

state-led reconstruction of telecommunication infrastructures in its new, post-socialist Eastern states. However, when it comes to reforms in the financial service industries, Germany sped up in order to attract international capital and investments to the east. In Japan, on the other hand, the bubble crisis caused some delays in fiscal and financial reforms. It was not until 2005 that the Japanese government came to terms with privatizing its postal savings system. During the 1990s the government's Fiscal Investment and Loan Program, together with the postal savings system, still served as an instrument for counter-cyclical economic policy.

The contributions to this volume challenge, in some ways, conventional discussions about the 1990s as a "lost decade" characterized by political stagnation, blocked reforms, and administrative rigidity. An alternative view of the 1990s would see the decade more as a climacteric in politics and administration in both countries. The following chapters may suggest more support for the latter interpretation. They emerged from conference papers presented at two international seminars held at the University of Tokyo in 2005 and at the University of Osnabrück in 2007. We are grateful to the German Research Foundation (DFG), the Japan Society for the Promotion of Science (JSPS), the Institute of Social Science (ISS), the University of Tokyo, and the Osnabrück University Society for their support in organizing these conferences. We would also like to thank all paper-givers and discussants, who, with the authors included in this volume, contributed to the liveliness and fruitfulness of the debate.

Kenji Hirashima and Roland Czada,
Tokyo and Osnabrück, November 2008

1 Japan's New Party System: Characteristics and Future Perspective

Carmen Schmidt

1. Introduction

Since the beginning of the 1990s, Japan's political system has undergone fundamental change. When the conservative Liberal Democratic Party of Japan (LDP) split in 1993, this ended the "old" party system, which had been characterized by continuous LDP rule since the formation of the system in 1955 and an opposition dominated by the Social Democratic Party of Japan (SDPJ). The system was therefore often labelled a "one and one-half party system" or a "one-party-dominant system". The LDP splits were followed by the decline of the SDPJ and the subsequent finding of a number of new parties during the 1990s.

The LDP split in 1993 coincided with the party's temporary loss of power and the creation of the first non-LDP government since 1955, which undertook essential political reforms to improve Japan's political system. From 1996 onwards, elections were held under a new electoral system, which was expected to produce a two-party system. However, the coalition cabinet was in power for only a short period, and one and a half years later, the LDP was in power again. In the following years, the LDP was forced to form several coalition governments to secure a majority in the House of Representatives, but the party was still the most powerful political force within Japan's political system. In the late 1990s, the Democratic Party of Japan (DPJ) was found, replacing the SDPJ as the biggest opposition party. The system was, however, still characterized by a great fluidity in party labels and the existence of more than two parties.

This article addresses the questions: What conditions facilitated the party system change? How did the collapse occur? What are the characteristics and prospects of Japan's "new" party system? To answer these questions, we need to first analyze the connection between social modernization and political behaviour in Japan. This connection impacts many dimensions of political representation and voting behaviour, including issues pertaining to electoral behaviour concerning party competition patterns, the strength of social cleavages and party loyalties, and voter turnout and party identification levels. A second and alternative theoretical approach predicts that changes and variations in voting behaviour patterns are partly due to variations in the political-institutional context; consequently, we also pay attention to the revision of the election law.

We start off by discussing the most important aspects of modernization and post-modernization in Japan before identifying the main cleavages that shaped the

