

Electoral Adaptation in Japan: Party Strategy after Electoral Rule Change

Frances Rosenbluth
Jun Saito
Kyohei Yamada

Abstract

Japan adopted new, largely majoritarian, electoral rules in 1994 that have begun to reshape the political landscape in dramatic ways. The old rural-urban divide between the parties that seemed to characterize Japanese politics in fact masked a strategy of relying on groups in society that could be easily mobilized and monitored for purposes of allocating the vote among multiple candidates in most districts. Under the new rules, programmatic appeals are a more efficient way to gain a plurality of voters, leaving the old mobilizational strategy in disarray and consequently put an end to the LDP's long-term dominance. We speculate that clientelistic transactions between voters and politicians continue to decline because, given the system's majoritarian electoral incentives, rebundling rural protectionism with the social insurance concerns of the urban poor will be more ideologically consistent and therefore electorally more efficient.

Key words: Electoral Rule, Majoritarian, Electoral Adaptation, Party Strategy, LDP

1. Introduction

In district-based electoral systems where party discipline is strong, it makes sense for parties to direct monetary and rhetorical appeals to swing districts in order to maximize electoral success for the party as a whole, whereas weak parties may be controlled by an incumbency cartel that rewards core constituencies in home districts in order to retain existing seats even at the expense of the party's total seat share (Stokes 1967; Butler and Stokes 1974; Cox 1987; Weingast 1979, 1994; Weingast, Shepsle and Johnsen 1981; Carey and Shugart 1995; McGillivray 1997, 2004; Remington and Smith 2001). But even parties with strong enough discipline to rein in incumbency protection run into complex calculations of optimal targeting when voters within and across districts are heterogeneous with respect to preferences, intensity of preferences, and mobilizational capacity (Bradbury and Crain 2005; Morgenstern and Potthoff 2005). Single issue voters signal clear voting intentions, and the strong gravitational pull that internally homogeneous districts exert on their representatives works at cross purposes with

the efforts of party headquarters to pour resources into the districts where demographic heterogeneity generates the possibility of close elections (Gerber and Lewis 2004; Dunning and Stokes 2008).

The shift in Japanese parties' electoral strategy since the 1994 electoral rule change from multi-member districts to a plurality-based system corroborates the expectation that disciplined majoritarian parties target resources to swing electoral districts. Electorally competitive districts have received more budgetary transfers after 1994 than before. The median legislators for the two largest parties—as measured by the demographic features of their respective districts—have come to resemble more closely the national median voter. This suggests a Westminsterian trajectory for Japan: the two largest parties have become both internally more homogeneous, and more like each other, as outlier politicians have lost reelection bids at higher rates than politicians whose appeal is more in tune with the parties' national party platforms (Estevez-Abe 2006; Rosenbluth and Thies 2010). Although district-based elections force district-level convergence, disciplined parties forge national platforms and direct resources with median districts in mind.

Despite dramatic adaptations to the new electoral rules, the median legislator of *both* large parties remained somewhat more rurally based than the general electorate as recently as the 2005 election, reflecting the continued superior mobilizational capacity of rural voters. Organized groups have an advantage over diffuse interests in any political system, even though Japan's new electoral rules confer a significantly smaller bonus on parties with a well organized electoral base than under the old rules. Districts with large concentrations of farmers in Japan are likely to continue to receive political attention out of proportion to population. But because competition between parties will continue to become more programmatic, the rural-urban divide that seemed to characterize Japanese politics for the past century will give way to a more standard left-right dimension in which farmers and other protectionist interests becoming bundled with low income urban voters in a party of the left, and the rural bias in public policy will continue to evaporate.

The rest of the paper is organized as follows. Section 2 describes Japan's electoral reform and formalizes the logic of the attending expectations of majoritarian adaptation. Section 3 describes the historical differences between rural and urban districts in Japan, why politics settled along that dimension rather than the traditional left-right continuum, and why rural voters continue to enjoy greater political influence relative to their urban counterparts. Section 4 is the empirical core of the paper, in which we show how the parties have adapted to new electoral incentives. Section 5 concludes.

2. The LDP's Monitoring Regime

Because both voters and politicians had formed an expectation that the LDP would stay in

power semi-permanently, the LDP's vote buying tactics was highly effective. This logic is most compactly presented through a simple infinitely prisoner's dilemma game (Stokes 2005; Saito 2010).

(1) Repeated Prisoners' Dilemma between LDP and Voters

Suppose that an opposition-leaning voter and the incumbent coalition swap her vote and policy favors. Since this particular voter supporter's preference is to vote for the opposition party in the absence of policy benefits, the voter is better off receiving benefits and voting for the opposition. Similarly, the incumbent coalition is better off getting her vote without paying the cost of delivering the policy benefits. This situation is exactly the prisoner's dilemma game as is the numerical example in Table 1.

Table 1: Numerical Example of the Voting Game

		Voter	
		Vote for the opposition	Vote for the government
Governing Coalition	No pork	0, 0	2, -1
	Pork	-1, 2	1, 1

As standard solutions to the prisoner's dilemma game suggest, in order for players to engage in a cooperative outcome, the game has to be repeated infinitely many times. Or, the players repeat the game without knowing when the game will end. If the voter and the government are both patient, that is, they care about the benefits of future exchange, appropriate sets of punishment strategies can sustain cooperative outcomes (Axelrod 1984). As Masumi Ishikawa (1989) pointed out, the LDP stayed in power by being patient. The expectation that the LDP would stay in power facilitated its regime maintenance by means of policy favors.

