
# Policy Dissension and Party Discipline: The July 2005 Vote on Postal Privatization in Japan


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# *Policy Dissension and Party Discipline: The July 2005 Vote on Postal Privatization in Japan*

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This article examines party discipline and party cohesion or defection, offering as an illustration the rebellion over postal privatization in 2005 by members of Japan's Liberal Democratic Party (LDP). It explores the importance of party rules – especially the seniority rule and policy specialization for district rewards – as intervening variables between election rules and party defection in a decentralized and diverse party. It is argued that in such cases, party rules like seniority can help prevent defection. When these rules are changed, as in the postal case of 2005, defection is more probable, but it is found that the relationship between defection and seniority is likely to be curvilinear, and also that the curvilinearity is conditional upon each legislator's having different incentives for vote, policy and office.

Party discipline and party cohesion or dissension are important yet neglected related themes in the literature of the comparative study of parliamentary politics.[1] In parliamentary regimes, party discipline can be seen as one of the necessary conditions for the existence of responsible party government.[2] A cohesive, homogeneous political party in office can make governments stable and durable; a political party that contains legislators with a divergent set of interests and policy preferences should expect to face difficulties in making collective choices. Under the latter conditions, continuous partisan support is difficult to maintain, and this could lead to unstable voting behaviour and possibly to party splits and the further fragmentation of the party system. In these circumstances, the party leadership faces difficult decisions as to whether to punish rebellion *ex post* and how.

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[1] Party defection/discipline and cohesion/dissension inside a party are different concepts. However, as we will explore in detail later, throughout this article, we assume that 'dissidence against the party leadership' can contain a continuum of possible behaviour, ranging from the extreme of defection ('exit'), through public disagreement ('voice'), to going along with the party's wishes ('loyalty'). On this point, see Albert O. Hirschman, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States* (Cambridge, Mass.: Harvard University Press, 1970). For a political model using this idea, see Junko Kato, 'When the Party Breaks Up: Exit and Voice among Japanese Legislators', *American Political Science Review*, 92 (1998), 857–70. We acknowledge the help of an anonymous reviewer in clarifying this point.

[2] Shaun Bowler, David M. Farrell and Richard S. Katz, 'Party Cohesion, Party Discipline, and Parliaments', in David M. Farrell, Shaun Bowler and Richard S. Katz, eds, *Party Discipline and Parliamentary Government* (Columbus: Ohio State University Press, 1999), pp. 3–22.

Party discipline is one of the most important issues in legislative politics whether in parliamentary or other types of regimes. These concepts have been used in the study of roll call voting in the field of American politics, as well as in comparative legislative studies.[3] Many of these studies focus on the institutional and political factors conducive to cultivating intra-party cohesion and legislative heterogeneity that can harm a party's collective choice: electoral rules; the existence of particularism; and factionalism, ideological diversity and other intra-party dynamics.[4] Which political and institutional factors are likely to promote party cohesion and effective discipline? Who is likely to defect, and when do backbenchers decide to defy their own leaders? When a backbencher's re-election does not strongly depend on party label, do party rules affect who is likely to rebel against party leaders? If so, how? These are the questions we seek to answer in this article.

As in some previous analyses of the phenomenon of rebellion against the party leadership,[5] we explore these issues with a case from Japan, the party rebellion over postal privatization in 2005. In terms of party discipline, Japan is an interesting and puzzling case. The structure within the ruling Liberal Democratic Party (LDP) has been known to be very fragmented with factionalism and diverse policy preferences, both at least partially deriving from the country's unique electoral system before 1993: a single non-transferable vote (SNTV) in multi-member districts (MMDs). Under this system, legislators were preoccupied with constituency services and bringing 'pork' to local districts, and factional bosses engaged in competition over the party leadership. The electoral reform in 1993–94 introduced a mixed member system with single-member districts (SMD; 300 seats) and proportional representation (PR; 180 seats) into the most important chamber, the House of Representatives. This reform was expected to promote party-oriented voting and policy-based cohesive parties, but the factional fragmentation inside the LDP and particularism have never disappeared.[6] Despite these factors, however, legislators in the LDP have been sufficiently cohesive since 1955 to maintain their

[3] See, for example, Scott Morgenstern and Benito Nacif, eds, *Legislative Politics in Latin America* (Cambridge: Cambridge University Press, 2002).

[4] On electoral rules, see John M. Carey and Matthew S. Shugart, 'Incentives to Cultivate a Personal Vote: A Rank Ordering of Electoral Formulas', *Electoral Studies*, 14 (1995), 417–39; Simon Hix, 'Electoral Institutions and Legislative Behavior: Explaining Voting-Defection in the European Parliament', *World Politics*, 56 (2004), 194–223. On particularism, see Barry Ames, *The Deadlock of Democracy in Brazil* (Ann Arbor: University of Michigan Press, 2001); Scott W. Desposato, 'Parties for Rent? Ambition, Ideology, and Party Switching in Brazil's Chamber of Deputies', *American Journal of Political Science*, 50 (2006), 62–80; David J. Samuels, 'Incentives to Cultivate a Party Vote in Candidate-Centric Electoral Systems: Evidence from Brazil', *Comparative Political Studies*, 32 (1999), 487–518. On diversity inside a coalition, see Brian J. Gaines and Geoffrey Garrett, 'The Calculus of Dissent: Party Discipline in the British Labour Government, 1974–1979', *Political Behaviour*, 15 (1993), 113–35; George Tsebelis, *Veto Players* (Princeton, N.J.: Princeton University Press, 2002).

[5] Gary W. Cox and Frances Rosenbluth, 'Anatomy of a Split: The Liberal Democrats of Japan', *Electoral Studies*, 14 (1995), 355–76; Kato, 'When the Party Breaks Up'; Steven R. Reed and Ethan Scheiner, 'Electoral Incentives and Policy Preferences: Mixed Motives Behind Party Defections in Japan', *British Journal of Political Science*, 33 (2003), 469–90.

[6] Gary W. Cox, Frances McCall Rosenbluth and Michael F. Thies, 'Electoral Reform and the Fate of Factions: The Case of Japan's Liberal Democratic Party', *British Journal of Political Science*, 29 (1999), 33–56; Ellis S. Krauss and Robert Pekkanen, 'Explaining Party Adaptation to Electoral Reform: The Discreet Charm of the LDP?' *Journal of Japanese Studies*, 30 (2004), 1–34; Ethan Scheiner, *Democracy Without Competition in Japan: Opposition Failure in a One-Party Dominant State* (Cambridge: Cambridge University Press, 2005); Ethan Scheiner, 'Pipelines of Pork: Japanese Politics and a Model of Local Opposition Party Failure', *Comparative Political Studies*, 38 (2005), 799–823.

continuous rule for fifty years, with only a ten-month interruption in 1993–94, when a party split led to an opposition coalition taking power briefly and passing the electoral reform. The present analysis also tries to explain why, in 2005, for the first time since 1993, LDP legislators showed their dissension in a legislative arena *en masse*, in a way that led the party leadership to resort to the severest action it could take: splitting the party by expelling the dissenters.

In this article we examine in greater depth the importance of party rules (especially the seniority rule and policy specialization for district rewards) as intervening variables between election rules and party dissension in a decentralized and diverse party undergoing transition. We would argue that the literature ignores the potential intervening variable of party organizational and institutional rules that provide incentives for members of the party to vote with the party and to stay in it. Further, the existing literature does not specify *how* legislators optimize their behaviour according to their given resources and institutionally defined incentives. By focusing on party rules, we can forecast the exact conditions in which backbenchers are likely to be in conflict with the party leadership and what types of members would actually defy the leadership.

Even where party labels matter little for elections and potentials for intra-party fragmentation are large, party rules can prevent possible defection if they serve as bilateral exchange contracts in which each holds the other hostage. For example, backbenchers may make long-term commitments to the party in exchange for party leaders' providing them with access to policy-making posts. Each side's commitment is conditional upon continued 'good behaviour' (the hostage aspect). In this case,backbenchers get access to higher posts only if they continue to be loyal to the party and leaders get loyalty from backbenchers only if they continue to provide them with secure and semi-automatic promotion up the career ladder.

In such a situation, we suggest that conflict over the loyalty issue would become significant when party leaders try to change the existing rules of the game. Leveraging this theoretical insight, we then specifically discuss the various incentives of representatives at different stages of their careers, and apply our hypotheses to the Japanese case.

## THEORY

### *Personal Vote, Fragmentation and Party Rules*

We model individual legislators' defiance behaviour as an outcome of interactions between leaders and backbenchers.[7] When party leaders and backbenchers find themselves in conflict, the tension can lead individual legislators to choose from a range of actions on a continuum: they may simply succumb to the leadership, either because of potential punishment or reward; they may only indicate disapproval, privately or publicly, with the leadership's position; they may choose to take various types of stronger and more visible action, including voting against the leadership and risking punishment; or they may leave the party (i.e., defection).[8] In our empirical analysis below, we build aspects of this continuum of backbencher responses to their dissidence into our dependent variable.

[7] See John D. Huber, 'The Vote of Confidence in Parliamentary Democracies', *American Political Science Review*, 90 (1996), 269–82; Daniel Diermeier and Timothy J. Feddersen, 'Cohesion in Legislatures and the Vote of Confidence Procedure', *American Political Science Review*, 92 (1998), 611–21; Desposato, 'Parties for Rent?'

[8] Hirschman, *Exit, Voice, and Loyalty*; Kato, 'When the Party Breaks Up'.

We assume that the expected costs associated with these types of actions are common knowledge to all the members from past experience, and that they should usually expect reactions from the leadership to be proportional to what they had done. Being loyal to the party could be rewarded with a shortcut to better posts; minor types of defiance may result in some minor punishment, including less advantageous allocation to posts; and voting against the leadership in an important vote could result in the severest form of punishment, including expulsion from the party.[9] The leadership's threat of punishment may or may not be credible, but it is natural to assume that members may want to express their strong dissension by running the risks of sanctions from the party.[10]

How legislators calculate the risks is based upon the expected costs and benefits from rebelling, and these calculations should depend on their strategies to achieve a range of goals: vote maximization in their constituencies, legislation of their preferred policies and career promotion to desired offices. The general theoretical idea behind the existing literature assumes that legislators have unique utility functions based on different preferences that arise from some institutional arrangements.

First, being loyal to a party can improve the electoral prospect of a candidate if the party label matters greatly to voters in making voting decisions. However, under certain types of electoral rules, it does not necessarily improve the electoral prospects of a candidate. This occurs when personal support is highly relevant for voting decisions.[11] Where electors vote for individual candidates rather than party lists, cultivating personal support among the electorate becomes the most salient activity. One example is an open-list PR system employed in Brazil, where intra-party competition makes party labels only marginal in elections.[12]

Secondly, fragmentation inside a party matters. Given budget constraints, legislators with different interests should engage in turf wars for policy; and the result may be a policy division, for example between legislators elected from different regions.[13] A legislator may simply oppose or attempt to stop an unwanted bill submitted by the leaders for voter accountability and policy preference reasons; however, in an extreme case in which legislators see little prospect for the legislation of priority policy(-ies), they might want

[9] See Christopher Kam, 'Demotion and Dissent in the Canadian Liberal Party', *British Journal of Political Science*, 36 (2006), 561–74, on trade between party-line voting and posts.

[10] Note that the existing literature on defection, based on a strong assumption that a dissident is a 100 per cent resolute defector who takes the risk of defection behaviour, only looks at dichotomous results (defection or not) and neglects the possibility that dissension can take various forms.

