Japanese Journal of Political Science 7 (1) 93–99 Printed in the United Kingdom © Cambridge University Press 2006

Reviews

Horiuchi, Yusaku, *Institutions, Incentives and Electoral Participation in Japan: Cross-Level and Cross-National Perspectives*, RoutledgeCurzon, 2005 (pp. 147), ISBN: 0415331765, $105.00
doi:10.1017/S1468109906212167

Like Hobbes' Leviathan, voter turnout is a topic on which many would say that there is really nothing new to be said. But they'd be wrong. Horiuchi's short and insightful book joins two other important books on turnout published in the past five years (André Blais, *To Vote or Not to Vote: The Merits and Limits of Rational Choice Theory*. University of Pittsburgh Press, 2000; and Mark Franklin, *Voter Turnout and the Dynamics of Electoral Competition in Established Democracies since 1945*. Cambridge University Press, 2004) that suggest strongly the need for rethinking the received wisdom on turnout of both the Downsian and the *American Voter* variety. Blais emphasizes supply limitations of rational choice models, while Franklin emphasizes the interaction between voters and institutions such as party systems.

Horiuchi emphasizes the interaction of two variables important in the Downsian calculus, the importance of the choice and the likelihood that one's vote will be decisive; but unlike most authors who look at turnout from a Downsian perspective, Horiuchi's focus is on explaining differences in voter turnout across elections rather than in explaining who votes in a given election. This leads him (pp. 94–95) to what I, following an approach more common in economics, have called a "comparative statics" approach to turnout.[1]

Horiuchi addresses, an important puzzle for those who wish to understand voter turnout.[2] For Horiuchi, the puzzle to be explained is that the belief of American (and some European) students of turnout that turnout can be expected to be uniformly lower is lower-level (provincial and local) elections than in elections for national office because the stakes are higher in the latter (the neo-Downsian story), or because peripheral voters do not bother to go the polls in low stimulus elections (the *American Voter* story), isn't comfirmed by some non-U.S. data. In the U.S., not only are local elections lower in turnout than national elections, but other comparisons of expected turnout across elections based on relative importance of elections (e.g., turnout in years

[1] Christopher Hanks and Bernard Grofman. 1998. "Turnout in Gubernatorial and Senatorial Primary and General Elections in the South, 1922–90: A Rational Choice Model of the Effects of Short-Run and Long-Run Electoral Competition on Relative Turnout." *Public Choice* 94: 407–421; B. Grofman. "Is Turnout the Paradox that Ate Rational Choice Theory?" In B. Grofman (ed.) *Information, Participation and Choice*. University of Michigan Press, 1993.

[2] Cf. B. Grofman (ed.) *Political Science as Puzzle Solving*. University of Michigan Press, 2002.

when congressional elections are the highest offices on the ballot, versus turnout in presidential election years, or levels of voter roll-off as we move down a ballot toward less important offices) also behave as expected. Yet, as Horiuchi observed while still a graduate student at MIT in a course offered by Professor Steven Ansolabehere, uniformly lower turnout at the local as compared to national level simply doesn't fit the Japanese experience.

Horiuchi resists strongly the notion that U.S.-Japan differences in patterns of voter turnout across different types of elections are to be explained primarily by cultural patterns largely unique to Japan. To further his understanding of this issue, he initially reviews a body of evidence on local versus national turnout levels drawn from nine other countries (Australia, Canada, Finland, France, India, Italy, Northern Ireland, Spain, and Switzerland) In some countries (e.g. Australia and Finland and India) he finds the U.S. model to govern (albeit with lesser differences in turnout levels across election types than found in the U.S.) but in other countries he finds the U.S. pattern is reversed in some cities or states, and in some elections, more generally – a phenomenon he refers to as the "turnout twist." The differences in turnout behavior he finds across countries, and the within-country variation he observes, leads Horiuchi to try to understand the conditions under which we might expect lower turnout in local rather than national elections, since there is important variation here that cries out to be explained.

