



## Introduction

THE LARGEST antismoking organization in Japan, TOPIC, employs one person. Bungaku Watanabe, the lone employee, tells a story that illustrates the surprising influence government regulations can have on the development of civil society organizations. The organization regularly mails its newsletter to the membership. Mr. Watanabe confessed to me that he has, on occasion, found it cheaper to pack a suitcase full of mailings, fly to Korea, and mail them from Korea to Japan.<sup>1</sup> This is because the international postage rate from Korea to Japan is less than the Japanese domestic rate, even with the additional expense of a plane ticket. I could not help but contrast the image of Mr. Watanabe laboring alone in his office with that of the plush office space of the American Cancer Society in midtown Manhattan, one of its 3,400 local units. The American Cancer Society, like other tax-exempt American groups, can send a piece of mail to your door for about a penny—barely over the cost of e-mail spam (U.S. Postal Service Publication 417). The influence of the state—including unexpected influences such as the postage-rate example—on the development of civil society organizations is the theme of this book.

Observers of Japan are so used to seeing only small civil society groups in the country that they have lost sight of the fact that the absence of large groups presents an analytical puzzle; familiarity with the empirical facts has lulled us into accepting this situation as natural. In fact, Japan's civil society is characterized by many small local groups, but few large professionalized groups—a pattern I term Japan's "dual civil society." However, from an international perspective, it is surprising that Japan's civil society organizations are so small. The two most reliable predictors of a nation's civil society, income and education, also predict which individuals volunteer. Japan is near the top of the world's league tables in both categories. Anecdotally, Japan is seen as rich in social capital. And Japan has a history of citizen activism, for example, the massive environmental movement of the late 1960s and early 1970s and the intense protests

against the U.S.-Japan Security Treaty renewal in 1960. Therefore, it is not enough to take the lack of large civil society groups in Japan for granted; rather, the situation of Japan's civil society needs to be explained.

No explanation of Japan's civil society that ignores the role of the state can be considered complete. I define civil society as the organized non-state, nonmarket sector, as elaborated in the next section. Political institutions, including the regulatory framework constructed by the state, directly and indirectly structure the development of civil society. Using the political institutional argument, I also explain why Japan's civil society can encompass both a history of widespread activism and few large organizations.

At a conceptual level, no one would doubt that a concerted effort by the state to smash a civil society group—think of Solidarity in Poland in the 1980s or Falun Gong in China two decades later—could have serious repercussions on how the group develops, whether or not the state's efforts are ultimately successful. Sensational as they are, overt attempts at suppression are not the only way in which states can influence the development of civil society organizations. However, the importance of other elements of a regulatory framework is less obvious.

What is the role of the state in the development of civil society? As Bob Edwards and Michael Foley provocatively remark in the introduction to a collection of the most influential recent essays on civil society and social capital, "The civil society argument focuses on the ways in which society organizes itself *independently of the state or over against the state*. But states arguably shape their societies as profoundly as the reverse. They provide the constitutional, legal, political, and even moral framework within which social organizations arise and operate" (Edwards and Foley 2001, p. 13, their emphasis).

In fact, through its direct and indirect structuring of incentives, the state promotes a particular pattern of civil society organization and structures the "rules of the game," which in part determine who plays and who flourishes. At the center of this book is a causal argument: state structuring of incentives accounts for the pattern of civil society development. As the sole non-Western industrialized democracy, Japan is clearly an important case for students of civil society, and I draw much of the evidence for my argument from the Japanese case. In the context of Japan, the argument is that the pattern of dual civil society organization that we see in Japan today—a plethora of small, local groups (such as nearly 300,000 neighborhood associations) and a dearth of large, professionalized, independent organizations (such as Greenpeace)—is explained by Japan's political institutions.

A strict legal framework, limited funding pattern, indirect regulations (such as postal regulations), and the profile of opportunities that a state's

political structure creates for influencing policy—all these factors profoundly affect the development of civil society in Japan. The regulatory framework—rules concerning what kind of groups are allowed to form and state funding for groups—has clear implications, but less obvious are the implications of such incentives as bulk-mailing discounts for non-profit organizations, which promote mass memberships, or differential access to the policy-making process by interest groups.

Overtly and subtly, these measures have had an effect: this is the central argument of this book. My core argument, which I term the “political institutional” argument, is that the Japanese state’s influence has shaped the dual civil society pattern of development. However, I also propound three other important, related arguments about the state and civil society in Japan. My second argument is that the postwar history of Japan’s civil society is likewise illuminated by a focus on the power of the regulatory framework. This is the “ice age” argument that explains the retreat of citizen activism from the heady days of the late 1960s and early 1970s.<sup>2</sup> My third, or “regulatory contestation,” argument contends that the regulatory framework itself is the product of political contestation and can change. My fourth argument is that Japan’s dual civil society supports democracy through social capital generation and community building, but largely lacks sizable professional groups that influence the public sphere or policymaking. Thus, Japan’s civil society can be characterized as “members without advocates,” my fourth and final argument.