In regimes where political competition among candidates operates in a normal way, voters choose their favorite options among multiple alternatives, whether they are political parties or individual candidates. In these regimes, voters punish incumbents who are deemed either incompetent or excessively deviant from voters' preferences. Since periodic changes in those who control the authority to allocate government money and to control regulatory favors perturb the repeated prisoner's dilemma, buying votes by means of pork and/or regulatory policy is more costly than under the case of the same party staying in power indefinitely. As all single-shot prisoner's dilemma games lead the players to defect, the voter ends up voting for the opposition and the party ends up not providing the benefits.

(2) Circumventing the Secret Ballot

No matter how long voters expect the LDP to stay in power, the opposition-leaning voter could

still take advantage of the secret ballot to free-ride on the policy benefits provided by the government (Stokes 2005). In order for the government coalition to punish voter's defection, it has to be able to monitor the voter's behavior and to detect defection if there is any. Indeed, the LDP's electoral machine was well designed to thwart voting secrecy. First of all, Japan has a very peculiar system of write-out ballots in which voters are required to hand-write candidates full names. Second, Japanese voting booths are half open without curtains hiding voters' backs. Third, on election days, community leaders monitor polling stations. By observing the strokes voters write the candidates names, who voted for whom can sometimes be identified as long as everybody knows everybody in a small local community.¹⁾

Under the old electoral rules, the LDP was organized to mobilize and monitor voters who had to apportion their votes across multiple candidates running under the LDP label in most districts. As long as the LDP retained a high chance of winning future elections, it is useful to think of the voters and the LDP as playing an infinitely repeated prisoner's dilemma.

(2) LDP's Machine Politics

The old SNTV electoral rule magnified the power of thinly sliced benefits (Meyerson 1993), and this had a mutually reinforcing effect on the LDP's capability to buy off support by means of pork barrel projects. Monitoring voters to secure a stable support base was beneficial especially during the SNTV period because the LDP needed to divide the votes among multiple candidates in most districts. Because direct monitoring of voters is costly and sometimes very difficult, the LDP often outsourced much of the voter mobilization, monitoring, and punishment to interest groups such as the Agricultural Cooperatives (Nokyo), the Japan Medical Association, the Chamber of Commerce, and so on. Within the LDP, specialization into policy areas (zoku, or tribes) facilitated monitoring on the basis of industrial sectors within each district. The exchange of votes and money is more likely to take place where (1) the LDP's monitoring capacity (direct and indirect) is high, and (2) voters' discount factor is large, holding the ideological distance between the opposition and the incumbent party at the constant level.

(3) Machine Politics and Policy Outputs

Unlike ordinary labor markets where the wage rate can vary relatively flexibly, the provision of policy benefits entails a variety of technical difficulties. Punishment strategies, e.g. grim-

1) In addition to these election-day monitoring techniques, the Japanese electoral machines known as Koenkai combine multiple approaches to ascertain individual voters' voting intentions. For instance, campaign organizers can monitor how individuals and groups in the district are cooperative in pre-election mobilization efforts. It becomes common knowledge whether a particular company provides its employees as campaign canvassers and puts up the party's election posters next to the company's signboard.

trigger or tit-for-tat, fail to work if the LDP cannot make the delivery of benefits contingent on its verification of voting. If the benefit stream is persistent and/or consists of non-excludable public goods, the voter will free-ride the benefit provided by the LDP. This implies that infrastructure projects that provide persistent benefits as local public goods fail to buy off votes (Saito 2009). The public policy implication is that the LDP utilized low-externality policy schemes to sustain its electoral turf, as opposed to programmatic appeals as a party (McCubbins and Rosenbluth 1995; Scheiner 2006).

3. Japan's Majoritarian Turn

In 1994, when the LDP was temporarily out of power, the Japanese Diet passed legislation that abolished the old multi-member district electoral system in favor of a mixed system with a strong majoritarian cast. Under the old rules adopted originally in 1925 and resuscitated in 1947, multiple candidates competed for two to six seats per district, requiring any party seeking to gain or retain an electoral majority to field candidates against each other in most districts. The LDP, having gained a legislative majority by the merger of two parties in 1955, used its control of budgetary, tax, and regulatory policy to deliver targeted benefits to many groups of constituents. The key to LDP electoral success, out of reach for the other parties not in possession of policy levers and budgetary favors, was to allow its party members to claim credit for the largesse pouring into their respective constituency bases, thereby solving the otherwise thorny problem of intra-party competition (Ramseyer and Rosenbluth 1993; Myerson 1993; Scheiner 2001; Hirano 2006; Tatebayashi 2004).

Because each LDP politician in a multi-member district faced the challenge of securing votes for him or herself rather than votes for the party at large, intra-party competition created an enormous bias towards voters who could be reliably mobilized and monitored. Moreover, stiff intra-party competition motivated individual politicians to cultivate strong personal followings even at the expense of programmatic coherence at the party level. As long as a great enough proportion of the electorate belonged to one or another mobilizable group, each politician's reputation for reliable delivery of favors to particular interests trumped whatever value the party might attach to economizing resources for use in swing districts (Saito forthcoming in 2010).

Although the old electoral system was like the goose that laid golden eggs for the LDP for several decades, the goose itself was dying. The rapid urbanization of Japanese society throughout the 1960s and 1970s produced a large group of voters not easily captured in the personal electoral machines "owned" by individual LDP representatives: urban consumers who paid the taxes for rural public works did not enjoy high prices for goods produced by a few. The LDP's vote margin continued to shrink during the 1970s. In the early 1950s, the LDP's predecessor parties together obtained about two thirds of the votes nationally. The LDP's

official candidates vote shares declined to 41% in 1976. Despite this declining vote share, the party was able to maintain its lower house majority due to malapportionment and the fragmentation of the opposition into multiple parties. By carefully tweaking redistributive policy programs, the LDP's vote share rebounded in the 1980s, but collapsed in the 1989 Upper House election.