[11] The literature on personal electoral connections is large. See, for example, Bruce E. Cain, John A. Ferejohn and Morris P. Fiorina, 'The Constituency Service Basis of the Personal Vote for U.S. Representatives and British Members of Parliament', *American Political Science Review*, 78 (1984), 110–25; Carey and Shugart, 'Incentives to Cultivate a Personal Vote'; Gary W. Cox and Mathew D. McCubbins, 'The Institutional Determinants of Economic Policy Outcomes', in Stephan Haggard and Mathew D. McCubbins, eds, *Presidents, Parliaments, and Policy* (Cambridge: Cambridge University Press, 2001), pp. 21–63; Brian F. Crisp and Scott W. Desposato, 'Constituency Building in Multimember Districts: Collusion or Conflict?' *Journal of Politics*, 66 (2004), 136–56; Brian F. Crisp, Maria C. Escobar-Lemmon, Bradford S. Jones, Mark P. Jones and Michelle M. Taylor-Robinson, 'Vote-Seeking Incentives and Legislative Representation in Six Presidential Democracies', *Journal of Politics*, 66 (2004), 823–46; Rachael E. Ingall and Brian F. Crisp, 'Determinants of Home Style: The Many Incentives for Going Home in Colombia', *Legislative Studies Quarterly*, 26 (2001), 487–512.

[12] Ames, *The Deadlock of Democracy in Brazil*; Desposato, 'Parties for Rent?'; Samuels, 'Incentives to Cultivate a Party Vote in Candidate-Centric Electoral Systems'.

[13] Barry R. Weingast, Kenneth A. Shepsle and Christopher Johnsen, 'The Political Economy of Benefits and Costs: A Neoclassical Approach to Distributive Politics', *Journal of Political Economy*, 89 (1981), 642–64.

to find opportunities in other parties to legislate it, i.e. to defect.[14] Such a dilemma may be aggravated by some organizational features that promote fragmentation inside parties, including factionalism.[15]

Here, we emphasize the incentives derived from the third and most important factor, that is, how parties offer party and government posts, legislative benefits and other types of privileged goods to their members through their rules.[16] Party rules can serve as bilateral contracts, whereby backbenchers and party leaders jointly achieve their disparate goals by mutually taking 'hostages' – long-term commitments to the party, on the one side, and access to privileges, on the other.[17] Such long-term commitments are available (i) when opportunities for career promotion are allocated to legislators along with a seniority rule, and (ii) when fragmentation-related grievances are addressed by fair portfolio management.

First, just as the lifetime employment practice in the stylized Japanese firm encourages a worker to stay in the same organization for future career promotion,[18] a seniority system forces legislators to commit to the party in the long term, because their benefits from staying in the party, such as access to the policy-making process and private pork-barrel goods, are strictly linked to their loyalty in the past.[19] Secondly, fairly proportional portfolio management mediates fragmentation. By allowing proportional participation in decision making through various means – for example, in a bottom-up decision-making process – this rule can mitigate the grievances of otherwise would-be dissidents.[20]

However, there are some factors that would shorten the legislators' time horizons. One is uncertainty regarding posts: for example, if leaders discretionarily handpick favoured legislators for some important posts, then junior legislators in particular could fear that long-term commitment to the party might not profit them.[21] Another is the existence of a viable alternative for career promotion: for example, a strong opposition party that is ideologically close enough might allow a potential rebel to be a 'pivotal actor', either by joining it or by forging a coalition with it.[22]

[14] Ames, *The Deadlock of Democracy in Brazil*; Robert Axelrod, *Conflict of Interest* (Chicago: Markham, 1970); Tsebelis, *Veto Players*.

[15] Gaines and Garrett, 'The Calculus of Dissent'.

[16] Mark P. Jones, 'Explaining the High Level of Party Discipline in the Argentine Congress', in Scott Morgenstern and Benito Nacif, eds, *Legislative Politics in Latin America* (Cambridge: Cambridge University Press, 2002), pp. 147–84.

[17] On bilateral contracts and the notion of mutual hostage-taking, see Oliver E. Williamson, 'Credible Commitments: Using Hostages to Support Exchange', *American Economic Review*, 73 (1983), 519–40.

[18] Masahiko Aoki, 'Toward an Economic Model of the Japanese Firm', *Journal of Economic Literature*, 28 (1990), 1–27.

[19] David C. Coker and W. Mark Crain, 'Legislative Committees as Loyalty-Generating Institutions', *Public Choice*, 81 (1994), 195–221; Sara Brandes Crook and John R. Hibbing, 'Congressional Reform and Party Discipline: The Effects of Changes in the Seniority System on Party Loyalty in the US House of Representatives', *British Journal of Political Science*, 15 (1985), 207–26.

[20] Octavio Amorim Neto and Fabiano Santos, 'The Executive Connection: Presidentially Defined Factions and Party Discipline in Brazil', *Party Politics*, 7 (2001), 213–34; Michael Laver and Kenneth A. Shepsle, 'How Political Parties Emerged from the Primeval Slime: Party Cohesion, Party Discipline, and the Formation of Governments', in Shaun Bowler, David M. Farrell and Richard S. Katz, eds, *Party Discipline and Parliamentary Government*, pp. 23–48.

[21] Kam, 'Demotion and Dissent in the Canadian Liberal Party'.

[22] Those members who assume 'pivotal positions' in a legislature are more likely to change their voting positions. See Keith Krehbiel, *Pivotal Politics: A Theory of U.S. Lawmaking* (Chicago: The University of Chicago Press, 1998).

Thus, our theory is that dissension can be contained to the extent to which leaders can utilize these three types of incentives: vote, policy and office – systematically related to Strøm's categorization of the three major goals of political parties.[23] We further argue that with the third incentive, office, the 'party rules' factor works as a crucial intervening variable between the incentives to cultivate a personal vote and policy/ideology dissensus inside a party, on the one hand, and defiance on the other. Even under electoral systems with persistent personal-vote elements, if coming back to a legislature means further access to government privileges, then sticking to the same party label can matter; if legislators are promoted to certain posts directly related to their local interests, then policy-seeking incentives can be internalized to the career structure.

We would also point out that it is only by focusing on party rules that we can resolve the existing literature's theoretical and empirical difficulties in explaining legislators' defiant behaviour. One of these is that the existing literature tends to ignore how different factors work when combined. That is why the previous work by Cox and Rosenbluth and Kato did not show that variables like the electoral strengths of legislators and factional affiliations work in predicted ways.[24] Reed and Scheiner carefully show that how these variables work is conditional upon the characteristics of legislators' districts (urban or rural) and their number of terms in the parliament (junior or senior).[25]

Related to the above, our approach differentiates similar but different concepts in the existing literature on the personal vote: incentives to cultivate the personal vote through a strategy of constituency services, on the one hand, and those with a strategy to specialize in policies to bring benefits to local districts, on the other.[26] Much of the personal vote literature assumes that they have the same origin – certain types of electoral systems in which intra-party competition is dominant and party labels matter less.[27] But in fact they are different, in that the latter are conditional on the access politicians may have to policy making. That access must be ultimately dependent on party rules providing a window of opportunity for politicians to convey their local interests to a national policy-making system. By contrast, constituency services and personal networks are distinctively different from pork-barrel benefits in that constituency services and personal networks require no access to policy-making mechanisms in the party. Rather, they are based on legislators' personal characteristics, such as personal assets, financial resources and local name recognition.

Finally, our approach will address a somewhat more Japan-specific empirical question: although the literature suggests that a highly fragmented party like the LDP should always be concerned about the problems of collective choice (as explained below), the LDP has

[23] Kaare Strøm, 'A Behavioral Theory of Competitive Political Parties', *American Journal of Political Science*, 34 (1990), 565–98.

[24] Cox and Rosenbluth, 'Anatomy of a Split'; Kato, 'When the Party Breaks Up'. The insignificance of electoral variables is even more puzzling because they look only at the extreme case of dissension–defection in 1993, when personal vote should have mattered most.

[25] Reed and Scheiner, 'Electoral Incentives and Policy Preferences'.

[26] One exception is made by Masahiko Tatebayashi, *Giin Kōdō no Seiji Keizaigaku: Jimintō Shihai no Seido Bunseki* [The Logic of Legislators' Activities: Institutional Analysis of LDP Dominance in Japan], (Tokyo: Yūhikaku, 2004 [in Japanese]), who implies that there was a trade-off between the constituency servicing and policy specialization strategies in pre-1994 Japan. He reveals the negative correlation between politicians' region-based vote-dividing strategy and the policy specialization likelihood in the same district.

[27] For example, Carey and Shugart, 'Incentives to Cultivate a Personal Vote'; Cox and McCubbins, 'The Institutional Determinants of Economic Policy Outcomes'.

achieved a high level of stability since its birth in 1955. This conservative party has been in office for fifty years, with only a minor interruption in 1993–94, while extreme cases of dissension have occurred only a few times.[28] The 2005 vote on postal privatization was exceptional in that a group of legislators voted against the LDP leadership en masse, for the first time since 1993. This is all the more notable considering the fact that, only five years ago, a similar event almost happened but the leadership was able to tame the would-be defectors led by Kōichi Katō with the threat to expel them from the party. LDP members also knew that the costs were very high, as Katō and subsequently his followers had a hard time getting access to posts at least until Koizumi became prime minister. Why did the 2005 event occur? Our answer is that the transformation of the existing party rules caused tension between party leaders and backbenchers.

*Proposition*

Our model on dissension has three implications. The first is about the different incentives contained in a seniority-based structure: we argue that, given a seniority rule and proportional portfolio management, different kinds of legislators – juniors, those in mid-career and seniors – have different incentives to maximize their electoral fortunes and political careers:

(1) *Juniors*: In their first or second terms in a legislative body, juniors concentrate on mobilizing votes as an investment in future higher policy positions. They can expect benefits from being loyal to the party, in so far as they can survive re-elections and the leadership guarantees in the foreseeable future promotion to policy-making posts that may help to improve their re-election prospects. Thus, they would rather focus on building personal networks in their districts to accumulate seniority.
(2) *Those in mid-career*: These moderately secure representatives concentrate on policy specialization, using their current policy positions to increase their electoral security and seniority even further. Being in mid-career, they can make more efficient use of their political resources, with substantial amounts of investment into some specific policy areas that might increase their electoral prospects. Thus, they would rather focus on policy activities.
(3) *Seniors*: These very electorally secure veteran politicians are likely to concentrate on their offices and party management to maintain their leadership. With their potential power to change and maintain institutions, they should try to sustain the status quo, as they have been promoted by the existing rule that now qualifies them for the party leadership. Thus they would rather focus on internal party and factional affairs.

The second implication is about timing: a conflict over party discipline is most likely to arise when party leaders try to centralize the policy-making process and change the strict

[28] Extreme cases only actually happened before 2005 in 1976 and 1993. Only the 1993 event resulted in the fall of the LDP from the government. In 1960, 1974, 1979–80 and 2000, the dissidents in the LDP had opportunities to show dissension, but in these cases they were just persuaded and/or they managed only to show their grievances at best.

seniority rule. We argue that the change of rules can be endogenous to the choice of those leaders who want to streamline the implementation of their own policy, and that such a change to the existing system would necessarily cause political tension between the leadership and those who have vested interests in it.[29]

Thirdly, in accordance with the above two points, different calculations arise when the rules change. We hypothesize that the group of dissidents in this case is likely to be a coalition of the three different types of legislators:

(1) *Ambitious juniors*, who see the opportunity costs of investing in their party increasing, when loosened seniority creates greater uncertainty regarding posts. Further, especially if there is a viable competing party whose ideology is not incompatible, there is an 'insurance' of a sort in that if the worst came to the worst, they could cross the aisle; the costs of sanction are also small because, being less integrated with the party, they have less to lose. Those electorally strong enough can afford to take the risk.
(2) *Mid-career policy seekers*, who have already made substantial investment in the party, so they know any negative consequences that might result from their dissidence would mean a huge loss. They dare to rebel only if they expect such high costs from the change that the value of the sunk costs in their campaigning strategies based on policy specialization and pork from their office-holding in the party would be undermined.
(3) *Antagonistic seniors*, who face decreasing career-related benefits from the party because their career is reaching saturation point; thus, they oppose to any institutional change that might harm their oligopolistic positions in party management. Especially if they are electorally secure, they have strong incentives to fight to preserve the status quo.