The remainder of this chapter is structured as follows: The next section sketches out my definition of “civil society.” The same section situates this study in the context of other analyses of interest groups and civil society that have also found a powerful role of the state in shaping the dimensions of organizational life. Following this review, I move on to a fuller preview of the four main arguments of this book just delineated. After this preview, I first consider a pair of rival explanations before returning to the political institutional argument in somewhat more detail by breaking it into the parts that compose it: regulatory framework, political opportunity structure, and other indirect influences. The final section of the chapter provides a road map for the remaining chapters in the book, tying them to the development of the four main arguments.

### Reconceptualizing Civil Society

Discussions of civil society are too often plagued by vagueness. To make clear my causal claims about the patterning of civil society development in Japan, we must define “civil society.” As above, this book defines civil society as the *organized, nonstate, nonmarket sector*. This definition en-

compasses voluntary groups of all kinds, such as nonprofit foundations, charities, think tanks, and choral societies. It includes nonprofit organizations (NPOs), nongovernmental organizations (NGOs), and other voluntary or tertiary associations. It is larger in scope than civic groups alone, which more narrowly incorporate participatory organizations. It is also larger than the nonprofit sector, which excludes unincorporated voluntary groups and which is also sometimes limited to groups performing public purposes (Hall 1987). On the other hand, civil society does not include labor unions, trade associations, professional associations, companies, or other market sector groups.<sup>3</sup> It also excludes government bureaucracy, parastatal organizations, and political parties—as well as the family.

This definition has some virtues, not the least of which is that it is concise. In addition, because it specifies “organized,” it points to countable groups. It also contains the key common elements of most definitions and authors. It excludes market organizations, which feature prominently in some contemporary analyses and in the writings of G. W. F. Hegel, Karl Marx, and Adam Smith. Neither does it attempt to delineate a public sphere.<sup>4</sup> Rather, the presumption is that such a sphere requires and is sustained by these kinds of organized groups. This definition also brings into focus the totality of Japan’s civil society, including the understudied local groups.<sup>5</sup> Its chief demerit is that it is essentially a negative definition for what is a positive, vibrant sector.

Under this definition, it is precisely within this sector that patterns emerge. Civil society is not a dichotomous variable. Rather, attention should be paid to both the number of and participation in organizations and to the type of organizations that exist. Civil society can vary in level and composition from time to time and from place to place. Besides the content of the organization or its aims, civil society organizations in one state might be predominantly affiliated with religious organizations, for example, while in another they might be strictly secular. Some current analysts point to falling participation in civic organizations to argue that American civil society is declining, while others cite the increasing number of foundations, NGOs, and NPOs to make the opposite argument (Putnam 2000; Salamon et al. 1999). Rather than viewing this as a paradox, we should analyze this trend (if it is a trend—the dispute still burns hot) as a change in the pattern of civil society. And, of course, under this definition, the Japanese pattern of few large professionalized nonprofit organizations and many smaller, grassroots organizations snaps into focus.

In fact, the political institutional explanation advanced in this book helps us understand the three perhaps most important characteristics of Japan’s civil society: its small professional and advocacy sector, its significant local and grassroots component, and its recent increase in size.

## Theoretical Background

The state shapes civil society everywhere, not just in Japan. Examining France, Jonah Levy writes, “the organizational dimensions (of civil society) are politically mediated and changeable” (Levy 1999, p. 8), while Cecilia Chessa, looking at Germany, argues, “the state utilizes active and interventionist policies in order to manipulate the entire spectrum of interest representation” (Chessa 2000, p. 12). Sometimes, as in the Middle East and socialist Eastern Europe, the state can suppress civil society to a great degree or limit it to the option of social movements (Carapico 1998; Howard 1999). In countries where the state is too weak, as in several African cases, the legal infrastructure and other guarantees for civil society are also too fragile for civil society to blossom. However, even when the state does not fall into one of these two extreme categories, we should pay careful attention to how the state shapes civil society, for it does not simply force or raise civil society to a certain level. Rather, the institutions of the state shape the pattern in which civil society itself develops. In nations with a more developed civil society, however, the importance of the state is no less.

In so many ways, institutions and how they structure incentives are widely recognized as critical to group formation and operation. This logic applies equally to civil society. In political science, it is not problematic to claim that state actions and institutions, such as legal frameworks, powerfully shape the kinds of interest groups, corporatist arrangements, or labor unions that form in a nation. Many attempts to form labor unions in the United States failed until the federal government recognized their right to organize and provided a framework for peaceful organization drives (Forbath [1989] 1991; Walker 1991). It is also a widely held concept that the regulatory environment provided by the state affects the economic development of a nation by providing incentives for the formation and operation of companies and corporations.