A series of money scandals led to the resignation of Prime Minister Noboru Takeshita in 1987 and the arrest of Shin Kanemaru, a key player in pork barrel politics. Frustrated reformers left the party (Reed and Scheiner 2003; Saito 2009), leading to a successful no-confidence vote against the Miyazawa Cabinet. The resulting snap election drove the LDP out of power for the first time in 38 years but the fate of the non-LDP coalition was ephemeral because the eight coalition parties failed to coalesce into a coherent force. Nevertheless, the reform government achieved a few important policy initiatives including changing electoral rules. In the new electoral system, combining 300 single member districts with 200 seats allocated by regional proportional representation lists²⁾, the LDP would have an excellent chance of surviving as one of the two dominant parties. Even better for the LDP, the PR portion of the ballot allowed the LDP to retain its preponderance, at least in the short run, because the allure of party independence slowed efforts of the opposition to consolidate into a party within reach of a legislative majority. (Cox and Rosenbluth 1993; Kato 1998; Reed and Thies 2001).

The PR portion of the ballot lowered resistance among small parties to adopting the new rules and gave the LDP hope that it would remain the party of government for some time to come. But such is the power of electoral rules that, apart from which party is in power, new incentives transform parties themselves. Politicians striving for a plurality of votes in single member districts, no longer needing to distinguish themselves from their co-partisans, find a clear programmatic party platform more valuable and less costly than personalistic pledges. Appealing to the large swaths of urban voters preoccupied with husbanding their disposable income, politicians in the majority of Japan's districts gain more support by railing against wasteful public works spending or agricultural price supports than by offering those sorts of expensive favors.

Downsian analysis, of course, operates at the district level where each politician's political life is on the line in every election. It requires further strategic analysis of the incentives and resources of party back benchers and party leaders to draw aggregate predictions about party and party system behavior unless all districts are identical. We can assume that parliamentary parties are able to act with a measure of strategic unity because their collective electoral vulnerability gives their members an incentive to submit to party discipline. But party members retain considerable scope in how much whipping power to delegate to party leaders, as the contrast between pre-and post-reform Japan illustrates (See also Cox 1987 on 19th century England). Under the multimember district system, intra-party competition gave each member

2) The list portion was cut from 200 to 180 seats in 2000.

an incentive to grasp control of targetable resources and to claim credit for them. Party leaders, who required a way to allocate votes among multiple candidates in most districts, were complicit in extensive back bencher “cheating” on policy unity. Under the new rules, by contrast, ameliorated intra party competition³⁾ and the value of a popular party platform supports far greater levels of centralized personnel and policy power in Japanese political parties (Estevez-Abe, Hikotani, and Nagahisa 2008).

Japan’s shift to majoritarian electoral incentives gives back benchers more reason to delegate policy making and whipping authority to the front bench, since a strong party platform promises more electoral gain and less loss than under the old electoral rules. But heterogeneity of interests across electoral districts—which can only be addressed empirically—continues to factor into back bencher calculations of exactly how great these costs and benefits of party centralization and policy harmonization are. One need only consider the example of India, another parliamentary system with single member districts, to see that the electoral economies of scale to party size are substantially counterbalanced by the electoral concerns of representatives from districts whose preferences are far from the national median. For politicians from outlier districts, it is better to be elected as a representative of a small, locally based party than to lose an election representing a majority-seeking party whose national-median-regarding platform fails to pass muster with voters back home.

(1) Heterogeneity among Districts and the LDP’s Strategy

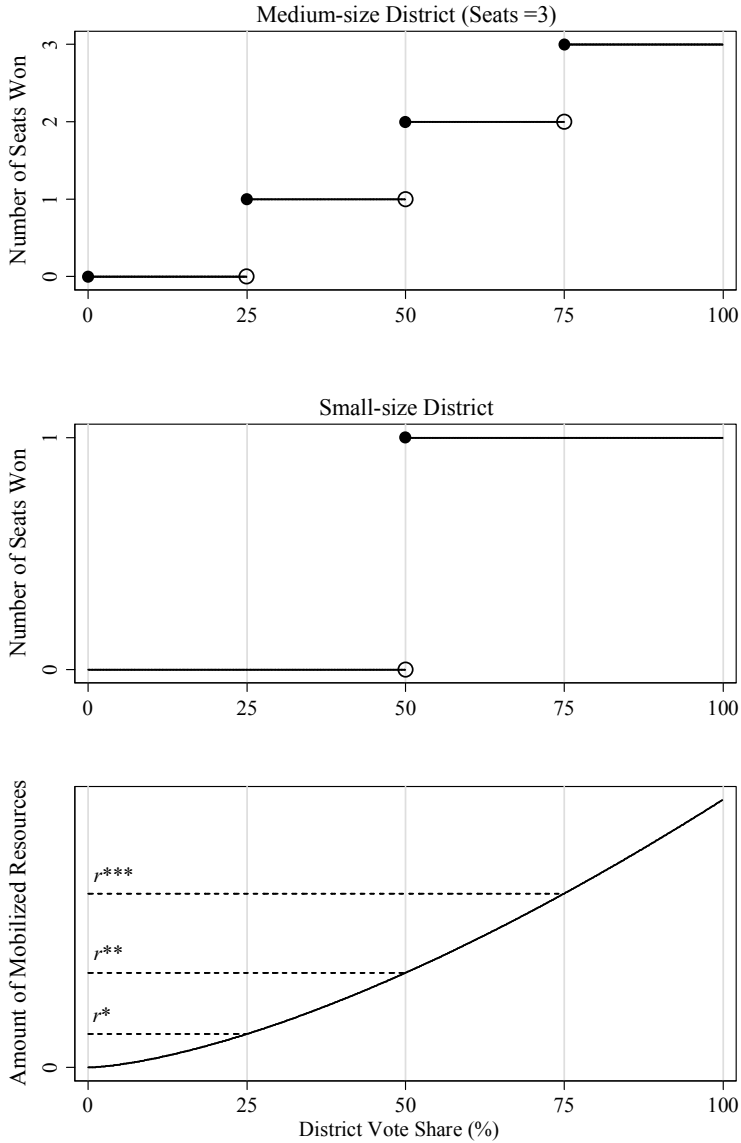
Suppose that a political system consists of $1, \dots, K$ electoral districts that are homogeneous in terms of the distribution of the policy preferences among voters. Also suppose that the electoral districts are heterogeneous in terms of their population sizes and the government party’s capability of identifying voters’ defections. For instance, voters in agrarian districts are easier to monitor, given the fact that a large number of them are tied to the same residential communities over a very long period. Because voters themselves and their assets are more mobile in urban districts, the incumbent party would face severe difficulty in detecting voters’ defection and punishing those defectors. For this reason, we can expect that voters in agrarian districts are effective prey of the LDP’s distributive politics, not because of their policy preference but because of the relatively smaller cost of getting monitored and mobilized.