These considerations of how seniority combines with incentives lead us to hypothesize that the relationship between dissension against the party leadership on key legislation and seniority is curvilinear: more junior and more senior legislators are more likely to rebel against the party leadership if it tries to change the 'rules of the game' (see Figure 1). This is because juniors and seniors have greater incentives for career advancement (juniors outside the party and seniors within) and are less dependent on access to party posts for the resources to mobilize secure votes in their constituencies. However, 'mid-career policy seekers' are the ones whose future electoral prospects depend most heavily on being able to influence policy based on their party positions, compared to the other two types. Thus, other things being equal, they are more integrated within the party and less likely to defy the leadership, but will try to oppose it when they see it pushing through a policy decision that undermines their key policy preferences.

[29] Therefore, we would add to the functional 'party aggregation' argument that exogenous shocks to a system would eventually cause local politicians whose re-election and policy incentives would not otherwise coincide with the leadership to co-operate, because a 'provincialized' structure does not require party aggregation at the national level. See Pradeep K. Chhibber and Ken Kollman, *The Formation of National Party Systems: Federalism and Party Competition in Canada, Great Britain, India, and the United States* (Princeton, N.J.: Princeton University Press, 2004). We acknowledge the help of an anonymous reviewer in pointing out the relevance of this literature.

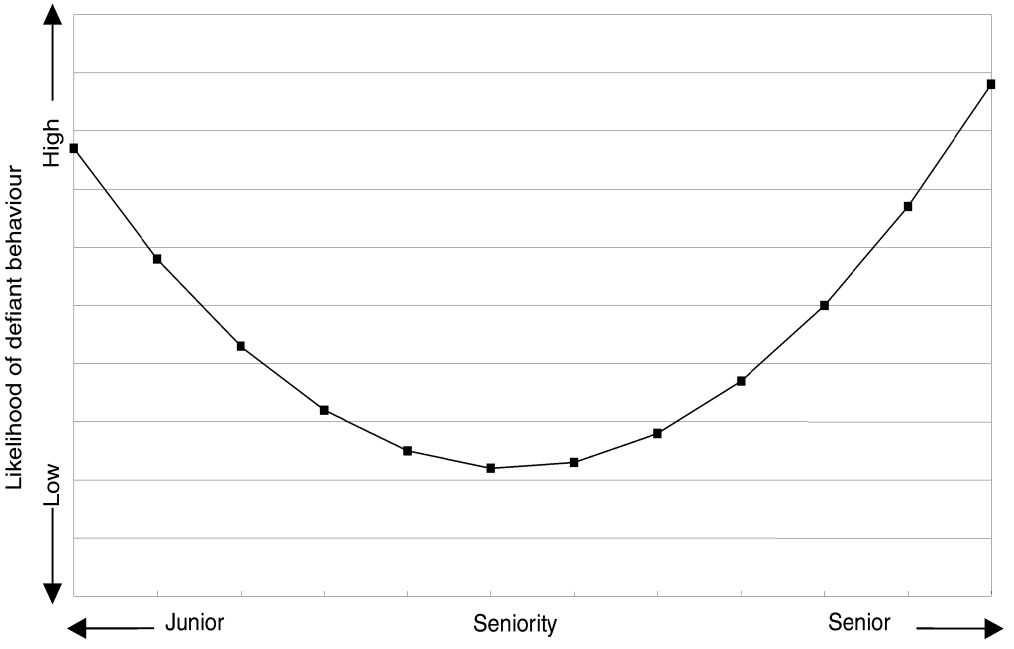


*Fig. 1. Hypothesized relationship between seniority and likelihood of defiance behaviour*

## THE JAPANESE CONTEXT

### *Personal Vote, Fragmentation and Party Rules in Japan*

In this section we first show that the institutional potential for party dissension is significantly large in Japan. The incentives to cultivate personal vote and intra-party fragmentation have been rampant even after the electoral reform in 1993–94. However, as we argued above, two types of party rules – seniority and proportional portfolio management – effectively kept down these externalities.

Before 1994, personalistic voting and clientelism were very salient in the Japanese electoral system, in which voters cast one single non-transferable vote to one of the candidates in multi-member districts (MMDs). This system forced a large party like the LDP to run multiple candidates to win a majority, and because several candidates from the same party were running in the same district candidates had to appeal as individuals to their constituency. Intra-party competition and unreliable party labels, combined with the strict regulations on electoral campaigning, forced each candidate to develop his/her own personal organizational networks, known as *kōenkai*.[30]

Another consequence of this unique electoral system was the need to specialize in policy areas where legislators could bring private policy benefits to targeted constituents. Many developed their policy expertise so that they formed 'policy tribes' (*zoku giin*) and

[30] Scott C. Flanagan, 'Mechanisms of Social Network Influence in Japanese Voting Behavior', in Scott C. Flanagan, Shinsaku Kohei, Ichiro Miyake, Bradley M. Richardson and Joji Watanuki, *The Japanese Voter* (New Haven, Conn.: Yale University Press,1991), pp. 143–97; J. Mark Ramseyer and Frances McCall Rosenbluth, *Japan's Political Marketplace* (Cambridge, Mass.: Harvard University Press, 1993), pp. 23–8.

became influential in the policy-making process.[31] Politicians utilized various tools to intervene in industry, provide favourable regulations and protective measures, and distribute pork benefits to districts. This local orientation of each legislator was the source of conflict over the public/private balance with party leaders, who had more public-orientated policy considerations.[32]

This fragmentation inside the LDP was further aggravated by factionalism. Political factions in Japan became salient when the two conservative parties (the Liberals and the Democrats) merged in 1955 and aspiring leaders needed to get a majority of votes at a party convention to win. Thus factional bosses needed to sign up as many new members as possible, and they tried to do so by offering new candidates endorsements, campaign finance and access to posts if they could assume leadership positions.[33]

Despite these factors promoting the disloyalty of backbenchers, party leaders in the LDP contained their grievances through the seniority rule and proportional portfolio management related to posts and the policy-making process, especially in the Policy Affairs Research Council (PARC), the LDP's most important policy deliberation body. First, for legislators to become *zoku giin*, they had to accumulate policy knowledge by intensive participation in meetings of the PARC's divisions (*bukai*) and Diet committees as well as relevant governmental activities. This was elaborately tied to the ladder-like seniority rule, in which legislators developed their career from rank-and-file committee/*bukai* members, through vice ministers in the cabinet or vice chairs of *bukai*, to chairs of committees and *bukai* and finally ministers and leadership positions. In this way, party leaders could discipline, educate and get their rank-and-file members into line.[34]

Secondly, policy making was effectively bottom-up and decentralized, in the sense that unanimity was required for passage in the party. Each of the members could have a potential veto power over any bill, as the norm was that, for the LDP to submit a bill to the Diet, it was necessary to pass the relevant *bukai*, the Policy Deliberation Commission (*Seichō Shingikai*) inside the PARC, a general meeting of the PARC and the General Council (*Sōmukai*) beforehand. From the late 1960s, *bukai* gradually worked as a sub-government like a committee in the US Congress, where specialized legislators exchanged legislative benefits to streamline the floor voting in the upper policy-making organizations.[35]

Thirdly, the fixed personnel rule was complemented by another form of proportional portfolio management, factional balance, which also gradually appeared after the late 1960s. Since then, the allocation of posts has been based on the factional bosses' recommendations, as well as the overall balance of factional sizes. Through this tacit rule,

[31] Takashi Inoguchi and Tomoaki Iwai, *Zoku Giin no Kenkyū* [The Study of Policy Tribes] (Tokyo: Nihon Keizai Shimbun Sha, 1987 [in Japanese]); Ramseyer and Rosenbluth, *Japan's Political Marketplace*, pp. 28–34.

[32] Ramseyer and Rosenbluth, *Japan's Political Marketplace*, pp. 50–7.

[33] Gary W. Cox and Frances Rosenbluth, 'The Electoral Fortunes of Legislative Factions in Japan', *American Political Science Review*, 87 (1993), 577–89; Gary W. Cox and Frances Rosenbluth, 'Factional Competition for the Party Endorsement: The Case of Japan's Liberal Democratic Party', *British Journal of Political Science*, 26 (1996), 259–69.

[34] Krauss and Pekkanen, 'Explaining Party Adaptation to Electoral Reform'.

[35] Seisaburō Satō and Tetsuhisa Matsuzaki, *Jimintō Seiken* [The LDP Administration] (Tokyo: Chūō Kōron, 1986 [in Japanese]).

bosses could maintain their factions for their own further promotion to party leadership positions, while bloody factional conflicts were moderated.[36]

The entire system survived the electoral reform in favour of a new mixed-member system, which theoretically called for policy-oriented, non-personal competition in elections.[37] In fact, various attempts were made to put an emphasis on the role of the cabinet office and the leadership so as to bring in nation-wide, public-oriented policies, but no reform could be successful without changing the internal structure of the party.[38] With the new electoral system still allowing for personal votes,[39] the unchanged party rules continued to provide the same old incentives for legislators to bring parochial benefits through policy-making organs, factional affiliations and various tools defined by their seniority-based posts.[40] Furthermore, at least until 2003 non-LDP parties were too fragmented to threaten the continuous rule of the LDP, giving very few incentives for potential dissidents in the LDP to consider switching.[41]

[36] Sadafumi Kawato, 'Jimintō ni Okeru Yakushoku Jinji no Seidoka'[The Institutionalization of Rules Governing Promotion in the LDP], *Hōgaku*, 59 (1996), 933–57 [in Japanese]; Sadafumi Kawato, 'Sinioriti Rūru to Habatsu: Jimintō ni Okeru Jinji Haibun no Henka' [The Development of Seniority and Interfactional Balancing Rules in the LDP], *Revaiasan*, Extra Issue (1996), 111–45 [in Japanese]; Satō and Matsuzaki, *Jimintō Seiken*.

[37] Raymond V. Christensen, 'Electoral Reform in Japan: How It Was Enacted and Changes It May Bring', *Asian Survey*, 34 (1994), 589–605; Gerald L. Curtis, *The Logic of Japanese Politics: Leaders, Institutions, and the Limits of Change* (New York: Columbia University Press, 1999), pp. 137–70; Steven R. Reed and Michael F. Thies, 'The Causes of Electoral Reform in Japan', in Matthew Soberg Shugart and Martin P. Wattenberg, eds, *Mixed-Member Electoral Systems: The Best of Both Worlds?* (Oxford: Oxford University Press, 2001), pp. 152–72.

[38] They are summarized in Masato Shimizu, *Kantei Shudō* [The Cabinet Office Initiative] (Tokyo: Nihon Keizai Shimbun Sha, 2005 [in Japanese]); Harukata Takenaka, *Shushō Shihai* [The Rule of Prime Minister] (Tokyo: Chūō Kōron Sha, 2006 [in Japanese]). Also see Aurelia George-Mulgan, 'Japan's "Un-Westminster" System: Impediments to Reform in a Crisis Economy', *Government and Opposition*, 38 (2003), 73–91; and her 'Japan's Political Leadership Deficit', *Australian Journal of Political Science*, 35 (2000), 183–202, for the weakness of prime ministers in Japan.