Institutions structure which groups form and how successful they are. As Suzanne Berger writes in the introduction to an important collection of essays, “Among the specificities of national experience that have shaped interest group formation, one stands out in the essays as particularly important: the timing and characteristics of state intervention” (Berger 1981, p. 14). Many of the interest groups referred to were economic interests, so her argument parallels the concerns of this book and also shares a common logic. Claus Offe adds in the same volume that the concrete shape and content of organized interest representation is always a result of interest plus opportunity plus institutional status (Offe 1981).

Groups organize in response to state policies, either defensively to protect themselves or proactively to gain access to new advantages that require lobbying the state. State intervention affects the interests around which groups organize, as well as the strategies that the groups subsequently adopt, and thus helps to bring about a distinctive pattern of interest groups in each West European nation.

In the American context, observers have pointed out that institutional structures created incentives for ambitious civil servants to organize associations for senior citizens three decades before groups designed to enlist the elderly themselves arrived; that the National Rifle Association was launched in close consultation with the Department of the Army in the nineteenth century (to familiarize citizens, as potential soldiers, with arms); that the American Legion was begun during World War I with government support; that the American Farm Bureau Federation started as a collection of advisory committees to county agents organized by the Department of Agriculture; and that modern feminist organizations in their early years received millions of dollars of support from the Kennedy administration before creating a mass membership base (Walker 1991).

Indeed, nothing is more central to the development of civil society than the framework of order provided by the state. Our attention should be focused on how the state, directly and indirectly, structures the organization of civil society. Some object to the claim that the state structures the organization of civil society. Perhaps based on the experiences of Eastern European countries in the 1980s and 1990s, many observers see the state and civil society as necessarily in opposition or at least hold that the state can play no useful role in promoting the spread of civil society (Miller 1992; Rau 1991; Tismaneanu 1990). This view finds an echo in the position of American conservatives. The state has a kind of reverse Midas touch; wherever it touches, civil society withers (Beito 2000; Salamon and Anheier 1996; Schambra 1997). Yet the relationship between civil society and the state is not one of pure opposition. This seems clearly true when we consider how many elements of social order, from property rights to infrastructure, that the state provides and that civil society needs to flourish. Michael Walzer goes so far as to identify the catch-22 of a democratic civil society requiring a strong civil society and a strong civil society requiring a strong and responsive state as “the paradox of the civil society argument” (Walzer 1992, p. 102). As it turns out, evidence from this study sheds some light on this paradox by carefully breaking down the constituent elements of a “strong civil society.”

Studies of the nonprofit sector and civil society portray three conceptions of the relationship between the state and civil society. First is civil society versus the state, or civil society in place of the state, as mentioned

above. Second is civil society portrayed as the independent sector or “partner in public service” with the state, in which civil society is another actor with public aims often cooperating with the state in service provision (Salamon 1995; Smith and Lipsky 1993). Third is civil society viewed as a source of social capital and civic engagement (Putnam 1993). Chapter 4 of this book examines neighborhood associations—voluntary groups whose membership is drawn from a small, geographically delimited and exclusive area (a neighborhood) and whose activities are multiple and centered on that same area—as a source of social capital and civic engagement, but also frequently “partnering” with the state in some activities. However, the perspective of this book is distinct from these three conceptions and closer to that suggested in studies by Alagappa (2004a, 2004b, 2004c), Berger (1981), Carapico (1998), Forbath ([1989] 1991), Levy (1999), Pharr (2003), and Walker (1991).

Our proper research focus should be on the means by which the state shapes civil society, which necessitates an “unpacking” of civil society. There should be theoretical gains from disaggregation, as civil society is a motley crew. Unpacking also would allow us to fine-tune our analysis of the relationship between the state and civil society. Rather than just searching for suppression or nurturing of civil society, we could look at the patterns that the state creates in civil society and the patterns of state-civil society relations that emerge. This book adopts this perspective on the pattern of development of civil society organizations in Japan and turns to causal arguments about state influence.

### Arguments

This book makes four arguments. The first is the core contention: through legal, regulatory, and financial instruments, the state powerfully shapes the organization of civil society. Differences in these legal, regulatory, and financial instruments create varying incentives for the organization of civil society by the processes of group formation and development and the institutionalization of social movements. In Japan, state actions have promoted one type of group while they have hindered another. Specifically, small local groups, such as neighborhood associations, have been promoted by the state, while large, independent, professionalized groups, such as Greenpeace, have faced a much more hostile legal environment. Few dispute that a paucity of large professionalized civil society groups call Japan home, while many small local groups do (as documented in Chapter 2)—a pattern dubbed here Japan’s “dual civil society.”<sup>6</sup> Indeed, this pattern is probably grasped by most observers of Japan, which explains in part why

the small scale of many of Japan's civil society organizations is taken for granted. However, a focus on professionalization is novel and also explains a second puzzle of Japan: its curious combination of many groups and a "weak" civil society. I term this the "political institutional" argument.