(2) Slicing Benefits under the SNTV-MMD Rules

In discussing the electoral contest in SNTV multimember districts, we limit the discussion to 3 member districts for the sake of simplicity, but an extension of the results to arbitrary district magnitude is fairly straightforward. Assuming that an extended Duverger equilibrium

3) Though not to say non-existent intra party competition. See McKean and Scheiner 2000.

Figure 1: Seats as Step Function of Votes



prevails (Cox 1994; Reed 1990), the number of viable candidates converges to the district magnitude plus one and these candidates split their votes into equal shares. Then the number of seats won by the LDP is a step function of its vote share as in Figure 1.

Suppose that the national electoral institution consists of a large number of three-member districts. The LDP wants to control all three available seats in an arbitrary district j when the third seat in j is cheaper than the second seat in district $k \neq j$. There will be a separation between districts that receive a lot of benefits and all 3 seats going to the LDP and districts that receive few or no benefits and 1 of the seats going to the LDP. It is also expected that the

LDP will win 2 of the 3 seats in the intermediate cases.

Increasing monitoring capability in district j makes the third seat cheaper than the second seat in another district.

(3) Transition from SNTV to SMD

If the electoral institution consists of single-member districts (SMDs), assuming that the Duverger equilibrium prevails, the government party needs to obtain $v = 1/2$ to secure a seat, with two viable candidates contesting. The total benefit going to an arbitrary single member district k where the LDP wins a seat is the same as the amount that would be required for the party to win 2 seats in 3-member districts. As the Japanese political system shifted from the SNTV-MMD rule to a SMD-dominant mixed system, the LDP faced two resource allocation problems. First, in SMDs where the LDP previously controlled all available seats during the SNTV period, the party was endowed with surplus votes, accompanied by high monitoring capabilities funded by extravagant use of government money. Second, in SMDs where the LDP previously controlled only 1 of the multiple seats during the SNTV era, the party controlled insufficient votes to win a plurality and a small increase in the vote share could lead to winning an extra seat under the new system. The SMD rule gave the ruling party an incentive to equalize resources across districts, in contrast to SNTV rules under which the LDP was motivated to give a minority of voters disproportionate benefits (Myerson 1993).

4. Empirical Analysis

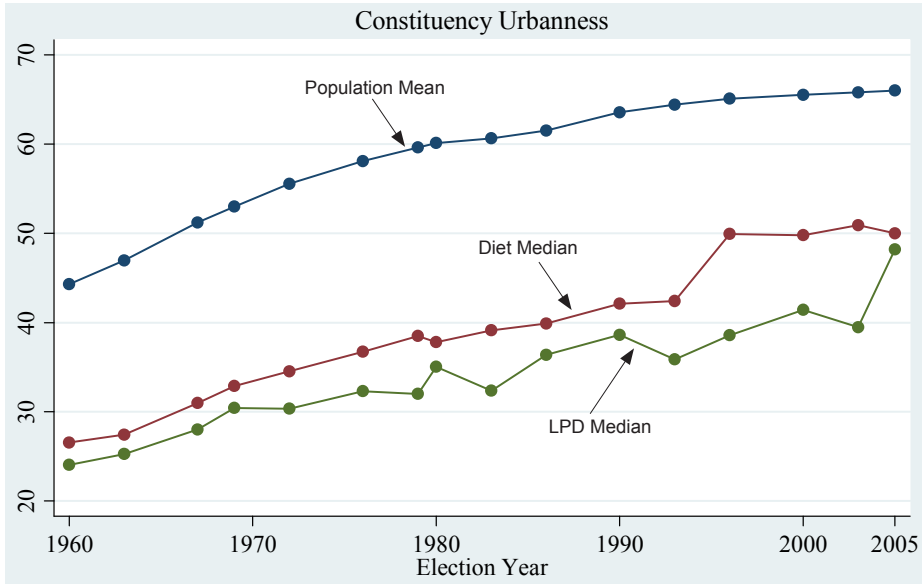
This section explores the LDP's adaptation to the new electoral rules empirically. The data suggest that the LDP sought to avoid electoral doom by shifting its policy priorities and by adjusting its campaigning tactics in several ways. First, it cut spending in rural areas. Second, it restructured its local electoral machines by firing many "paid activists" in rural districts: since the late 1990s the LDP merged municipalities to reduce the clout of rural bosses that made up an important part of the local electoral machinery. Third, the LDP outsourced some of its get-out-the-vote activities to its coalition partner, the Komeito, which has strong mobilizational capabilities in competitive urban districts.