[39] Theoretically SMD systems do not necessarily completely eliminate the need for candidates to mobilize a personal vote. See Cain *et al.*, 'The Constituency Service Basis of the Personal Vote for U.S. Representatives and British Members of Parliament'. There is also ample empirical evidence that *kōenkai* survived: see Krauss and Pekkanen, 'Explaining Party Adaptation to Electoral Reform'; Ichiro Miyake, *Seitō Shiji no Kōzō* [The Structure of Partisan Support] (Tokyo: Bokutakusha, 1998 [in Japanese]); Masaki Taniguchi, *Gendai Nihon no Senkyo Seiji: Senkyo Seido Kaikaku wo Kenshōsuru* [Electoral Politics in Contemporary Japan: Analyzing the Electoral Reform] (Tokyo: Tokyo Daigaku Shuppankai, 2004 [in Japanese]). The PR portion of the mixed-member system only encouraged PR candidates to act as local candidates; except for pure PR members, losers in an SMD can be saved as so-called 'zombies' by the PR portion, where rank is determined by their vote margin from the SMD winner. For more elegant descriptions on this complicated system, see Margaret McKean and Ethan Scheiner, 'Japan's New Electoral System: La plus ça change …', *Electoral Studies*, 19 (2000), 447–77; Robert Pekkanen, Benjamin Nyblade and Ellis S. Krauss, 'Electoral Incentives in Mixed Member Systems: Party, Posts, and Zombie Politicians in Japan', *American Political Science Review*, 100 (2006), 183–93.

[40] See Scheiner, *Democracy Without Competition in Japan*, on how locally-oriented legislators maintained their clientelistic networks through the centralized fiscal structure of Japan, even after 1993–94. A rather journalistic account is available in Tomoaki Iwai, 'Shin "Zoku Giin no Kenkyū" ' [The New 'Study of Policy Tribes'], *Ekonomisuto*, 80 (2002), 33–7 [in Japanese]. Also see Ko Mishima, 'The Changing Relationship between Japan's LDP and the Bureaucracy: Hashimoto's Administrative Reform Effort and Its Politics', *Asian Survey*, 38 (1998), 968–85, for how *zoku giin* interrupted and ultimately halted Hashimoto's administrative reform initiative. On the continuous importance of factions, see Cox, Rosenbluth and Thies, 'Electoral Reform and the Fate of Factions'; Krauss and Pekkanen, 'Explaining Party Adaptation to Electoral Reform'.

[41] The largest opposition party in 1996 was the New Frontier Party, which gained 156 seats, or 31.2 per cent of the total lower-house seats, but the party was soon split. The Democratic Party of Japan emerged as a new force, but it also failed to gain a substantial portion in the 2000 election: 127 seats, or 26.5 per cent.

*The 2005 Vote*

The situation changed in the 2003 election, the third election since the electoral reform. In this election, the new main opposition party, the Democratic Party of Japan (DPJ), a relatively centrist party partially composed of former defectors from the LDP in 1993, increased its seats by 50 per cent to 177 seats, or 36.9 per cent of the total lower-house seats. This was a particular challenge to the LDP because, unlike the old system where the chief opposition party had been quite ideologically leftist, the DPJ's policies, as revealed in its party manifestos, were often not far from those of the LDP and appealed to 'median voters', especially in the urban areas.[42] The DPJ thus constituted a potential alternative as an option of last resort for those thinking of defecting or who had been punished for dissidence by expulsion, especially for junior representatives who had few 'sunk costs' in the LDP and occupied secure electoral districts.

This increased competition with the rising DPJ led Koizumi, a new LDP leader, who became prime minister in April 2001, to realize the need to take a clear policy position and to pursue his own structural reform. Like his predecessors, he embarked on reform to centralize the power of the cabinet office, but in this case he also changed the internal structure of the LDP. Two strategies can be distinguished. First, he bypassed the policy-making organs in the LDP. Utilizing the Council on Fiscal and Economic Policy (CFEP, or *Keizai Zaisei Shimon Kaigi*), a cabinet-led agenda-setting body established in 2001 but which had been irrelevant in making fiscal policy, Koizumi, his team and the government coalition party, the Kōmeitō (Clean Government Party), discussed and shaped the most important policies in the cabinet without the influence of backbenchers. Several policies were then formalized without any input from backbenchers and were sent to the LDP's formal policy-making bodies for *ex post facto* passage.

Secondly, to streamline the party and policy matters further, Koizumi loosened the old system of personel management. Some of the important party/government posts were allocated relatively independently of the influence of factions to Koizumi's favourite legislators. Some of the young members were thus allowed to jump up the career ladder,[43] while members with strong factional affiliations in local areas were intentionally avoided.[44]

It was no wonder that these moves were greeted by a rising chorus of opposition from backbenchers, especially from *zoku giin* and the senior members of big factions. *Zoku giin* felt their sunk costs in their specialized policy areas had been eroded by Koizumi; and the big-faction members felt the new type of politics was undermining their career-related privileges. But, utilizing the popularity he had gained among the general public, fostered

[42] In fact, individual members were ideologically similar to the LDP. See Mari Miura, Kap-Yun Lee and Robert J. Weiner, 'Who Are the DPJ? Policy Positioning and Recruitment Strategy', *Asian Perspective*, 29 (2005), 49–77.

[43] The average number of terms served by LDP members in the cabinet was radically decreased from 7.41 (the 1997 Hashimoto cabinet) and 7.45 (the 2000 Obuchi cabinet) to 5.18 (the 2002 Koizumi cabinet). Four of the important party posts were distributed to Koizumi's favourites, including Shinzō Abe, who became Secretary-General when he had experienced only three terms in the lower house, although traditionally only the most senior members could assume this powerful post.

[44] The Hashimoto faction, the biggest faction, did not get any of the big four posts in the LDP until 2003 with Koizumi as prime minister, although the faction had always secured one or more of the big four posts between the late 1970s and 2001.

by the growing importance of television,[45] Koizumi could force many dissatisfied members to accept the changes.[46]

The culmination of the conflict between Koizumi and traditional members finally came when Koizumi's reforms touched upon the Post Office, one of the policy issue areas in which some LDP legislators specialized as *zoku giin*,[47] Koizumi's own personal long-term pet reform project. Specifically, post office *zoku giin* would never accept privatization: first, local post officers provided one of the strongest vote-catching networks; and, secondly, the tremendous amount of money deposited as postal savings had been traditionally operated under the 'Fiscal Investment and Loan Programs' (*Zaisei Tō Yūshi*), often targeted at unproductive public works projects that were essentially political 'pork'. The Koizumi cabinet argued that the reform would pump trillions of yen into private markets and ultimately reduce public investment.

In September 2004, Koizumi's economic-policy team and bureaucrats drafted a bill on privatization, without input from LDP backbenchers. The postal *zoku giin* and factional bosses formed the Postal Service Forum (*Yūsei Jigyō Konwakai*) with more than ninety legislators in an attempt to act collectively against Koizumi. But Koizumi continued to ignore the dissident group inside the party, and the bill was finalized and sent to the General Council of the LDP for passage in April 2005. Not surprisingly, the Council could not unanimously accept the privatization bill, but a final vote was suddenly taken despite the lack of consensus and it was submitted to the Diet for legislation. Simultaneously, to put pressure on the resisters who threatened to defeat the bill, an outcome that would force Koizumi from office, he signalled he would sanction dissidents.[48]

The final vote was called on 5 July 2005 in the Lower House of the Diet. The bill got through the Diet with only a slight majority: 233 to 228. The bill was then sent to the upper house, but defectors prevented the bill's passage there and Koizumi carried out his promise to dissolve the lower house and deny party endorsements to the defectors. He even sent endorsed 'assassins' (*shikyaku*) to the defector's districts to try to defeat them in the election.[49] Those who had voted against the bill expressed shock and indignation at these moves,[50] so giving an impression that the dissidents did not expect any sanction from the party. If so, one might argue, their voting had really been sincere in terms of policy preferences and not based on strategic calculations of votes and office. True, we cannot know what was in their minds at the time of the vote, but there is a fair amount of evidence that they could have been expected to know that the possible consequences of their action included being ousted from the party and even that assassins would be sent to their

[45] Ellis S. Krauss and Benjamin Nyblade, ' "Presidentialization" in Japan? The Prime Minister, Media and Elections in Japan', *British Journal of Political Science*, 35 (2005), 357–68.

[46] Koizumi even strategically used the mass media to label the antagonistic force inside his own party as the 'resistance force' (*teikō seiryoku*) obstructing the reform. Many feared being labelled so, for electoral reasons.

[47] Patricia L. Maclachlan, 'Post Office Politics in Modern Japan: The Postmasters, Iron Triangles, and the Limits of Reform', *Journal of Japanese Studies*, 30 (2004), 281–313.

[48] Koizumi continued to imply that he would dissolve the lower house (*Sankei Shimbun*, 2 April 2005, p. 1; *Sankei Shimbun*, 17 May 2005, p. 1), and two-thirds of LDP members believed that he would surely dissolve it (*Sankei Shimbun*, 4 June 2005, p. 1).

[49] Koizumi dissolved the House of Representatives (HOR) even though the bill passed it and could not pass the HOC, because Japanese prime ministers can only dissolve the HOR. The rationale for this move was to offer the general voter a yes-or-no vote on the bill and Koizumi.

[50] For example, *Mainichi Shimbun*, 9 August 2005, p. 2.

TABLE 1 *Factional Balance, June 2005*

| Faction | Number of members | % of members | Number of loyalists | Number who were persuaded | Number who abstained | Number who defected |
|---|---|---|---|---|---|---|
| Hashimoto | 50 | 20.16% | 15 | 17 | 2 | 16 |
| Mori | 50 | 20.16% | 48 | 1 | 0 | 1 |
| Horiuchi | 34 | 13.71% | 18 | 8 | 5 | 3 |
| Kamei | 29 | 11.69% | 10 | 6 | 1 | 12 |
| Yamasaki | 26 | 10.48% | 20 | 3 | 2 | 1 |
| Kōmura | 12 | 4.84% | 8 | 3 | 1 | 0 |
| Ozato | 12 | 4.84% | 11 | 1 | 0 | 0 |
| Kōno | 9 | 3.63% | 7 | 1 | 0 | 1 |
| Nikai | 4 | 1.61% | 3 | 1 | 0 | 0 |
| Independents | 22 | | 15 | 3 | 1 | 3 |
| Sum | 248 | | 155 | 44 | 12 | 37 |

districts.[51] In addition, our model is based on calculated risks and differentiates behaviours other than the two extreme outcomes – resolute defection or not – and therefore should apply whether the rebels knew for certain that they would be punished or not.

In the following analysis, we focus on the lower-house dissidents. Of the 248 members of the LDP at the time of the vote, thirty-seven voted against the bill, and twelve abstained.[52] Of the dissident members who joined in the anti-Koizumi forum, forty-four were finally persuaded to vote for the bill (see Table 1).[53] So, interestingly, we can see that the dissidents' motives were different: some did not mind being expelled from the party; others only showed their opposition implicitly, and others calculated their expected costs from dissension as very high. Our theory on different incentives will be tested to predict these different behavioural patterns.[54]

[51] As the vote approached, the leadership implied that it would give no endorsement in the next election (*Mainichi Shimbun*, 27 June 2005, p. 2; *Sankei Shimbun*, 2 July 2005, p. 4). We know that at least some possible rebels received specific threats from the LDP leadership: some changed their minds and voted for the bill because they knew expulsion or other types of sanction would be a huge loss (*Yomiuri Shimbun*, 2 July 2005, p. 2; *Yomiuri Shimbun*, 5 July 2005, p. 3). One defector even revealed in an interview that the party leadership had told him on the very morning of 5 July that the party would not give him an endorsement and would support the party's candidate in his district (*Tokyo Shimbun*, 10 July 2005, p. 3). Since these were reported in the media, it is plausible to believe that all or at least many potential rebels were aware of these threats, and thus the possible consequences of their actions.