The second argument explores the postwar historical development of Japan's civil society through this new analytical lens. The causal understanding of civil society in Japan expounded in the first argument not only explains why Japan's civil society differs from that of other advanced industrialized democracies, but also sheds light on the postwar development of Japan's civil society from politicized activism through an "ice age" of inward-looking consumer-identity focused groups. Part of this argument is an explanation of how Japan's large social movements have failed to institutionalize and leave a lasting organizational legacy. Japanese social movements failed to institutionalize in large part because of the regulatory framework, contributing little or no organizational legacy to Japan's civil society. This second argument, which I call the "ice age" argument, follows as an implication from the central contention of the book about the state shaping civil society.

The third argument is that the regulatory structure can change at historical crossroads. Regulatory structure can change, but this process of institutional change is shaped by politics, particularly the role of political parties. A core assertion of this argument is that the regulation of civil society is heavily influenced by politics, and we need to look at the relationships among and motives of political actors to explain the regulatory framework. I focus on the role of political parties, particularly in terms of their shifting electoral needs after the 1994 electoral reform, and on their relationship to the bureaucracy. Chapter 5 contains several case studies spanning more than 100 years to illustrate this assertion, and the conclusion argues that the determinants for regulatory structure hinge crucially on politics. This is the "regulatory contestation" argument.

The fourth argument centers on the consequences for democracy. Japan's dual civil society has given it a particular kind of democracy that is at once weaker and stronger than democracies in other nations. Japan has a civil society with networks of association that support social capital and effective government without sustaining a professionalized advocacy community that can contribute new policy ideas or challenge current ones. I characterize this combination, and thus the argument, as "members without advocates." This phrase turns Theda Skocpol's characterization of American civil society on its head to emphasize the participatory contribution but lack of policy influence of Japan's civil society configuration.



On the one hand, small local groups can help build up stocks of social capital and perhaps improve the performance of local governments. They form a crucial basis of social life. However, small local groups lack professional staff. A group that has a large core of full-time employees, on the other hand, can develop expertise and perhaps even become a player in the policy process in a way that is simply impossible for small local groups without permanent staff. A professionalized group institutionalizes movements and can influence policy and other outcomes down the road; it changes the political landscape. Compare the many old people's clubs (*rōjinkai*) in Japan with the American Association of Retired Persons in the United States (AARP). AARP claims over 35 million members (AARP, various years). AARP also boasts 160,000 volunteers, 1,837 employees, and, through its dozens of registered lobbyists and more than 150 policy and legislative staffers, an important influence on policymaking.<sup>7</sup> The AARP budget in 2003 was \$689 million, with \$58 million of that going to lobbying activities (legislation and research) and a further \$146 million to disseminating AARP publications (AARP, various years).

Japanese old people's clubs are neighborhood affairs with limited membership that might be effective in improving quality of life for aged people by providing them with an opportunity to socialize, but they have no professional staff and no impact on policymaking. Indeed, as explored in Chapter 4, there are many reasons to believe these groups effectively promote social capital and benefit their members in day-to-day terms more than a mass membership group, such as AARP. The flip side, however, is that although it is inconceivable that a reform of Social Security could even be mooted in the United States without heavy involvement from the AARP, the Japanese groups did not influence the hotly contested pension reforms of July 2004.<sup>8</sup> The distinction is not in the number of members or volunteers, but rather in the concentration, in the U.S. case, of membership into one organization with professional staff.<sup>9</sup>

Original research made a crucial contribution to the success of the Nobel Prize-winning International Campaign to Ban Land Mines, which compiled gruesome statistics, such as that one in every 236 Cambodians is an amputee, compared with one in every 22,000 Americans (Price 1998, p. 620). In addition to carrying out and making use of pertinent research, a group must also be able to actively promulgate its message. Greenpeace, for example, has its own media facilities and can distribute photographs to newspapers and circulate video news spots to television stations in 88 countries within hours (Wapner 1995, p. 320). In exploring the fourth argument about the implications for democracy of the dual

structure of Japanese civil society, the conclusion presents analysis of the effectiveness of Japanese civil society organizations in shaping public debates and influencing public policy through the media. Because of their low levels of professionalization—meaning few researchers or media specialists who provide expertise—Japanese civil society groups very seldom influence the public sphere compared with groups in other countries.