Figure 2 shows the steadily growing representation of urban voters in the House of Representatives.⁴⁾ We tallied the percentage of voters in each municipality that lived in urban areas to gauge the share of urban voters in each legislator's electoral base⁵⁾. Whereas the share

4) Urbanness population is measured as the number of residents in "Densely Inhabited Districts" in the Japanese census record.

5) Electoral districts typically consist of several municipalities, and the municipality is the smallest unit of aggregation for published vote count data. Incumbent i 's vote-weighted urbanness \bar{x}_i is defined as

Figure 2: Changing Urbanness of the LDP's Constituency



of urban residents in the Japanese population reached the majority threshold in the late 1960s, the median legislator in the Diet remained consistently more rural due to malapportionment and higher turnout in rural than urban areas. Even after the electoral reform of 1994, the membership of the Lower House—including of course the LDP but even the Democratic Party of Japan—remains more rural than the voting population.

It is noticeable, however, that the LDP incumbent’s urbanness is approaching the Diet median in the 2005 election. Given the nationwide swing and the expected DPJ’s winning in the 2009 election, the LDP’s and the DPJ’s rural bias may disappear altogether.⁶⁾

The LDP followed this demographic shift in representation with spending changes. Figure 3 illustrates the shift in the allocation of transfer payments from the central to the municipal government, aggregated and averaged at the electoral district level.

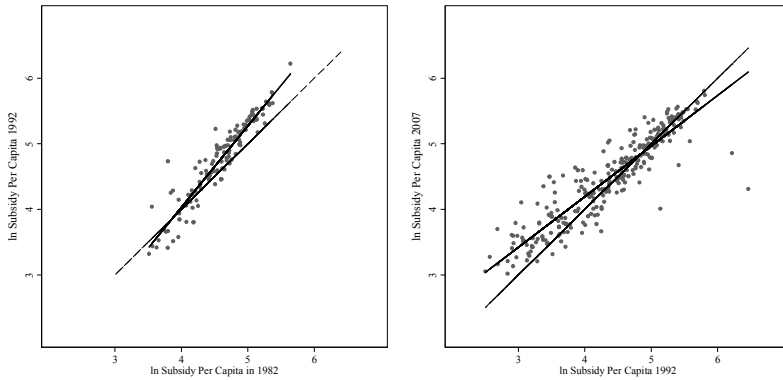
Figure 3 (left panel) shows that during the SNTV period, districts that received intensive spending tended to increase their receipts of subsidies. Since there were multiple “marginal seats” in multimember districts, increased spending in malapportioned and heavily represented districts paid off electorally. In contrast, after electoral reform, districts that previously received considerable funds from the central government received less.

Figure 4 shows changes in subsidies per capita over time. After electoral reform, the LDP’s

$\bar{x}_i = \frac{\sum_j v_{ij}}{v_i} x_j$, where v_i is i 's total vote, v_{ij} is i 's votes in municipality j , and x_j is the share of urban residents in municipality j .

6) Since Figure 2 ignores the PR portion of the new electoral institution, the current situation might resemble the entire population more closely. The figure will be updated to include the 2009 election as well as the vote-weighted share of the PR-list incumbents.

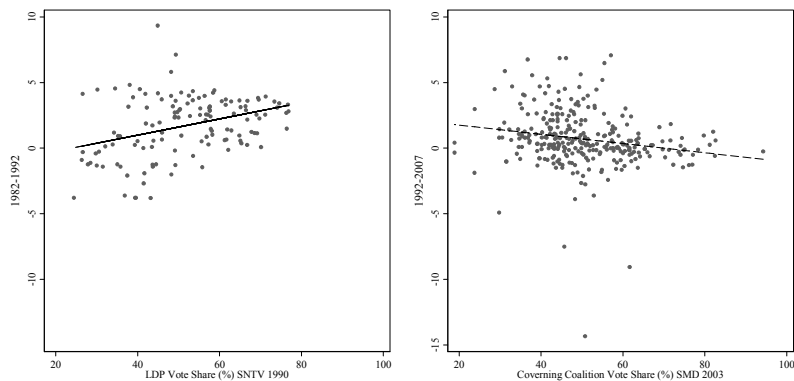
Figure 3: The Change of Subsidy Allocation over Time



Note: observations are electoral districts in the SNTV period (Left) and the SMD (Right)