Like a good detective, Horiuchi investigates a number of potential suspects (i.e., alternative theories) including notions that put Japanese and French patterns into a common social matrix involving dense social networks and paternalistic relations between leaders and followers. And like any good detective, Horiuchi casts a wide net in his investigation so as not to miss important sources of evidence. In particular, he makes use of both aggregate level and individual level data from Japan, supplemented by a detailed case study of one candidate's campaign for office in the 1999 Kitigawa Town Assembly election. And, in addition to the nine countries for which he reviews aggregate level data in some detail, he reports in Chapter 4 a regression analysis of turnout at different levels of government for some 16 countries. Horiuchi argues forcefully that the "turnout twist" is "not the product of traditional culture but of citizens responding to incentives instituted by political systems," (p. 31) and he provides strong evidence of many kinds to back this conclusion. In particular, for Japan, he shows that the number of representatives per citizen (which tends to be much higher in local elections) is linked to the perceived likelihood that one's vote will matter (especially under the SNTV system of at-large voting used at the local level in Japan –see his Appendix D). More generally, in a number of countries, he finds a difference in the relative levels of local and national turnout for rural and urban areas that is consistent with the importance of the number of representatives per citizen as an explanatory variable, and his cross-national regression shows, too, how the importance of offices also affects relative turnout (where importance is proxied by level of tax revenues generated).

While, in this cross-national regression, the differences between the U.S. and other nations even after other variables are controlled for suggests the need for a U.S. dummy (see Table 4.2., p. 41), Horiuchi is not content with a cultural uniqueness story (even when it is the U.S., rather than Japan, that is being explained as the outlier). Rather, he considers explanations for U.S. exceptionalism, arguing that the U.S. practice of bundling a large number of state and national elections (and also referenda in some states) on a single well-publicized day, while having local elections taking place separately, helps explain why local election turnout in the U.S. is so low. In general, however, Horiuchi is sensitive to context and the way in which structural incentives and culture interact. For example, in looking at Japanese local elections he observes: "By interacting

with social and cultural characteristics, the SNTV-ALD system makes candidates and voters think hard about how much an additional vote can change who wins and who loses, particularly when the number of representatives per capita is large." (p. 89).

There are other puzzles involving turnout that Horiuchi cannot address, such as the generally falling levels of turnout around the world, but what Horiuchi has done is quite admirable and unquestionably a major contribution to the literature on political participation. Moreover, by integrating different types of data and combining country-specific and large n approaches, Horiuchi's book offers a model of what good comparative work should look like. Indeed, my only real complaint about this book is with its cover. Presumably because it is being published in a Japanese Studies Series, the first part of the title, *Institutions, Incentives and Electoral Participation in Japan* is in *much* larger type than what comes after the colon, *Cross-Level and Cross-National Perspectives*. But that makes it very likely that this book will be read only by Japan specialists (some of whom may even regard the cross-national comparisons as irritating irrelevancies), and makes it much harder for this book to be seen what it really is, an important work in *comparative* politics.

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Mireya Solis, *Banking on Multinationals: Public Credit and the Export of Japanese Sunset Industries*, Stanford University Press (September 15, 2004), $55.00, ISBN: 080474887X
doi:10.1017/S1468109906222163

In this very fine book, Mireya Solís examines a fascinating but otherwise overlooked phenomenon: the Japanese state's unparalleled financing of overseas investment by Japan-based multinational corporations (MNCs). As she notes, the Japan Export-Import Bank and its successor agency, the Japan Bank for International Cooperation, provided about $70 billion in loans for Japanese multinational corporations engaging in foreign direct investment (FDI) in the half century from 1950 to 2000. These loans had a significant impact on the global expansion of Japanese MNCs, amounting to more than 10% of FDI flows. Solís effectively drives home the point that no other country comes close to Japan in banking on its own multinationals.