I argue that these institutional forms have many different implications for politics, policy formation, and government performance, not that one organizational configuration is more effective or “better” than the other.<sup>10</sup> A civil society with few professional groups is less likely to influence public debates or shape public policy. On the other hand, a civil society that generates rich sources of social capital can sustain democracy in other ways. Such, of course, is the Japanese pattern. The reason the Japanese state has structured incentives to promote this pattern of development is, in crude intentionalist terms, to nurture social capital-type civil society groups while discouraging lobby-type civil society groups. Democratic theory sometimes conflates both groups into one category, but the groups can be analytically distinguished for greater theoretical leverage and represent two distinct strains of theories of democracy.<sup>11</sup>

These differences are highlighted in the following chapters. For example, Chapter 4 provides strong evidence of how local neighborhood groups contribute to the stock of social capital in Japan. Neighborhood associations are geographically delimited and do not employ professional staff. Instead, they operate through local community membership. There are nearly 300,000 such groups in Japan, with a majority of Japanese belonging to the groups and a substantial number participating in their community-centered activities. Chapter 4 presents evidence that these groups generate social capital. Chapter 6, on the other hand, shows how these groups and others are ineffective in influencing the public discourse in most areas, a finding best understood under the rubric of pluralism. After laying out the fourth argument fully in Chapter 6, I return to this precise question of which configuration might be “better” overall for democracy and make a provocative argument: that Japan’s variety of civil society development is not necessarily “worse” for democracy.

### An Analytical Framework for Civil Society in Japan

This book contends that the state directly and indirectly structures incentives for the formation and development of civil society organizations. This insight allows us to understand why Japanese civil society is distinctive in the international community with reference to the regulatory

framework that Japanese civil society organizations face. Before turning to the details of that argument, however, we must first review two competing explanations.

The two types of explanations are cultural explanations, which claim that Japanese culture explains the pattern of civil society development in Japan, and social heterogeneity arguments, which explain civil society in Japan on the basis of the distribution of preferences among Japanese. Although each has some explanatory merit, they both leave unexplained some important features of Japan's civil society; it is impossible to understand the organization of civil society in Japan today without grasping the impact of state institutions and regulations.

### *Culturalist Explanations of Japan*

Culturalist explanations of civil society in general claim that culture determines people's proclivity to form and join civil society organizations and thus determines the prevalence and type of civil society organizations. These arguments are typically couched in the form of explanations of local cultural values that have precluded development of civil society. For example, many analysts see the concept of civil society as alien to Islamic societies (e.g., Gellner 1994; Mardin 1995; Wittfogel 1957; see also Gole 1994; Norton 1995 and 1996; White 1996). They claim that because of Islamic beliefs or patriarchal tribal social organization, Arab and Islamic societies are suffused with values preventing the development of civil society. Similarly, Latin American civil societies were called weak due to certain aspects of the colonial legacy and subsequent patterns of socioeconomic development that led to extreme geographic and social concentration of power (Oxhorn 1995b).

In the context of Japan, such arguments stress that the Japanese are not predisposed to form or join civil society groups. Analysts may posit an underdeveloped concept of charity, philanthropy, or volunteerism (often pointing to use of such loan words as *firansoropi* and *borantia* to highlight the alienness of such concepts to the Japanese mindset); claim that Japanese in-group or collective mentality prevents working on behalf of a generalized other or for abstract principles; argue that Japanese identity is tied too closely to other units, such as family or company, to provide "space" for the individual to participate in civil society organizations; or postulate that Japanese are unable to participate in truly horizontal organizations, which civil society organizations by definition are, and so these groups do not flourish (Deguchi 1993; Eccleston 1989; Hayashi and Yamazaki 1993; Ishida 1971; Kaneko 1992; Nakane 1967 and 1978; Nako 1996; Y. Tanaka 1996; van Wolferen 1989). Ishida dismisses the concept by

noting that “voluntary associations are not a part of [Japan’s historical] tradition” (Ishida 1971, p. 61).

In all cases, these explanations make two claims. First, they explain the level of civil society organization by culture, expressed as individual propensities to join or form certain kinds of organizations. Second, they uniformly posit a *low* level of civil society in Japan because of Japanese cultural characteristics outlined above. To some extent, these arguments appear to contradict other culturalist contentions that the Japanese are “group oriented” (Benedict 1946; Nakane 1967 and 1978; Reischauer 1977). However, cultural explanations of civil society stress that Japanese do not dislike all groups, but rather certain kinds of groups. In particular, Japanese are not fond of groups espousing abstract ideals or involving aid to unknown third parties. Thus, culturalist explanations lead us to expect few of these groups, but many informal, personal, network-based groups. Many subtle cultural arguments resist recasting into the form of a hypothesis. For the purposes of this book, however, I have extracted the following claim: there are few civil society groups in Japan, and groups that espouse abstract ideals or involve aid to unknown third parties are especially few.