————— 45 degree line (no change over time)
 ————— OLS Fit

Figure 4: Tendency to Allocate Money to Marginal Districts



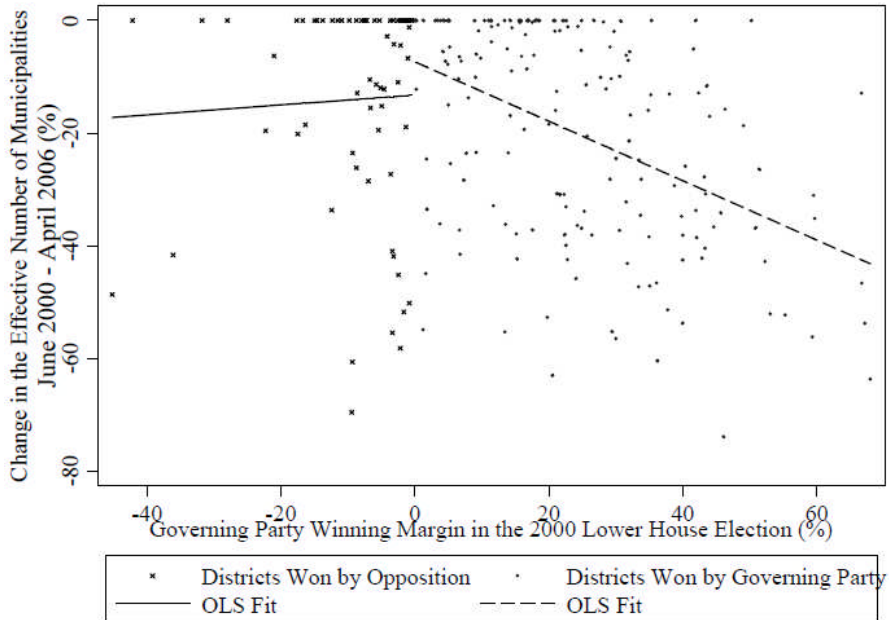
Note: observations are electoral districts in the SNTV period (Left) and the SMD (Right)

----- OLS fit

old electoral strongholds got less money than under the SNTV years. Instead, the LDP spent more in electoral districts where a marginal increase in the LDP's votes would have returned a seat. The increase was most prominent in districts with 40-50% vote shares.

The LDP reinforced its spending changes with institutional reforms, including municipal mergers. The government cut the number of municipalities from 3,256 in January 2000 to 1,847 in April 2006. Because the number of municipal assembly members is a concave function of municipal population sizes and also because most of these local politicians are in some way affiliated with the LDP, municipal mergers inevitably eroded the LDP's electoral support base (Horiuchi and Saito 2009). Despite this expected electoral hit, the LDP cut back on the number

Figure 5: LDP's Electoral Strength and Municipal Mergers



of municipal politicians, presumably because the LDP wanted to lock out resistance to electorally necessary shifts in policy priorities. Figure 5 shows that municipal mergers took place more commonly in the former strongholds of the LDP. By restructuring small municipalities and revamping the allocative formula of government grants, the Koizumi administration reduced about 4 trillion yen of subsidies going to local governments.

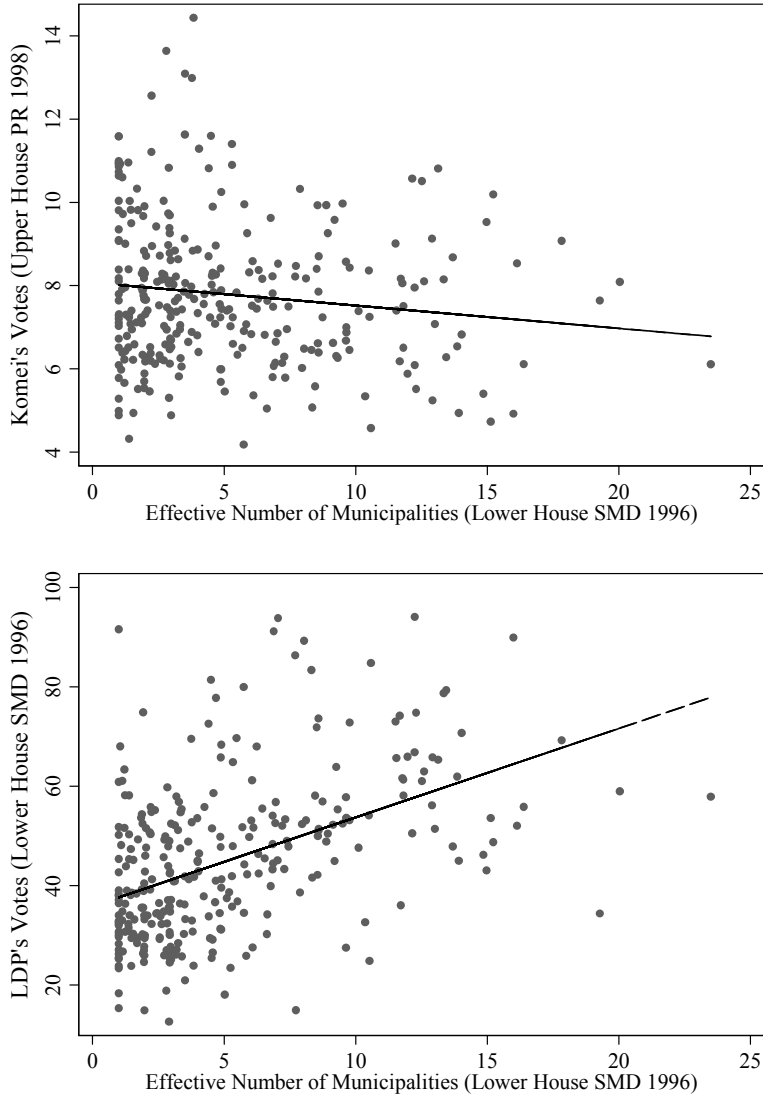
The LDP was willing to sacrifice its stronghold primarily in rural areas, but the party also sought to expand its support base in urban competitive districts by teaming up with the Komeito. The Komei's votes are dispersed throughout Japan relatively evenly. By trimming excessive spending in rural areas through municipal mergers and enhancing the weak spots through Komei's support, the LDP sought to stay in the new electoral game after the 1994 reform. Figure 6 plots how the Komei Party's and the LDP's electoral strength are correlated with the density of municipal politicians. The horizontal axis measures the effective number of municipalities within each electoral district.⁷⁾ Note that the 1998 Upper House election was the latest election in which the Komei party conducted a relatively independent campaign without seriously swapping the district-level support base and the collaborators' PR votes.⁸⁾ As we can

7) The way the effective number of municipalities is measured is identical to the effective number of parties. For municipality j in district d , the effective number of municipality is

$$E = \sum_{j \in d} 1/n_j^2 \text{ where } n_j \text{ is the number of eligible voters in } j.$$

8) The Komei Party was a local level organizational cornerstone of the New Frontier Party in the 1995 Upper House and the 1996 Lower House elections. After the 2000 lower house election, the Komei provided its SMD votes to its coalition partner LDP and candidates endorsed by the Komei Party instructed their supporters to vote for the Komei in the PR portion.