[52] *Asahi Shimbun*, 6 July 2005, p. 1. Technically, the LDP had 250 Lower House members in total in July 2005, but two could not be present because one was bed-ridden (Seisaburō Nakamura) and the other was in a foreign country (Toshitsugu Saitō). We have excluded them from the analysis.

[53] *Asahi Shimbun*, 6 July 2005, p. 4.

[54] Although not directly relevant to our arguments, readers may be interested in more recent developments involving the rebels. In December 2006, a dispute emerged about whether the former rebels should be allowed to return to the party. As the House of Councillors July 2007 election approached, some leaders in the LDP, especially those in the HOC, started to demand that the LDP should recall ex-LDP members to increase the LDP's electoral strength (*Nihon Keizai Shimbun*, 29 May 2006, p. 2). The former 'assassins' did not like the idea, as they had challenged the rebels in the election and knew there would be endorsement conflicts in the next HOR election. Also, public opinion was generally critical of the return. Abe Shinzō, Koizumi's successor as party president and prime minister, and the new party leadership were ambivalent about the issue (*Nihon Keizai Shimbun*, 24 October 2006, p. 2). Despite this internal division, the LDP finally decided to let those who submitted themselves to strict

## DATA AND ANALYSIS

### *Hypotheses*

The previous section has reviewed how the Japanese electoral system generated externalities, how the LDP tried to internalize those externalities by using some party rules, and how Koizumi destroyed those rules. Our theoretical arguments first predict that the likelihood of defiance should be a curvilinear function of seniority: it should be high for junior and senior members.

HYPOTHESIS 1. The likelihood and intensity of defiant behaviour should be a curvilinear function of seniority, keeping the other factors constant.

We further argue that defiance is likely to arise from different incentives. As we identified, a group of the dissidents may be composed of three different types: ambitious juniors, mid-career policy seekers and antagonistic seniors. Specifically:

HYPOTHESIS 2. If junior legislators were electorally strong and belonged to the anti-Koizumi factions, then the likelihood and intensity of their defiant behaviour would be greater.

HYPOTHESIS 3. If mid-career legislators had great amounts of policy investments in the Post Office, then the likelihood and intensity of their defiant behaviour would be greater.

HYPOTHESIS 4. If senior legislators led the anti-Koizumi factions, then the likelihood and intensity of their defiant behaviour would be greater.

## DATA AND METHODS

Our own J-LOD database[55] includes all the 248 LDP House of Representative members who participated in the July floor voting. Of these, 181 were elected to SMDs in the 2003 elections, while sixty-seven were elected in closed-list PR blocs. Of the sixty-seven, thirty-five were 'zombies' who revived in the regional PR portions of the election. Of the remaining thirty-two pure-PR candidates, fifteen had *kōenkai* in SMDs: some signed 'Costa Rica' agreements with other candidates, whereby they alternate SMDs and PR.[56]

*(F'note continued)*
requirements return to the party. The conditions included writing an essay repenting of anti-party misdeeds, stating that they supported postal privatization and promising not to oppose the party in the future.

Some interpret the party's action as an indication of its return to its pre-Koizumi days. Indeed, Prime Minister Abe's popularity among the public has dropped as a result; but it should be noted that previously when conservative independents had challenged LDP candidates and won, they had afterwards been admitted to the party unconditionally. The stringent conditions for re-admission this time can also be seen as a sign of the more centralized party leadership after Koizumi (*Nihon Keizai Shimbun*, 11 November 2006, p. 2). Eleven of the twelve former rebels who had applied for re-instatement submitted to the requirements and were allowed to return to the party on 4 December 2006.

[55] Krauss and Pekkanen's Japan Legislative Organization Database [J-LOD]. It includes all LDP Diet Members in 1980–2006, with their constituency characteristics, personal backgrounds, election results, and all their party, legislative and executive posts from 1986 to 2006. The primary source is *Seiji Handobukku* (Tokyo: Seiji Kōhō Sentā, various years) and *Seikan Yōran* (Tokyo: Seisaku Jihōsha, various years).

[56] The 1994 electoral reform and the resultant redistricting created the co-ordination problem. The problem was easily solved if some candidates had few regional overlaps in the old district, while it was hard if candidates' kōenkai were regionally overlapped. In some of the latter cases, two candidates agreed that one would run in an SMD and the other in PR in one election and vice versa in the next.

Others were allowed to run in PR blocs because of the redistricting in 2003. Therefore, in 2005 the LDP had only seventeen PR-elected members in the pure sense.

Our dependent variable is *Zouhan*, which means 'rebellion' in Japanese and measures a member's response to the privatization bill. Based on the notion that dissension is in a continuum, it scores 3 if the member voted against it; 2 if the member abstained; 1 if the member showed his/her oppositional attitudes by participating in the anti-Koizumi Postal Service Forum but was later persuaded to vote for it; and 0 otherwise. Our dependent variable is ordinal with clear ranking and mutual dependence, ranging from strong defiance (voting against Koizumi) to no defiance (just following Koizumi); so ordered logit models are appropriate to estimate the effects of our explanatory variables.[57]

Our structural model can be written as:

$$y_i^* = x_i\beta + \varepsilon_i$$

where $x$ are certain measurable factors, $y^*$ denote unobservable dependent variables, and $i$ is the observation, with a vector of the estimators ($\beta$) and random errors ($\varepsilon$). We estimate the probabilities that $y_i$ is in a certain range within the four ordinal categories. Specifically,

$$\begin{aligned}
&\text{Prob } (y = 0|x) = \Phi(\mu_1 - x\beta),\\
&\text{Prob } (y = 1|x) = \Phi(\mu_2 - x\beta) - \Phi(\mu_1 - x\beta),\\
&\text{Prob } (y = 2|x) = \Phi(\mu_3 - x\beta) - \Phi(\mu_2 - x\beta),\\
&\text{Prob } (y = 3|x) = 1 - \Phi(\mu_3 - x\beta).
\end{aligned}$$

where $\Phi(\cdot)$ is a cumulative distribution function assumed to be logistic and $\mu_i (i = 1,2,3)$ are unknown threshold parameters that are to be estimated with $\beta$.

In the light of our hypotheses, our primary independent variables should proxy legislators' electoral strength, policy incentives on the post office and career prospects. As to the electoral strength, we will use *Strength* and *PR*. *Strength* measures the electoral strength of each member, calculated as the log of a member's vote share divided by the best competitor's vote share.[58] We use primarily the 2003 election data to create this variable. However, as shown above, there were many members elected under PR in 2003 who were not PR candidates in the pure sense. For them, we use the electoral results in 2000 to calculate *Strength*. As we cannot construct equivalent data on the seventeen pure-PR candidates, we run separate models that include a *PR* dummy variable. The coefficient for *Strength* should be positive, and the size of the coefficient should increase for junior legislators; *PR* should be negative as party leaders monopolize the power to endorse and rank pure-PR candidates.

To measure the policy deviance from Koizumi on the Post Office issue, we have created *Zokupoint*. *Zokupoint* measures the extent of policy specialization in the postal services. This was calculated as follows: (1) we traced the records on all the posts that the 248 members had assumed in the past; (2) they received the score of 1 if they had served as Post Office Standing Committee Vice Chair, PARC Post Office *Bukai* Vice Chair, and Post Office Vice Minister at some time in the past, and similarly, the score of 2 if they had been Post Office Standing Committee Chair, PARC Post Office *Bukai* Chair, and Post Office

[57] On this point, see William H. Greene, *Econometric Analysis*, 5th edn (Upper Saddle River, N.J.: Prentice Hall, 2003), pp. 736–40.

[58] Therefore, for an SMD winner, *Strength* represents the margin between him/her and the best loser. For a 'zombie' saved by PR, *Strength* becomes negative, meaning the distance between him/her and the winner.

Minister; and (3) we simply added all the scores. As the ministry structure was changed in 2001, we looked at the Ministry of Internal Affairs and Communications and the corresponding committee and *bukai* when calculating the post-2001 scores. Technically, the variable can range from 0 to 9, but nobody scored more than 6 – Shōzaburō Jimi scored 6, as he had held all the two-point posts: PARC Post Office *Bukai* Chair in 1993, Post Office Standing Committee Chair in 1995, and finally Post Office Minister in 1997. We predict that this variable should have a positive impact on *Zouhan*, but mid-career legislators with the larger policy commitment should show the greater likelihood and intensity of defiance behaviour.

The career prospects are measured by *Antikoizumi* and *Terms*. A dichotomous variable, *Antikoizumi* is coded 1 if a member belonged to one of the big three factions (Kamei, Hashimoto and Horiuchi); 0 otherwise.[59] We expect that, while this variable can have an independent effect on *Zouhan*, it should also work in two ways. First, the bosses of these large factions who had had advantages in career promotion should be frustrated by Koizumi's anti-factional politics. Secondly, juniors should be more uncertain about their expected posts, both because they would have to wait fifteen to twenty more years to get posts and because their anti-Koizumi affiliations should further increase the discount ratios of the future posts. Therefore, the effect should be strengthened for junior and senior legislators.

*Terms* is also used for measuring a member's career possibilities inside and outside the LDP. *Terms* simply measures the number of terms served by a member in the Diet. To test the curvilinear hypothesis, we will also include $Terms^2$. Our curvilinearity hypothesis suggests that the coefficient for *Terms* should be negative, while $Terms^2$ should have a positive coefficient. In addition, where appropriate, we use simple dichotomous variables: *Young* (1 if *Terms* is three or less, and 0 otherwise); *Senior* (1 if *Terms* is seven or more, and 0 otherwise).

It is important to repeat here that we are interested not only in the individual effects of these explanatory variables, but also in the conditional effects. In other words, each explanatory variable will work differently depending upon a legislator's given situation: for example, young politicians will care less about their policy investment than the electoral prospects. To test these implications, we employ interactions terms. We also show graphical outputs based on simulation results to clarify complex relationships.

Control variables include *Age* (in years), *DID*, *Localpolitics* and *Nisei*. Physically young legislators may be more able to take advantage of mobility in the political market. To capture the rural bias of the LDP, *DID* is included.[60] It measures the level of urbanization of a legislator's SMD: the percentage of the population residing in 'densely inhabited districts' as defined by the Japanese government's census bureau.[61] The value ranges from 0 to 1, and a higher score means that the district is more urbanized. For the pure-PR candidates, we calculated the *DID* ratio of each PR bloc. A dichotomous variable, *Localpolitics* measures 1 if a member previously served as either a member of a local

[59] In fact, the big three were the Hashimoto, Mori and Horiuchi factions as of June 2005, but we do not include the Mori faction in the big three as it was the mainstream – Koizumi was from the Mori faction.

[60] Scheiner, *Democracy Without Competition in Japan*; Scheiner, 'Pipelines of Pork'.

[61] Technically, *DID*s are those areas that satisfy two conditions: first, they should have a population density of more than 4,000 people per square kilometre; and, secondly, they should have a population of more than 5,000 people. The *DID* ratio is now a commonly used urbanization index, for example as used by Scheiner, *Democracy Without Competition in Japan*. The data is available at Taku Sugawara's website (http://freett.com/sugawara_taku/data/2003did.html). We thank Taku Sugawara for making this data public.