Cultural constructs influence individuals’ framing of social problems and provide a repertoire of organizational responses. By themselves, however, cultural explanations fail to explain the pattern of civil society organizations that has developed in Japan. Although the culturalist hypothesis would predict few instances of volunteerism, for example, this was contradicted by the outpouring of volunteerism in the aftermath of the 1995 Kobe earthquake, when 1.2 million volunteers went to Kobe to join relief efforts and nearly 160 billion yen (\$1.6 billion) was donated. The difficulties these spontaneous groups faced in gaining legal status and in institutionalizing, on the other hand, are consistent with the political institutional explanation. Such cultural explanations also do not really account for widespread social movements, volunteerism, or the pattern of civil society organizations that have developed in Japan.<sup>12</sup> Japanese do form groups to help “unknown others,” even foreigners. Apichai Shipper presents important evidence on this score. In every other nation, aid groups formed to help illegal foreign workers are formed by “co-ethnics.” For example, groups whose mission is to aid illegal Hispanic workers in the United States are formed by Hispanic Americans, but the principle applies outside the United States, too. Shipper points out that Japan is unique in groups formed for the benefit of illegal foreign workers by non-coethnic natives—in other words, Japanese form groups for people with whom they have no ethnic connection. This seems to defy the conventional culturalist wisdom and is pertinent to our investigation of organizational development (Shipper 2001 and 2002).

Loan words can be used for concepts that fit or come to fit snugly into Japanese culture. After all, even “company” is a loan word from the Meiji era. Although such loan words as *borantia* (volunteer) are widely used, Japanese are perfectly capable of creating alternative locutions should the new word not fit indigenous circumstances. For example, the Tokyo Metropolitan Board of Education decided in 2004 to require students to work as volunteers. Many American schools with similar requirements are unfazed by the oxymoron of compulsory “volunteering,” but the Tokyo body chose to distinguish these activities by calling them not *borantia* (volunteering), but *hōshi katsudō*—a term that means “service activity” and employs a word for “service” that emphasizes disregarding one’s own benefit (“Changing Japanese,” *Japan Times*, December 14, 2004).

Given these deficiencies, cultural explanations are insufficient for understanding the pattern of civil society in Japan. In the conclusion, I discuss a more sophisticated argument that reflects how institutions shape frames of understanding, ideas, and strategies of activists. This argument is culturally based but inextricably linked to institutions, and thus I leave it for the conclusion.

### *Social Heterogeneity Explanations*

Although cultural explanations fail to illuminate important parts of the pattern of civil society development in Japan, there is another set of possible explanations based on the distribution of preferences in society. These are inspired by an abundant literature that focuses on an important part of civil society: nonprofit groups (DiMaggio 1982a and 1982b; Hall 1987; Hansmann 1980; Powell 1987; Salamon and Anheier 1996; and Weisbrod 1988). They explain the size of the nonprofit sector by relating it to the heterogeneity of preferences in the population. In short, where there is greater heterogeneity of preferences for a good (such as education), the nonprofit sector will be larger. Many analysts argue that because governments provide public goods only to the level demanded by the median voter, residual unsatisfied demand for public goods exists and can be supplied by nonprofits (James 1989; Weisbrod 1988; Weisbrod and Schlesinger 1986). This explanation is readily testable in a variety of comparative contexts and serves as the basis for the hypotheses discussed later in this chapter. An observable implication of this explanation should be that in sectors or nations where greater heterogeneity (and intensity) of preferences exists over public goods, the market share of nonprofits versus government should be higher (James 1987 and 1989).

However, serious problems with the social heterogeneity approach remain, such as its failure to specify in theory why nonprofit firms rather

than for-profit firms arise and its failure to account empirically for why many, if not most, nonprofits do not provide public goods (Hansmann 1987). Much research on the welfare state has shown a variety of international, historical, political, and institutional reasons to have a powerful influence on the development of health, education, and social service sectors, to name a few (Baldwin 1989; Cameron 1978; Esping-Andersen 1990; Pierson 1996; Skocpol 1993; Swenson 1997). In other words, these researchers have demonstrated that the contours of the nonprofit sector (at least in service provision arenas) are shaped not by heterogeneity of preferences, but by a variety of political (and other) factors.

Both of these problems are found when we examine the case of Japan, as even a cursory review of a single sector—education—reveals. In Japan, it is not nonprofits but rather private, for-profit educational institutions—the cram schools (*juku*)—that meet the surplus demand for education. This is true for both those in catch-up schools (*boshū juku*) and those preparing to get ahead in the university entrance exams (*shin-gaku juku, yōbikō*). In fact, Rohlen observes that “no other country in the world comes close in the percentage of their populations involved in buying private educational advantage” (Rohlen 1980, p. 38).