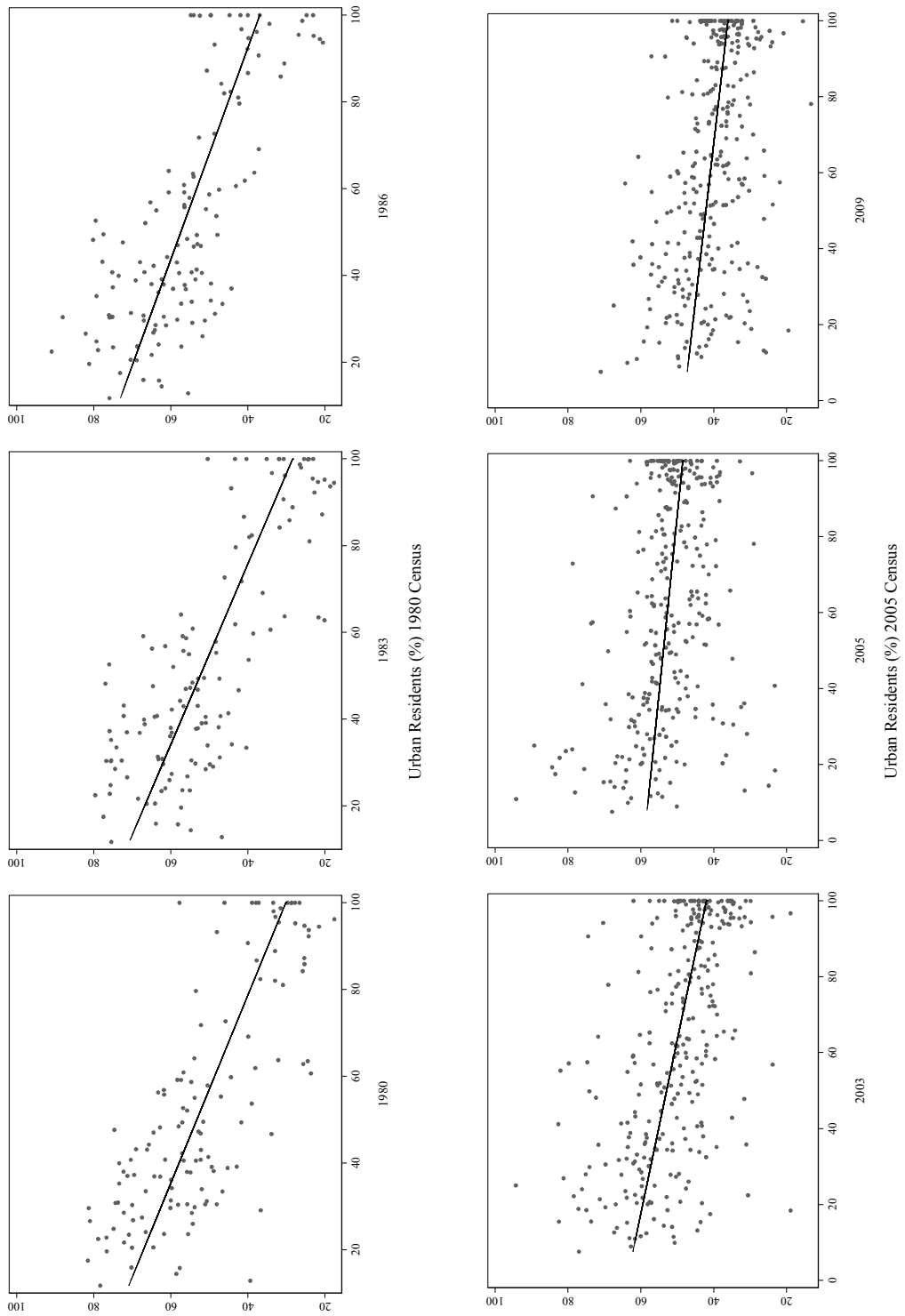
Figure 6: LDP's Electoral Strength and Komei Votes



see, the Komei's vote share is relatively orthogonal to the number of municipalities (and thus the number of municipal-level politicians). On average, roughly 8 percent of eligible voters in each district voted for the Komei Party in the 1998 Upper House election. On the contrary, the LDP's support base was positively correlated with the number of municipalities in each single-member district. Municipal mergers were likely to reduce the LDP's surplus votes and fiscal drains whereas Komei's support base, nationwide, could provide "a last push" in competitive districts primarily in urban areas.

No doubt, the LDP's adaptation gave the party a second lease on life after 1994. But because its previously mobilizable and easily monitored groups of voters have been dismantled or are

Figure 7: District Urbanness and LDP's Votes



no longer where they are needed, the LDP, as any party in a majoritarian system, encountered increasing volatility in voting results. During the SNTV period, the LDP's vote share was highly tilted toward rural areas (Figure 7), and rural areas provided stable support regardless of the national swing effects. The electoral reform of 1994 weakened the LDP's dependence on rural votes, and increasing volatility of votes now hit the LDP regardless of the urbanness of the district population. It would be false optimism on the part of the DPJ and its supporters to conclude that the LDP is a mortally wounded party, but like the DPJ, the LDP is now certainly mortal.