TABLE 2 *Summary Statistics and Predicted Signs for Major Variables*

| Variable | Obs | Mean | Median | S.D. | Min. | Max. | Predictions |
|---|---|---|---|---|---|---|---|
| *Strength* | 233 | 0.16 | 0.10 | 0.19 | − 0.54 | 0.86 | + ; and the coefficient would increase if *Terms* is low (1–3) |
| *Zokupoint* | 248 | 0.45 | 0 | 0.95 | 0 | 6.00 | + ; and the coefficient would increase if *Terms* is in the middle (4–6) |
| *Antikoizumi* | 248 | 0.45 | 0 | 0.50 | 0 | 1.00 | + ; and the coefficient would increase if *Terms* is low and high (7 + ) |
| *Terms* | 248 | 4.16 | 3.00 | 2.80 | 1 | 15.00 | Curvilinear; and the curve would get steeper if *Antikoizumi* is 1 |
| *Age* | 248 | 55.82 | 56.00 | 9.77 | 29.00 | 79.00 | − |
| *DID* | 248 | 0.55 | 0.53 | 0.28 | 0.08 | 1.00 | − |
| *Localpolitics* | 248 | 0.31 | 0 | 0.46 | 0 | 1.00 | + |
| *Nisei* | 248 | 0.38 | 0 | 0.49 | 0 | 1.00 | + |

assembly or a local governor; 0 otherwise. Local politicians could be advantaged in terms of their close connections with voters, as well as their names being recognized by local voters. Another dichotomous variable, *Nisei*, is included: it is coded 1 for members who inherit *kōenkai* in their districts as hereditary assets from their father, brother or other relative who had previously served in the Lower House; 0 otherwise. As *kōenkai* is so costly, establishing them from scratch requires great amounts of money and energy; members are advantaged when they already have their own *kōenkai*.[62] Summary statistics and predicted signs are provided in Table 2.

## ANALYSIS

Table 3 reports the results of our basic models. In Models 1 and 2, we use the members who ran in the 2003 and/or previous elections as SMD candidates, while in Models 3 and 4 we include all the members. *Terms* and $Terms^2$ are used as career variables in Models 1 and 3, while Models 2 and 4 use *Young* and *Senior* dummies. As these models show, *Terms* and $Terms^2$ show better fits than the simple dichotomous variables in terms of the significance of the variables and the explicability of the entire models, so we will use the former variables in the next models.

Most of our main explanatory variables show the expected signs: electorally strong legislators were likely to defy; the policy investments in the past negatively affected party discipline; members from disadvantaged factions were likely to defy; and the relationship between seniority in the party and defiance behaviour is curvilinear. The variable *PR* does not work, as its coefficients are inconsistent in terms of the signs and are insignificant. This

[62] We thank Naoko Taniguchi for sharing this data.

TABLE 3 *Basic Ordered Logit Estimates for Zouhan*

| | | Model 1 (excluding the pure-PR members) | Model 2 (excluding the pure-PR members) | Model 3 (all the members) | Model 4 (all the members) |
|---|---|---|---|---|---|
| Electoral variables | *Strength* | 1.32 | 0.72 | | |
| | | (0.89) | (0.83) | | |
| | *PR* | | | − 0.16 | 0.073 |
| | | | | (0.51) | (0.50) |
| Policy variable | *Zokupoint* | 0.40** | 0.30* | 0.36** | 0.28* |
| | | (0.16) | (0.15) | (0.15) | (0.15) |
| Career variables | *Antikoizumi* | 2.01*** | 1.89*** | 2.09*** | 1.99*** |
| | | (0.32) | (0.31) | (0.31) | (0.30) |
| | *Terms* | − 0.76*** | | − 0.63*** | |
| | | (0.20) | | (0.19) | |
| | $Terms^2$ | 0.045*** | | 0.038*** | |
| | | (0.015) | | (0.014) | |
| | *Young* | | 0.97** | | 0.81** |
| | | | (0.40) | | (0.38) |
| | *Senior* | | 0.14 | | 0.13 |
| | | | (0.47) | | (0.46) |
| Controls | *Age* | 0.057*** | 0.032* | 0.044** | 0.025 |
| | | (0.021) | (0.019) | (0.019) | (0.018) |
| | *DID* | − 0.22 | − 0.44 | − 0.48 | − 0.55 |
| | | (0.58) | (0.57) | (0.53) | (0.53) |
| | *Localpolitics* | − 0.56 | − 0.49 | − 0.47 | − 0.46 |
| | | (0.36) | (0.36) | (0.34) | (0.34) |
| | *Nisei* | − 0.22 | − 0.23 | − 0.13 | − 0.17 |
| | | (0.34) | (0.33) | (0.32) | (0.32) |
| Cutpoints | 1 | 2.76 | 3.60 | 2.12 | 3.01 |
| | | (1.09) | (1.27) | (1.00) | (1.18) |
| | 2 | 3.82 | 4.64 | 3.25 | 4.11 |
| | | (1.11) | (1.28) | (1.02) | (1.19) |
| | 3 | 4.23 | 5.03 | 3.64 | 4.50 |
| | | (1.11) | (1.29) | (1.02) | (1.20) |
| Observations | | 231 | 231 | 248 | 248 |
| Pseudo $R^2$ | | 0.15 | 0.13 | 0.15 | 0.13 |
| Log likelihood | | − 198.25 | − 203.42 | − 217.69 | −221.73 |

*Note:* Standard errors in parentheses. ***$p < 0.01$, **$p < 0.05$, *$p < 0.1$.

is partly because the variable *Antikoizumi* predicts almost perfectly the defiance behaviour for the pure-PR members: of the seventeen pure-PR members, three voted against Koizumi and one abstained. These four defiant members were not postal *zoku giin* but all belonged to the Hashimoto and Kamei factions.

Note that the electoral variables are insignificant, while the policy and career variables show significance. However, as we explained above, we have theoretical reasons to believe that the electoral strength should have mattered, and how it actually does so should be conditional upon legislators' terms. This will be revealed in the next models utilizing interactions.

Before we proceed to interaction models, it is worth looking at the curvilinear relationship and how it mediates the effects of the other explanatory variables graphically. We performed 1,000 simulations based on Model 1 in Table 3, using CLARIFY.[63] What we try to do is to see how change in some explanatory variables affects Pr(*Zouhan* = 3), with the other variables kept constant at median. The lines in Figure 2 indicate the 95 per cent intervals.

First, our Hypothesis 1 is graphically confirmed. As can be seen in Figure 2a, the likelihood of voting against Koizumi is the highest among legislators with only one term (mean = 0.15), gradually decreases to the local minimum – legislators with eight terms (mean = 0.018) – and goes up if a legislator is in the ninth term or more. Secondly, the curvilinearity is conditional upon the other explanatory variables: as shown in Figures 2b and 2c, *Strength* and *Antikoizumi* have the effect of making the curve steeper. This is more than the effects of treatment, as for example shown in Figure 2c, where the shallow curve of a control group gets deeper: the average anti-Koizumi first-term legislator now votes against Koizumi with probability 0.54, while the average anti-Koizumi eighth-term legislator does so at 0.11. Thirdly and relatedly, the figures show the predicted interaction effects. Figure 2b suggests that the variable *Strength* pushes the probability of voting against Koizumi upward, especially among legislators with one to three terms. The variable *Antikoizumi* has similar effects, but this time they are larger among junior and senior members.

The variable *Zokupoint* also has the expected effects, as shown in Figures 2d and 2e. Keeping the other variables constant at the median value, *zoku giin* overwhelms young legislators in terms of the likelihood of voting against Koizumi (Figure 2d). Senior *zoku giin* are more likely to vote against Koizumi than junior legislators, although there is no significant difference between mid-career and senior *zoku giin* (Figure 2e). This point, which sounds somewhat unsatisfactory in the light of our Hypothesis 3, will be tested with refined models incorporating interaction terms.

With these graphical findings in mind, we proceed to models incorporating interaction. Models 5 to 8 in Table 4 add interaction terms between the three explanatory variables (*Strength*, *Zokupoint* and *Antikoizumi*) on the one hand and *Terms* and $Terms^2$ on the other. Throughout the models, the interaction terms are statistically significant. This suggests that our theoretical considerations are confirmed: how the electoral, policy and career variables worked for legislators' calculations was conditional upon their career-ladder positions in the party.

Specifically, the coefficients for the interaction terms suggest that the effects of *Strength*, *Zokupoint* and *Antikoizumi* on *Terms* reach the extreme points when *Terms* is around four to six – the middle of the career. Given the coefficients we have, we can interpret the findings as follows: the effects of the electoral strength on *Zouhan*, conditional on *Terms*, are positive when *Terms* is one and two; the effects of policy investments on defiance behaviour are only marginal among legislators with one to two terms, but substantially increase if they experienced three to seven terms in the Diet; and, although legislators in the three big anti-Koizumi factions were likely to defy the leadership whoever they were, they were much more likely to do so, if they had experienced only one or two terms, or, ten or more terms, in the Diet.

[63] Michael Tomz, Jason Wittenberg and Gary King, *CLARIFY: Software for Interpreting and Presenting Statistical Results*, Version 2.1 (Stanford University, University of Wisconsin and Harvard University, 2003). Available at http://gking.harvard.edu/.

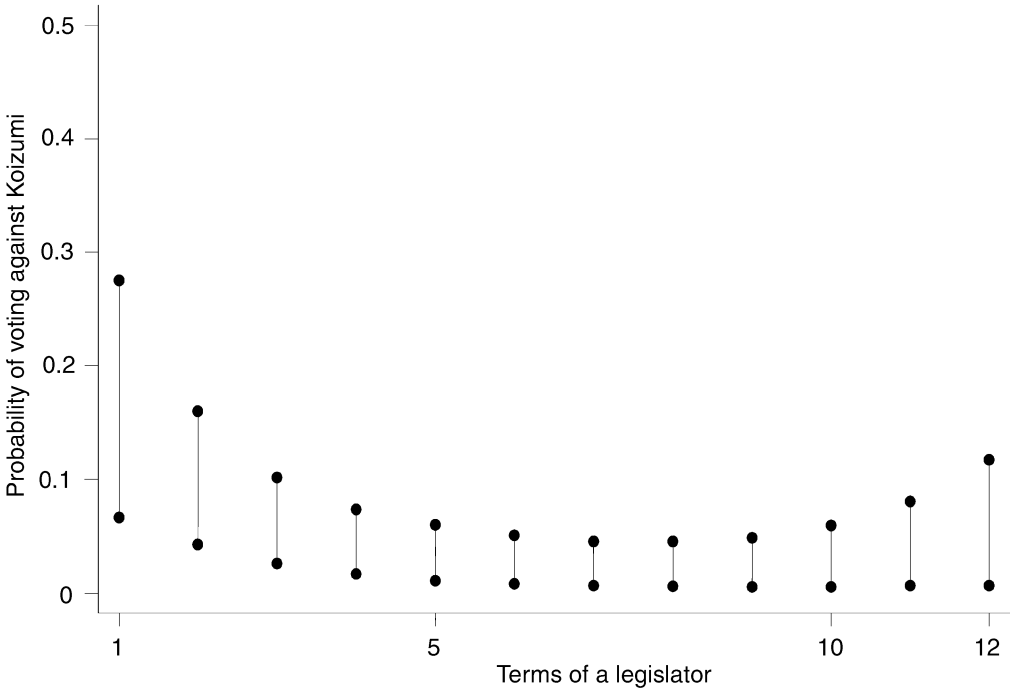


*Fig. 2a. Terms, Zokupoint and simulated probability: general prediction*

*Note:* The lines indicate the 95% intervals, based on 1,000 times of simulations that we performed with CLARIFY, using Model 1 in Table 3. Other variables are set at the median value.

