readers who have less appreciation for theoretical jargon might skim the first fifty pages and return to them when the same terms reappear in the empirical material that follows.

In the first historical period, the Meiji oligarchs acted within the international context of 'a forced free trade regime without tariff autonomy' (p. 10). They 'employed the schemes of small government and state-society collaboration, rather than big government and absolute

state control, in order to achieve the industrial transformation of the agrarian economy' (pp. 54–5). The early constitutional monarchy was a 'decentralized structure' in which bureaucracies wielded 'a monopoly on decision-making within their jurisdictional terrains' (p. 57). Despite the resulting incoherence of government policies, the state was still able to pursue the tasks of 'state-led industrialization and military expansion' (p. 58).

Japan had difficulty adjusting to the more liberal international order that followed World War I, although this is not treated as a separate period in the book. The traits of the international order that took root in the mid-1930s also receive limited attention. Japan's response was eventually a centralized 'constitutional-dictatorial (rikken dokusai) cabinet in pursuit of coherence and control by establishing extra-legal units – the Cabinet Council and the Cabinet Research Bureau (later the Planning Bureau [kikakuin])' (p. 69).

The author describes the international order of the four decades after World War II as 'embedded liberalism'. This system enabled Japan to practice selective protectionism while simultaneously encouraging it to adopt liberal reforms. Contrary to Alexander Gerschenkron and Chalmers Johnson, who describe the postwar government as 'strategic, internally coherent, and centralized' (p. 79), Suzuki depicts the postwar state as 'decentralized with bureaucratic policy delegation, similar to that under the Meiji Imperial Constitution' (78). Whereas the early Liberal Democratic Party (LDP) cabinets 'delegated the policy authority to bureaucracies' (78), Suzuki largely embraces what has been called the 'unique institutional arrangements' or 'coordinated market economy' explanation of Japan's postwar economic success (p. 80). That is, he gives most of the credit to such institutions as the main bank system, enterprise groups, and long-term employment.

The treatment of the late nineteenth century through the postwar period of rapid growth is not the strong point of this book. The author's review of external influences as well as Japanese state structures and policies over these years is anecdotal rather than systematic. At some points, it is unclear whether the topic of the book is limited to liberal influences from abroad or includes illiberal influences as well.¹ The latter certainly deserved more extensive discussion, especially before 1945. Controversial points, such as the claim that the Japanese government was decentralized during both the early Meiji and the early postwar periods, and the statement that 'at no time . . . could the LDP be characterized as a catch-all party' (p. 83), do not receive the detailed defense they require to persuade. Although the author addresses the ways in which the electoral system, economic crisis, and national security issues have swayed Japan's reaction to change in the neoliberal international order of recent years, these factors are largely ignored in the coverage of earlier periods.

More than half of the book is devoted to the era from the 1980s to the present, and here the author offers a more nuanced and challenging argument. This is the time of the 'neoliberal global order'. Among the many international forces pushing Japan to liberalize are the OECD's Principles of Corporate Governance, regulations of the New York and London stock exchanges (requiring independent auditors and international accounting standards), the World Trade Organization, the terms of participation in regional and bilateral Free Trade Agreements, and the Basel Capital Adequacy Accord. The Japanese government's reaction to such factors

¹ The title of the book, *Globalization and the Politics of Institutional Reform in Japan*, suggests a treatment of liberal influences only, but the author writes on p. 216: 'I have analyzed how historical and contemporary Japan sought to adjust to changes in the international order by vacillating between political command and bureaucratic delegation', cf. p. viii.

is described in a series of case studies of policy related to corporate governance (e.g., holding companies), labor relations (e.g., the treatment of haken workers), banking regulations (e.g., the elimination of non-performing bank loans), and trade organizations (e.g., free trade agreements).

The argument is this:

1. 'The neoliberal order, which has taken place with enhanced cross-border capital mobility since the 1980s, gives a liberal market economy an advantage in generating growth over a non-liberal economy' (pp. viii–ix).
2. The challenge of neoliberal reform requires policy coordination across various economic sectors. For instance, the conclusion of a free trade agreement may require commitments related to intellectual property rights, labor standards, and other matters besides trade (p. 171).
3. The bureaucratic agencies that have controlled Japan's postwar industrial policy are not well equipped to respond to pressures from neoliberal institutions because their tasks are mainly to protect specific economic sectors. Thus the bureaucracy's established, sectoral deliberation councils (*shingikai*) tend to become 'veto gates' blocking liberal reform.
4. To facilitate liberal change, then, the Japanese government has sought to reduce the powers of traditional, narrow, quasi-autonomous bureaucracies and to replace them with new agencies that serve the cabinet more directly. The Prime Minister appoints their members and may use these bodies to shift government decision-making to central political authorities. Among the new bodies are the Advisory Council (*shimon i'inkai*), the Administrative Reform Council, the Trans-Pacific Partnership (TPP) headquarters (which largely replaced the 'four ministry co-chair system' that had previously required consensus among four ministries to close a free trade agreement), and the Financial Supervisory Agency (which replaced the Banking Bureau of the Ministry of Finance). The amalgamation of traditional ministries in 2000 partly served the same purposes of weakening parochial bureaucracies and bolstering the cabinet's role.

Reviewing numerous government decisions, Suzuki demonstrates that these organizational changes are no mere reshuffling of the deck but have effected a real policy transformation. To be sure, the path toward reform has been uneven. Resistance from some of the ruling party's support groups, the impact of crises such as the bursting of the asset bubble, the efficacy of the prime minister's political strategy, and the actions of older bureaucratic agencies (which have lost influence but in most cases remain part of the government) have all worked to curb liberal reform. Still, anyone who had been thinking that the administrative changes of recent years were little more than window dressing will come away from this book with a different point of view. Unlike the treatment of earlier periods, the author's examination of the last several decades is detailed and convincing.

Few scholars have ignored the impact of foreign models and institutions on modern Japanese politics, but Suzuki's study offers an unusually sophisticated account of this phenomenon over the last several decades. This makes it a valuable addition to the literature on this important topic.

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