Just as social heterogeneity arguments have trouble explaining the types of schools that exist today, they also cannot account for the historical development of the Japanese educational system. Students attend public elementary and junior high schools in Japan based on the residential principle. There is relatively little stratification and remarkable uniformity in the curriculum. Public high schools, in contrast, admit students based on entrance exams. There is considerable stratification at this level. This is not a result of different preferences in the public based on the stage of schooling. Entrance exams in junior high school or elementary school would have the same public support. Rather, it comes as the historical legacy of the acute high school space shortage of the postwar period, which brought in exams that have endured to the present day (Rohlen 1983). Looking back even earlier, the great change in the educational system of the Meiji period was the elimination of the split between schools for the samurai class and schools for commoners. This did not come about because of any sudden change in social heterogeneity, but rather through explicit government action: a decree in 1872 mandating a unified state educational system. This leap was not inevitable. Indeed, Dore (1965) points out that the United Kingdom never accomplished it. Although the social heterogeneity explanation has some important insights, it fails to explain important elements of the development of the nonprofit sector or civil society sector in Japan.

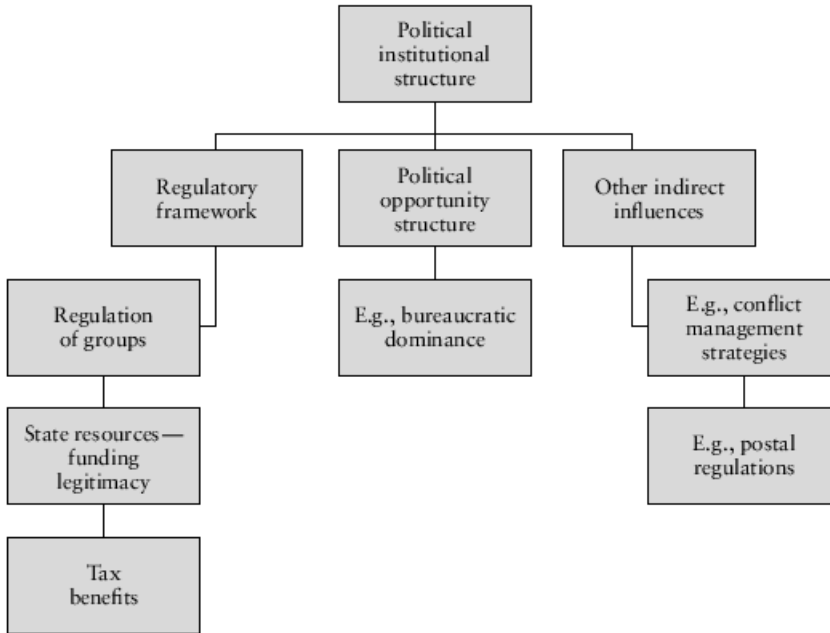


FIGURE 1.1 The political institutional explanation.

### *Political Institutional Explanation*

The political institutional explanation focuses on how institutions structure incentives to explain what groups form and operate in civil society. There are three main parts to the political institutional explanation. The first is the regulatory framework, which includes not only the laws and regulations on the books but also the unwritten rules and to the written rules in practice, provision of resources (direct state financing, legitimation, and tax regulation) and implementation of the laws. The second part is the political opportunity structure, which is an indirect influence because it shapes the politically efficacious way for groups to organize. The political structure itself is also a second-order influence because, as argued in the conclusion, politics affects the regulatory framework. The third part consists of other indirect influences, such as postal rates and conflict management strategies. See Figure 1.1.

The political institutional explanation does not claim that civil society is a product of what state agencies or politicians want to happen, but

rather than institutions have effects through structuring action. The focus here is on the regulatory framework as an independent variable, without distinguishing between bureaucratic intentions and politicians' desires in shaping this framework (although Chapter 5's process tracing does shed light on such a distinction). In Japan, this means that at this point we draw no distinction between whether politicians sought to suppress certain (perhaps left-leaning) groups or whether the same groups were seen as undesirable by the bureaucracy.

### Regulatory Framework: Legal Regulation of Groups, Finances, and Tax Benefits

The regulatory framework has a direct influence on civil society organizations. "Direct" refers to state actions that have an immediate and clear impact on a civil society organization's viability. This can be regulation of a group's legal status or activities, direct financial flows (such as grants and contracts), and tax benefits. In contrast, "indirect" refers to by-products of institutional structure not immediately related to civil society regulation, such as the electoral system. Indirect influences are not necessarily weaker than direct influences, but direct ones are clear and powerful.

Direct state actions have profound and far-reaching effects in patterning civil society. As Upham (1987) writes, one of the "major instruments for such control is the manipulation of the legal framework within which social change and its harbinger, social conflict, occur."<sup>13</sup> This category includes legislation about the formation or operation of civil society organizations, financial flows (grants, contracts, etc.), and tax codes relating to such groups. For example, the tax treatment of charitable contributions directly influences charitable giving to civil society groups. A body of research shows the relationship between individual giving in the United States and the 1969 Tax Reform Act, as well as changes in U.S. tax laws in the 1980s (Independent Sector 1996, pp. 60-77).