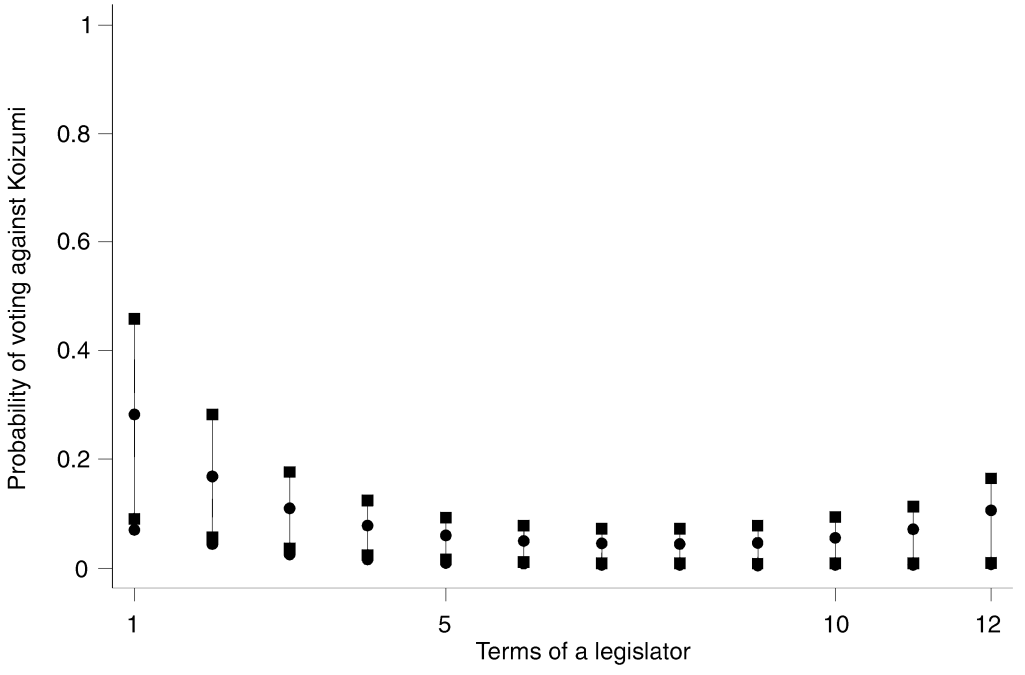


*Fig. 2b. Terms, Zokupoint and simulated probability: the effects of change in Strength from Median (•) by two S.D.s (■) on Terms*

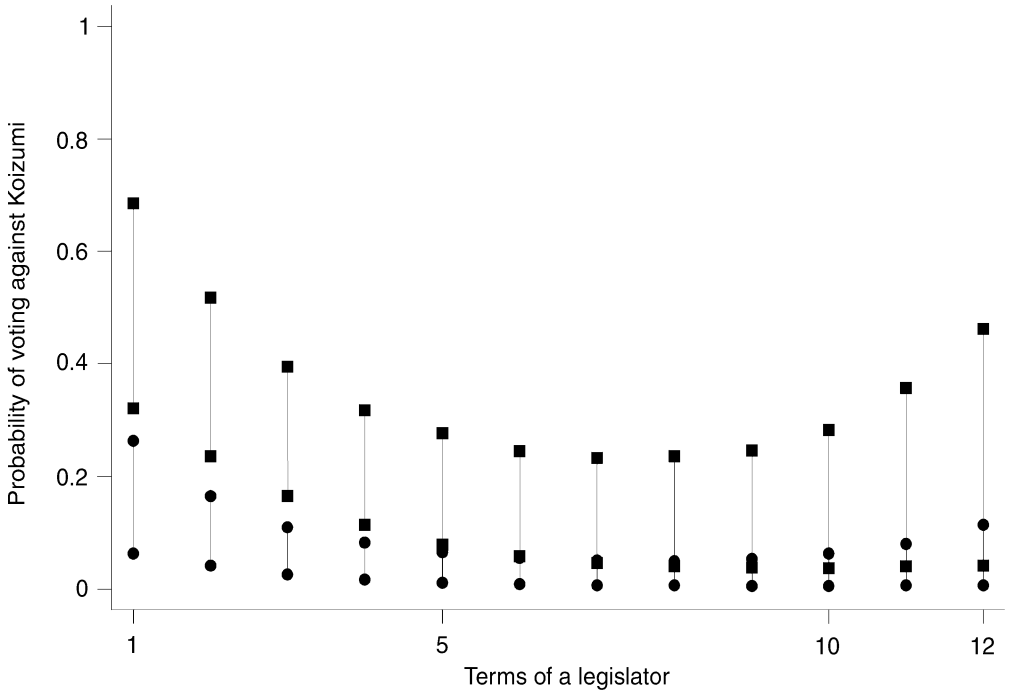


*Fig. 2c. Terms, Zokupoint and simulated probability: the effects of change in Antikoizumi from 0 (•) to 1 (■) on Terms*

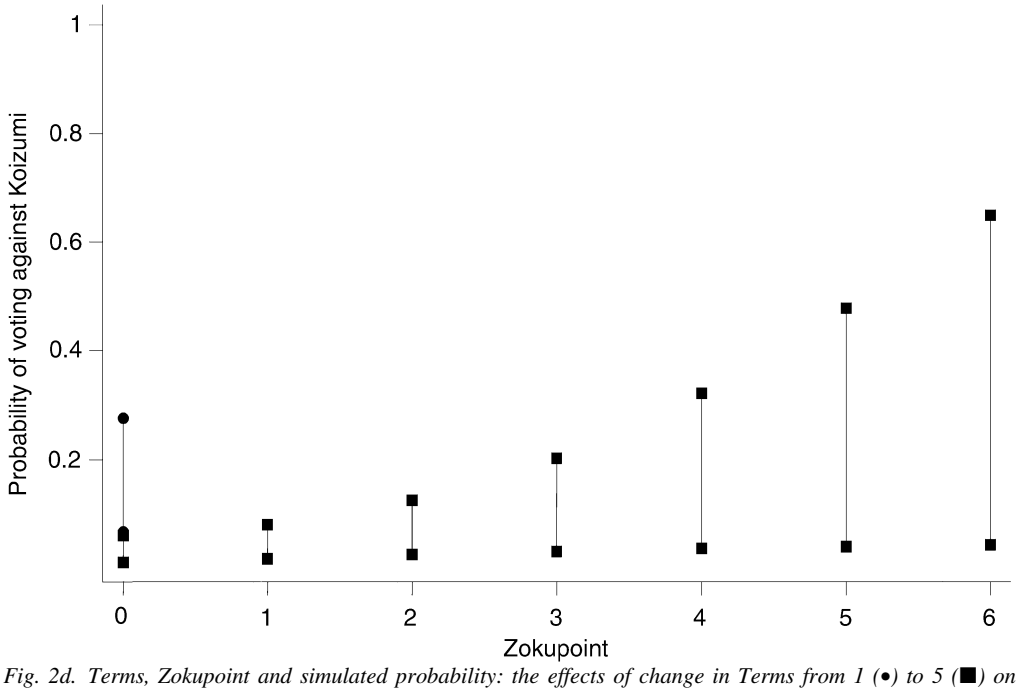


*Fig. 2d. Terms, Zokupoint and simulated probability: the effects of change in Terms from 1 (•) to 5 (■) on Zokupoint*

*Note:* As all the legislators with only one term in the Diet have 0 Zokupoint in our sample, Fig. 2d shows only the 95% intervals of Pr(Zouhan = 3|zokupoint = 0, Terms = 1) for comparison.

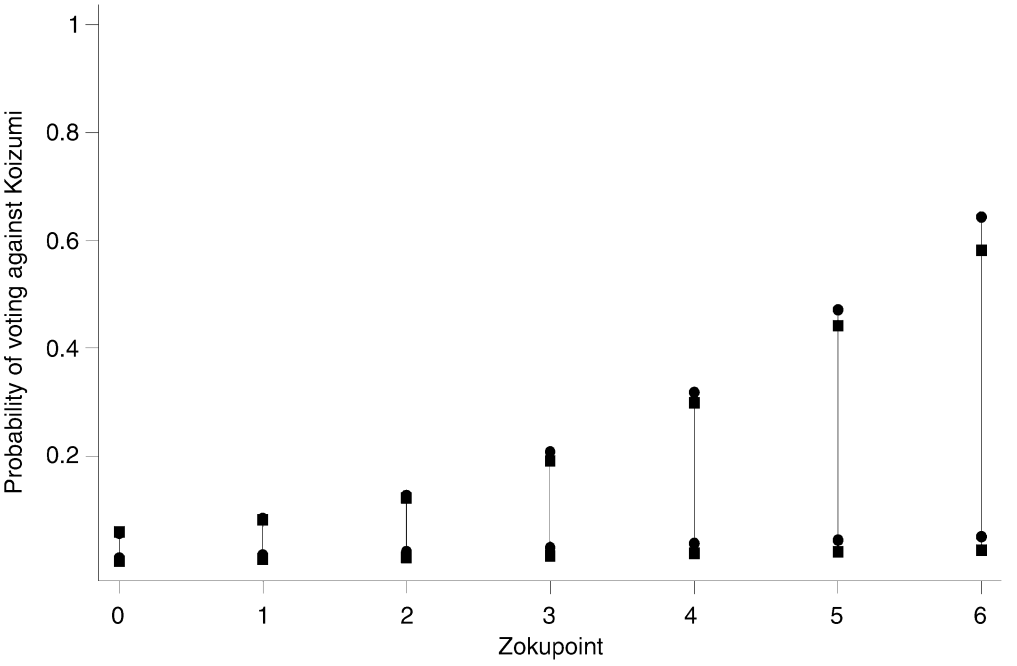


*Fig. 2e. Terms, Zokupoint and simulated probability: the effects of change in Terms from 5 (•) to 10 (■) on Zokupoint*

These interpretations confirm our hypothesis that there are three types of legislators. Ambitious juniors, seeing their electoral strength as providing opportunities to seek a new career outside the party, would be more likely to challenge the leadership; policy commitments were irrelevant for this calculation, while being in the disadvantaged factions further enhanced their career-related grievances. Mid-career policy seekers, more integrated to the party's career ladder, were likely to rebel if they felt that their shaky voter bases built on local post office networks were being further eroded by Koizumi's courageous reform. Highly conscious about their career prospects within the party, antagonistic seniors realized that, under Koizumi's current government, leading the anti-mainstream factions made it unlikely that the largest spoils would be theirs. Trusting voter networks in their local kingdoms, they voted against Koizumi.