The author seeks, above all, to explain why the Japanese state so enthusiastically assumed this role. Her answer, at first blush, is straightforward: Tokyo has used public credit for FDI to ensure a steady supply of raw materials needed for a growing economy, and to help "sunset industries" achieve structural adjustment, moving inefficient operations to offshore sites in developing countries where they still enjoy comparative advantage and upgrading remaining operations at home. But Solís adds a couple twists. First, the state was able to pursue these strategies because it was not challenged by organized labor. Labor was not merely docile; it went along with the state's financing policy because that policy tended to target troubled industries already undergoing decline at home, it minimized "reverse imports" and other side effects of "hollowing out," and it impacted temporary and part-time workers, especially women, far more heavily than core employees represented by unions. Second, despite its apparent success in achieving its twin goals,

the state did not always act as a cohesive and coherent unit. Agencies battled with one another for the right to issue public credit, and politicians increasingly intervened to allocate that credit to favored industries. For example, they authorized the Overseas Economic Cooperation Fund (OECF) to engage in equity investments, especially in Southeast Asia, and allowed government-controlled banks, such as the Japan Finance Corporation for Small Business (JFS), to provide relatively risky, below-market-rate loans to small and medium-sized firms investing overseas. In other words, domestic politics cannot be ignored in explaining Japan's distinctive pattern of multinationalization.

Solís defends her argument in a careful, often chronological fashion, documenting the historical development of private industries engaged in FDI and the development of public agencies engaged in subsidizing such overseas investment. I especially enjoyed her in-depth case studies of textiles (an industry that used global expansion to cope with structural decline at home) and aluminum (an industry that used FDI to secure resources such as bauxite and hydroelectric power in short supply at home), but was less impressed by her case study of consumer electronics, an industry she claims undertook FDI with only meager support from the Japanese state. Using her own table (assembled with data from the Japan Export Import Bank), the electrical/electronics industry appears to have benefited handsomely from public credit for multinational production, receiving a total of $8.2 billion from the bank between 1953 and 1999. This represents almost 18% of total overseas investment loans for manufacturing – less than the share received by the iron/steel/aluminum industries (28%), and the automobile industry (20%), but far more than was received by the textile industry (4.1%) and the pulp/paper/lumber industries (2%).

More important, I think Solís misses an important change that has taken place in Japan's public credit policy for FDI. Rather than merely providing support for declining or resource-hungry industries, the state began in the late 1980s to more aggressively underwrite overseas investment by some of Japan's leading manufacturers. In the 1953–70 period, the export-import bank allocated only about 12% of its FDI lending to the automobile and electronics industries; likewise, in the 1971–84 period, it allocated only 14% to them; but in the 1985–99 period, it allocated nearly 45% of its lending to those world-class industries. Of course, these data may reflect – at least partially – the increasing scale of private overseas investment by these industries. But when one controls for this reality by measuring bank lending for FDI against the volume of approved investment projects, one finds a similar increase in the reliance of automobile and electronics manufacturers on public credit; the ratio went from 39% in the early period (1953–70), fell to 28% in the middle period (71–84), and jumped sharply to 45% in the later period (1985–99). I have argued elsewhere that the Japanese state recently has energetically promoted the regionalization (Asianization) of high-powered Japanese production networks.

Solís also runs into some trouble when she tries to tease out the broader implications of her study. In the longstanding debate among political scientists over the nature of the Japanese state (is it relatively "hard" and dominated by bureaucrats with a developmental vision for the nation, or is it relatively "soft" and open to competing interests?), she sides squarely with those who believe Japan is not a "developmental state" – apparently on the basis of the fact that MOF, not MITI, controlled the purse strings for overseas investment loans. This seems problematic for a couple of reasons. One is that MITI has not been the only agent of developmentalism in the Japanese bureaucracy (Chalmers Johnson notwithstanding); MOF has been just as growth-oriented. The more fundamental reason has to do with Solís' own description of the Japanese

state as generally proactive, if not always prescient, in the making of its public credit policy; and generally capable, if not always flawless, in its execution of that policy.