5. From Rural-Urban to Left-Right Politics

Electoral incentives will continue to push Japanese politics from a rural-urban to the left-right dimension that is more typical of single member district systems. This prediction rests on the theoretical insight that in single member districts with strong parties, electoral victory is cheaper using a national reputation and programmatic platform than squandering money on favors to outlier constituencies that tax the median voter.⁹⁾ Given that the nationwide median voter is now urban, electoral competition will push both the LDP and the DPJ towards policies that favor urban interests. The most efficient way of appealing to voters in predominantly rural districts will be to find some way to pull them into the party's programmatic priorities: LDP will emphasize agricultural economies of scale through deregulation as a path to greater rural development; the DPJ will emphasize social insurance of those left off the fast track.

Because under the new electoral rules the key to long term electoral viability is be positioned as a party of urban voters, the LDP no longer has an incentive to foster the mobilizational strength and reliable turnout of farmers. Whereas the LDP in the past invested enormous resources into building up a network of agricultural cooperatives that could help get out the agricultural vote and monitor their electoral loyalty, the LDP is now involved in dismantling some of the apparatus left over from the old system in which rural voters were a lynchpin of LDP electoral success. In apparent recognition that its historical rural bias has become a liability in the new electoral environment, the LDP has promoted a series of mergers among municipalities and their surrounding rural areas, with the consequence that many small town mayors who had been key mobilizers or rural interests have been put out of business. By reducing the effectiveness of rural networks and by extension, making it more difficult for rural leaning representatives to gain or remain in office, municipal mergers are pushing the two main parties closer together along the rural-urban dimension. Presumably for the same reason, the LDP has been touting the virtues of fiscal and administration decentralization, which, if

9) Ferejohn 1993; Bawn 1999. To use a metaphor from industrial organization, it is cheaper to sell wholesale than retail. We are indebted to Gary Cox for this observation.

carried out, would lessen the tax transfers from rich urban districts to poorer rural ones. Eventually, we should expect the DPJ to become a party of the left, emphasizing social insurance and protection from unfettered markets for urban and rural voters alike. The LDP could become a party of property and opportunity, shedding its traditional attachment to rural areas beyond a promotion of agricultural consolidation and efficiency that appeals to the few farmers that can thrive without barriers and props. It remains to be seen whether Komei will realign with the new governing coalition led by the DPJ or stay in the opposition camp together with its former coalition partner LDP. Komei's redistributive preferences that represent the interest of the urban poor is ideologically more in proximity to the DPJ's policy instead of the LDP's. However, it is also possible that Komei will behave in a manner that religious groups that back the Republicans in the United States have done.

In practice, the LDP and the DPJ have yet to sort themselves into internally coherent programmatic parties. Multi-dimensional politics can be resilient, not least because incumbent politicians have large fixed investments in particular constituency networks against which they are reluctant to give up. The efficiency losses of old style particularism would have to be on the order of magnitude sufficient to lose elections, which is an empirical question rather than a theoretically derivable proposition. Time will tell how long incumbency cartels in Japan will resist the delegation of more thorough whipping authority in Japanese politics to strongly centralized and ideologically coherent parties.

Even if party sorting occurs in predictable ways, farmers will retain some disproportionate influence, along with other groups with natural networks to the extent that some of the agricultural vote's mobilizational advantage owes to a strong sense of identity as proprietors and to their location in tightly knit rural communities rather than to LDP efforts at mobilization (Cox, Rosenbluth, and Thies 1999). This influence will be most visible in heterogeneous districts where their ability to tie turnout to agricultural protection outweighs the less cohesive urban dwellers who vote less predictably. It is an empirical question for which there are not yet sufficient data as to how vulnerable the old agricultural networks are to the parties' attempts to pull them apart in a way that is consistent with a less costly packaging of party policies.

6. Conclusions

Electoral rule change provides a rare opportunity to gauge the extent to which party system structure and electoral behavior are sensitive to institutional incentives. Japan's shift from multi-member districts to plurality has begun to transform the electoral landscape into a predominantly two party system in which the median voter, now an urban taxpayer and consumer, has greater influence on policy than ever before. Of course, it would be foolish not to notice that the electoral rules themselves were a delayed response to the demands of a growing proportion of the electorate for a system that more accurately reflected their

interests.¹⁰ But the particular configuration of rules that combine a majoritarian and proportional component was the product of extended political bargaining and calculation with discernible effects. Pure proportional representation on the continental European model would likely have reinforced party connections to specific organized groups including farmers and labor unions, with cross-interest bargains to be worked out within coalition governments. Pure majoritarian rules on the English model would have further reduced the number of parties, increasing the possibility of single party majorities. The mix of single member districts and proportionally elected regional lists in Japan permitted the survival of small parties such as the Komeito that, while supplementing old-school LDP politicians with urban turnout, can swing their support to the DPJ and make the rurally based LDP politicians turn into dinosaurs over night. The presence of the Komeito in government with the LDP, by propping up the LDP's urban mobilization, allowed non-median LDP incumbents to gain reelection beyond their "sell-by date," so to speak. But the LDP's only viable strategy for long term survival is a thorough-going transformation of itself.

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10) Pure proportional representation would have created a continental European set up, in which organized groups including unions, farmers, The proportional element permitted the survival of small parties such as the Komeito that, while supplementing old-school LDP politicians with urban turnout, can swing their support to the DPJ and make the rurally based LDP politicians turn into dinosaurs over night.

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