As alternative specifications, we ran logit models with different dependent variables. As in the ordered logit models, we employed interactions along with the explanatory variables. Table 5 reports the estimates. Model 9, 11 and 13 suggest the curvilinear hypothesis holds, although in Model 11 *Terms* and $Terms^2$ are significant only at the 10 per cent level. As to interactions (Models 10, 12 and 14), although *Strength*'s conditional effects in Model 14 and some of the component variables (i.e. *Zokupoint* in Models 12 and 14) lose significance, the curvilinearity is again proven to be conditional on the electoral, policy and career variables throughout the models. In addition, the size of these interactions indicates that the extreme points of the effects of *Strength*, *Zokupoint* and *Antikoizumi* on *Terms* are the same as the models in Tables 3 and 4, around the mid-career – four to six – and this finding is again consistent with our hypothesis that there were three types of

TABLE 4 *Ordered Logit Estimates for Zouhan, Interactions*

| | | Model 5 | Model 6 | Model 7 | Model 8 |
|---|---|---|---|---|---|
| Electoral variable | *Strength* | 7.66*** | 7.73*** | 1.31 | 9.59*** |
| | | (2.68) | (2.69) | (0.92) | (3.06) |
| Policy variable | *Zokupoint* | 0.45*** | − 1.31 | − 2.01* | − 2.42** |
| | | (0.16) | (1.13) | (1.16) | (1.20) |
| Career variables | *Antikoizumi* | 1.96*** | 2.02*** | 3.22*** | 3.16*** |
| | | (0.32) | (0.33) | (0.96) | (0.99) |
| | *Terms* | − 0.30 | − 0.37 | − 0.73** | − 0.21 |
| | | (0.27) | (0.26) | (0.29) | (0.38) |
| | $Terms^2$ | 0.0011 | 0.0092 | 0.037* | − 0.017 |
| | | (0.024) | (0.022) | (0.022) | (0.036) |
| Interactions | *Strength* × *Terms* | − 3.43*** | − 3.51*** | | − 4.37*** |
| | | (1.23) | (1.23) | | (1.50) |
| | *Strength* × $Terms^2$ | 0.31*** | 0.32*** | | 0.39*** |
| | | (0.11) | (0.11) | | (0.14) |
| | *Zokupoint* × *Terms* | | 0.81* | 1.20** | 1.38*** |
| | | | (0.44) | (0.47) | (0.49) |
| | *Zokupoint* × $Terms^2$ | | − 0.082** | − 0.13*** | − 0.14*** |
| | | | (0.041) | (0.045) | (0.047) |
| | *Antikoizumi* × *Terms* | | | − 0.86* | − 0.88* |
| | | | | (0.44) | (0.47) |
| | *Antikoizumi* × $Terms^2$ | | | 0.11** | 0.11** |
| | | | | (0.041) | (0.045) |
| Controls | *Age* | 0.060*** | 0.059*** | 0.049** | 0.053** |
| | | (0.021) | (0.021) | (0.021) | (0.021) |
| | *DID* | − 0.44 | − 0.42 | 0.086 | − 0.073 |
| | | (0.59) | (0.59) | (0.60) | (0.61) |
| | *Localpolitics* | − 0.71* | − 0.76** | − 0.52* | − 0.71* |
| | | (0.37) | (0.37) | (0.36) | (0.37) |
| | *Nisei* | − 0.30 | 0.41 | − 0.47 | − 0.54 |
| | | (0.34) | (0.35) | (0.36) | (0.36) |
| Cutpoints | 1 | 3.47 | 3.25 | 2.35 | 3.28 |
| | | (1.17) | (1.18) | (1.16) | (1.27) |
| | 2 | 4.57 | 4.38 | 3.50 | 4.46 |
| | | (1.19) | (1.20) | (1.18) | (1.29) |
| | 3 | 5.00 | 4.81 | 3.94 | 4.91 |
| | | (1.20) | (1.20) | (1.19) | (1.29) |
| Observations | | 231 | 231 | 231 | 231 |
| Pseudo $R^2$ | | 0.17 | 0.18 | 0.19 | 0.21 |
| Log likelihood | | −193.21 | −190.58 | −189.73 | −184.64 |

*Note:* Each model contains all the members except those elected by pure PR. Standard errors in parentheses. ***$p < 0.01$, **$p < 0.05$, *$p < 0.1$.

TABLE 5 *Logit Estimates for Zouhan*

| | | Dependent variables | | | | | |
|---|---|---|---|---|---|---|---|
| | | Pr(ZOUHAN ≥ 1) | | Pr(ZOUHAN ≥ 2) | | Pr(ZOUHAN ≥ 3) | |
| | | Model 9 | Model 10 | Model 11 | Model 12 | Model 13 | Model 14 |
| Electoral variable | *Strength* | 0.69 | 9.99*** | 2.24** | 11.05*** | 2.04* | 8.37* |
| | | (1.00) | (3.53) | (1.06) | (3.83) | (1.23) | (4.49) |
| Policy variable | *Zokupoint* | 0.46*** | − 3.82*** | 0.38** | − 1.63 | 0.75*** | − 1.58 |
| | | (0.17) | (1.41) | (0.19) | (1.40) | (0.21) | (1.52) |
| Career variables | *Antikoizumi* | 2.08*** | 3.35*** | 1.94*** | 4.92*** | 2.32*** | 5.94*** |
| | | (0.34) | (1.19) | (0.42) | (1.53) | (0.54) | (2.18) |
| | *Terms* | − 0.82*** | − 0.47 | − 0.47* | 0.63 | − 0.77*** | 0.51 |
| | | (0.22) | (0.41) | (0.58) | (0.56) | (0.30) | (1.03) |
| | *Terms*$^2$ | 0.046*** | 0.00049 | 0.034* | 0.054 | 0.052** | − 0.069 |
| | | (0.016) | (0.037) | (0.018) | (0.047) | (0.021) | (0.10) |
| Interactions | *Strength* × *Terms* | | − 4.55*** | | − 4.26** | | − 3.39 |
| | | | (1.66) | | (1.76) | | (2.28) |
| | *Strength* × *Terms*$^2$ | | 0.40*** | | 0.36** | | 0.32 |
| | | | (0.15) | | (0.16) | | (0.22) |
| | *Zokupoint* × *Terms* | | 2.01*** | | 1.02* | | 1.16* |
| | | | (0.59) | | (0.55) | | (0.61) |
| | *Zokupoint* × *Terms*$^2$ | | − 0.20*** | | − 0.11** | | − 0.12** |
| | | | (0.057) | | (0.052) | | (0.058) |
| | *Antikoizumi* × *Terms* | | − 0.88 | | − 1.52** | | − 2.02** |
| | | | (0.56) | | (0.63) | | (0.99) |
| | *Antikoizumi* × *Terms*$^2$ | | 0.12** | | 0.14** | | 0.21** |
| | | | (0.054) | | (0.056) | | (0.10) |
| Controls | *Age* | 0.061*** | 0.065*** | 0.034 | 0.030 | 0.053* | 0.042 |
| | | (0.022) | (0.023) | (0.027) | (0.029) | (0.032) | (0.035) |
| | *DID* | − 0.033 | 0.35 | − 0.83 | − 0.64 | − 1.30 | − 0.66 |
| | | (0.63) | (0.67) | (0.74) | (0.80) | (0.87) | (0.94) |
| | *Localpolitics* | − 0.41 | − 0.58 | − 0.84* | − 1.10** | − 0.71 | − 1.02* |
| | | (0.39) | (0.42) | (0.47) | (0.50) | (0.52) | (0.55) |
| | *Nisei* | − 0.21 | 0.044 | − 0.75* | − 1.10** | − 1.38** | − 2.00*** |
| | | (0.37) | (0.40) | (0.44) | (0.49) | (0.54) | (0.65) |
| Constant | | − 3.01** | − 3.86*** | − 2.99** | − 5.14*** | − 3.84** | − 5.84** |
| | | (1.17) | (1.38) | (1.38) | (1.95) | (1.61) | (2.59) |
| Observations | | 231 | 231 | 231 | 231 | 231 | 231 |
| Pseudo $R^2$ | | 0.22 | 0.31 | 0.20 | 0.28 | 0.27 | 0.35 |
| Log likelihood | | −117.42 | −103.95 | −91.53 | −82.13 | −70.74 | −62.46 |

*Note:* Each model contains all the members except those elected by pure PR. Standard errors in parentheses. ***$p < 0.01$, **$p < 0.05$, *$p < 0.1$.

dissidents. Overall, the results are a bit weaker in these alternative models, but still largely confirm our theory.

## CONCLUSION

We have shown that politicians have different benefits from loyalty to a party. Staying in a party may not improve re-election prospects if party labels matter little in the elections. Policy benefits from a party can go against legislators, if their policy preferences are not close to those of the party leader. However, the benefits of posts, translated by party rules, can mediate these potential factors for dissension. In particular, a seniority rule linked to policy-making posts can mediate legislators' personal-vote incentives and distinctive policy preferences. So, even under personalistic electoral systems that would promote fragmentation inside parties, legislators' dissidence can be mitigated. Accordingly, to maximize their re-election and career promotion prospects, legislators have different incentives: juniors try to develop personal vote networks to go up the career ladder, mid-career members make efficient use of policy-making influence, and seniors concentrate on maintaining the status quo. Seeing party leaders trying to reform the existing rules and threatening a priority policy area from which they derive benefits, legislators with different policy preferences and discounted career prospects will be likely to defy the leadership by forging a coalition.

We have tested this with the recent case in Japan, where the practice of the personal vote, bringing pork to local districts and intra-party fragmentation were the norm. The ruling LDP elaborately developed organizational rules to internalize the negative externalities of the personal vote and policy-seeking incentives on party discipline. But Koizumi's massive support from voters because of his television image and rhetoric of reform allowed him to step up his efforts to centralize the party structure. This may have been partially in response to the growing challenge from the DPJ, a party that had pioneered the use of 'manifestos' to which all its party members were committed. Then in an attempt to facilitate his favoured policy reform, postal privatization, the conflict between Koizumi and the dissidents exploded when Koizumi ignored conventional party politics to pursue his objective. Our empirical test based on ordered logit models support our argument. Specifically, it is shown that electorally strong, young anti-Koizumi faction members would be likely to vote against Koizumi, because they had less investment in party posts and believed that in the worst case scenario they had a political future even outside the party in the centrist DPJ. Mid-career members were reluctant to use the options of exit or voice, as they were dependent on party posts for access to policy making to deliver to their constituents. But still they dissented if they were *zoku giin* with vested interests in the postal policy area. At the peak of their career, seniors were likely to rebel, as they could expect promotion to the highest positions in the party or the government if they could oust Koizumi. If they were frustrated with Koizumi's anti-traditional politics, the likelihood and intensity of their defiant behaviour was greater.

The election resulted in Koizumi's overwhelming victory, as the LDP got 296 seats out of 480, while only seventeen of the thirty-four rebels won. After the election, the rebels became irrelevant, and many of them even voted for Koizumi as prime minister and for the postal privatization bill that was resubmitted to the Diet. Koizumi and party leaders made efforts further to strengthen central control over the LDP's legislators, policy process and local branches, and these, combined with the diminished likelihood of future rebellions after this incident, favour fundamental change in Japanese politics. In the future, although

intra-party conflict will obviously continue to occur, the LDP is likely to be a more centralized party with less likelihood of defiant behaviour and members less capable of being independent of the party leadership. If not as centralized as the British system, it seems to be in transition to at least a more 'Westminster' system than previously. The 1994 electoral reforms focused voters on party image more than previously and the 2001 administrative reform enhanced the powers of the prime minister in policy making. These changes, combined with the influence of television in enhancing the image of the prime minister, gave prime ministers greater influence. It was Koizumi who first took advantage of this new capability to win this election and to spur the transition.[64]

In concluding the current study, we would like to point out some future research topics. First, the direct effects of electoral institutions on legislators' behaviour are necessarily mediated by other layers of institutions, including party rules, on which we focused in this article. Although we did not pay much attention to a variety of other possibilities, including demography and other district characteristics, these may possibly mediate how legislators optimize their incentives and strategies in the parliamentary floor and election campaigning. Thus, the institutional effects may come about neither immediately nor in a clearly visible way. For example, as we have seen, programmatic party competition in Japan was only made possible by Koizumi's conscious efforts to transform the traditional norm in his own party, although the electoral reform in 1993–94 was originally expected to bring it about sooner. In other words, exogenous institutional change in an electoral system may not be a sufficient condition for such behaviour – it can also occur without such institutional change if there is an attempt by the party leader to implement new 'rules of the game' within the party and the interests of backbenchers are threatened.

Secondly, a major finding in the current study, the curvilinearity and its relationship with electoral/policy variables, can be widely tested beyond the case of 2005 as well as beyond Japan. Specifically, the curvilinearity hypothesis should be adjusted along with political contexts, for example, the length of the politicians' time horizon, as the core of the model is built on how many benefits party members can anticipate in the near future. Uncertainty may vary, depending on the rise of a new policy issue and/or a mass of new candidates entering the electoral arena; when politicians cannot foresee their political fortunes, party rules might not work effectively. These possibilities need to be tested cross-nationally.

[64] On these developments, see Margarita Estévez-Abe, 'Japan's Shift toward a Westminster System: A Structural Analysis of the 2005 Lower House Election and Its Aftermath', *Asian Survey*, 46 (2006), 632–51.