In the closely related debate over the effectiveness of Japan's industrial policy (has it been a vehicle for carrying out economically rational goals, or has it been a tool for compensating politically powerful constituents?), Solís fudges – wisely, I think. She concludes that industrial policy is only as effective as the budgetary rules that guide it. Until the 1990s, she argues, bureaucrats enjoyed relative autonomy to steer capital toward strategically useful rather than "pork barrel" investment projects – thanks to the strict discipline surrounding Japan's "second budget," the Fiscal Investment and Loan Program (FILP). Politicians, however, have begun to invade this policy domain. While this sounds plausible, Solís does not muster compelling evidence. She laments the merger of the more fiscally disciplined Japan ExIm Bank with the Overseas Economic Cooperation Fund in 1999, but acknowledges that these two agencies continue to operate independently within the newly formed Japan Bank for International Cooperation. She notes that the Diet has revamped FILP, but recognizes that these changes should, at least on the surface, yield greater efficiency. Solís does show that government institutions designed to aid small and medium-sized firms have been granted greater authority to provide funds for overseas investment. But this was not just a political response to the credit squeeze of the late 1990s; it also was an effort to help subcontracting firms follow their assemblers into Asia and continue to operate as suppliers.

Despite these quibbles, I think Solís has made an important contribution to our understanding of the global expansion of Japanese MNCs, and the role of the Japanese state in facilitating this process. I highly recommend this book to scholars and graduate students studying the political economy of Japan.

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Japanese Journal of Political Science

Mari Yamamoto, *Grassroots Pacifism in Post-war Japan: The Rebirth of a Nation* (London and New York: RoutledgeCurzon Series, 2004). Reviewed by Julia Yonetani, ISBN: 0415335817 $115.00
doi:10.1017/S146810990623216X

Mari Yamamoto begins her study on grassroots pacifism in post-war Japan by ruminating on Japan's divergent stance on the Iraq War of 1991. The US-led coalition that carried out the attack against Iraq on January 1991 won the sanction of the United Nations and "appeared to enjoy the near-unanimous support of the international community" (Yamamoto, 2004: 1). Yet the Japanese government took the position that due to constitutional restraints Japan was unable to extend military support. Moreover, the stance of the government reflected the will of the Japanese people, the majority of who were against involving Japan's Self-Defence Forces in an overseas conflict. Japan, reflects Yamamoto, responded to the Gulf crisis of 1990–1 in the same way that it had to all major conflicts involving the US since the end of World War Two. In spite of that fact that the Japanese government gave logistical support to the US during the Korean and Vietnam Wars, Japanese sensibilities have since the post-war been shaped by decades of pacifist education, reflective of a strong anti-war sentiment at the grassroots of Japanese society.

Previous studies on Japan's foreign policy have hinted at the importance of tracing the connections between the Japanese government's stance on security issues and pacifist elements within Japan. One more well known example is Peter J. Katzenstein's work on the link between national security policy and cultural norms. In comparison to the US, Katzenstein argues, Japanese officials define security in more comprehensive and generally non-violent terms, a result of norms that became particularly entrenched in Japan after the early 1960s.[1] Yet while Katzenstein's work provided vital connections between cultural norms and policy, it still focuses primarily on government officials. Yamamoto's study is an attempt to provide a much-needed broader 'grassroots' view, which moreover includes the important role played by women's groups, to the narrow focus of much work within the field of International Relations.

Yamamoto embarks on this attempt through a study of two peace movements: that which developed around organized labour, and that comprised of women. She traces the emergence of both movements in the midst of occupation and the Korean War, the rise of opposition against the US-Japan Security Treaty and continuing US presence in Japan following occupation, and the culmination of protest against the Japanese government and foreign policy in the *Anpo Tôsô* of 1960. While studies on Japanese society tend to focus on the role of the Japanese establishment and consensus-forming structures within Japan, Yamamoto's analysis provides a fresh perspective into the extent of the social and political conflict that marked the 1950s in particular. We gain insight into the power struggles and ideological battles that raged between anti- and pro-communist forces, between rank-and-file workers and union leaders, between opposing factions within the labour movement, between women's groups and the male-dominated establishment, and within the women's movement itself.

Only too often analyses of postwar Japan tend to either ignore the importance of the pacifist movement in Japan, or take on the movement's ideologies unquestioningly. Yamamoto is able to provide an alternative approach, on the one hand giving due recognition to the importance of the peace movement while also pointing out some of its contradictions. In particular, Yamamoto points out the way in which the movement struggled with the issue of whether their call to peace was made simply in the name of Japan's constitution, or rather in fact involved implicit condoning of the use of military force by socialist or developing countries seen to be fighting against capitalist domination. This tension was prevalent in the peace movement as a whole, and manifested itself in factional infighting within both union and women's groups.

While an analysis of factionalism within the peace group thus provides important insights, however, at points Yamamoto focuses on such factionalism at the expense of other important and far-reaching issues. Yamamoto claims to draw attention to the "attitude of ordinary Japanese towards peace" (2004: 8), yet exactly what is defined as "ordinary" remains unclear, as does the ideological processes by which a sense of "ordinariness" is socially produced. In turn, the complex relation between grassroots groups and the government is left largely unexplored, and the web of conflict, appropriation and compromise ingrained in this relation only hinted upon.

An examination of these broader issues, however, seems vital in seeking to comprehend contemporary Japanese foreign policy. Yamamoto takes as a starting point the Japanese government's stance on the first Gulf War of 1991. Yet how are we to view Japan's postwar pacifist sentiment in the context of the year 2005? The majority of the public may have opposed the current

[1] See for example Peter J. Katzenstein *Cultural Norms and National Security: Police and Military in Postwar Japan* (Ithaca and London: Cornell University Press, 1996).

Iraq War, but this did not prevent the Japanese government from dispatching military personnel. Rather than grassroots pacifism, assertive patriotism and the emergence of groups advocating a more aggressive foreign policy towards North Korea appear as prevalent in contemporary Japan. Of course, many of the changes from 1991 to 2005 can be attributed to a massive transformation in the world (dis)order during this time. Yet just as the present may affect our view on the past, history can also provide insight into present conditions. If the seeds of anti-war sentiment in 1991 can be traced to the emergence of postwar pacifism, what insights does an examination of this pacifism provide in the context of Japanese policy today?

In conclusion, Yamamoto introduces the reminiscences of a war widow writing in 1963. The war widow speaks of the trauma faced as she was forced to suffer the loss of war. She goes on to extol Article 9 of the constitution as "a field poppy that suddenly blooms one night on soil that has absorbed a river of blood shed in vain" (2004, 220). Pacifist ideology provided, Yamamoto observes, a new faith within which people could channel their moral fervour in the face of loss, suffering, trauma, and disillusionment. This new faith produced an effect which Yamamoto suggests comprised the "rebirth" of a nation.

Yet as with many faiths, such moral fervour was also accompanied by conflict, compromise, and underlying contradiction. The implicit or explicit condoning of authoritarian and imperialistic communist regimes within elements of the peace movement; the appropriation of pacifist ideologies by the Japanese establishment itself; dependent relations with the US as Japan remained under its nuclear umbrella; the subjugation of Okinawa and its fraught relation with "mainland" Japan; the continually fermenting issue of war reparations and repentance towards aggression in Asia; the confluence of pacifist ideology with nationalist introversion: such vital and complex issues were embedded within struggles over peace and its definition in postwar Japan. These ghosts from the past also continue to haunt the Japan of today, as it sets out on the difficult path of seeking to once again redefine its rasion d'etre, now in the highly unstable and globalised context of the twenty-first century.