The Japanese regulatory framework is examined in considerable detail in Chapter 3, but outlined briefly here. Japan has managed its non-governmental organizations (hereafter, NPOs, the conventional Japanese term for domestically active groups) with perhaps the most severe regulatory environments in the developed world (Amemiya 1999; Amenomori 1997; Menju and Aoki 1995; Salamon 1997; Salamon and Anheier 1996; Yamamoto 1989, 1995, 1996, and 1998; Yamaoka 1999). In the United States, it is an uncomplicated and straightforward procedure for a group to register as nonprofit and gain legal status as a tax-exempt organization. The United States defines nonprofits technically: nonprofits do not



distribute profits to shareholders.<sup>14</sup> Rather than using this concept of non-profits, Japanese law imposes a category of “public interest legal persons” (or PILP; see Chapter 5 for historical analysis tracing the insertion of the public interest clause into Article 34 of the Uniform Civil Code). This begs the question of who decides what is in the public interest. Stunningly, in Japan, the bureaucracy has a legal monopoly on this decision; it cannot (legally) err in making this determination.

Furthermore, Japanese law stipulates that public interest legal person groups can acquire legal status only through the explicit permission of the competent bureaucratic authority and grants this authority continuing powers of supervision and administrative guidance. In other states, these powers are typically dispersed. In many cases, the courts hold out the possibility of appeal for groups failing to gain legal status. On March 24, 2005, in Germany, for example, the administrative high court of Berlin granted the Jehovah’s Witnesses incorporation as a public corporation by overturning the decision of the bureaucracy, which had rejected the group’s application (“Germany: Jehovah’s Witnesses Win Legal Battle” 2005). In Japan, the combination of a discretionary screening function, close supervision of operations, and sanctioning power has a chilling effect on the vitality of the civil society sector. This combination is one of the essential elements that cause the pattern of civil society development we see in Japan. This strict regulation is based primarily on Article 34 of the Uniform Civil Code promulgated in 1896. The permitting system has been implemented in such a way that groups whose objectives or styles differ from the permitting ministry find it very difficult to gain approval. *De facto*, such groups have been barred from legal status by a system reliant on bureaucratic discretion. This is the screening mechanism by which the bureaucrats select the groups that are allowed to organize and those that are not permitted to do so (Menju and Aoki 1995; “NPO hō no kentō” 1997; NIRA 1995; Yamamoto 1995 and 1998).

For whatever reason, many NPOs could not qualify as legal persons. As mentioned earlier, this puts them at significant disadvantage. The logistical difficulties should not be underestimated, especially for groups that seek to become large, professionalized organizations. Tales abound among civil society organizations of the problems created by their lack of legal status. The director of Wonderful Aging Club (a PILP), Naoki Tanaka, speaks of the time before his group became a PILP in 1988: “Without legal status, the officials at the Ministry of Welfare wouldn’t even give me their business cards. In companies, I couldn’t even get past the reception” (personal interview, Tanaka Naoki, March 12, 1998, Tokyo). The *Asahi Shinbun* reports that for over a year, a citizen’s group in North Kyushu could not receive the donation of a car from a local company because without legal

status, the donation would seem as if it went directly to the group leader. Another group leader puts it, "To relate to other bodies, legal status is a necessity" (*Asahi Shinbun*, March 23, 1998). The same newspaper also cites the example of an aged-care group that, if it had legal status, would receive about 12,000,000 yen (\$120,000) per year from the government, but because it has no legal status as a voluntary association, it receives no money at all (*Asahi Shinbun*, March 25, 1998).

Just as it is hard for independent groups to grow large in Japan, it is hard for large groups to remain independent. The mechanics of this rest primarily in an institutional arrangement that places significant monitoring (reporting and investigating) and sanctioning (various punishments, including dissolution of the group) powers in the hands of a single bureaucratic ministry or agency. Even in the abstract, it is easy to realize that if a single agency grants permission for a group to form, monitors it, holds the ability to punish it, and can even dissolve the group entirely (often without effective legal challenge), that agency will hold significant power over the group. In Japan, each public interest legal person has reporting duties to the competent ministry, which retains the power to investigate the group or even to revoke the PILP's legal status.

Furthermore, the concomitant tax benefits are not as generous as in other industrialized democracies. A PILP must submit an annual report of activities, a list of assets, accounts of membership changes, and financial statements for the last year, as well as reports on planned activities and budget estimates for the coming year. Even worse, the bureaucrats have insisted on continuing "administrative guidance."<sup>15</sup> Backed by sanctioning power, this administrative guidance forces licensees to comply with bureaucrats' preferences and impairs the independence of the civil society sector. These regulations have been employed in such a heavy-handed way that many observers regard the social welfare legal persons (non-profit groups active in social welfare activities, explained in detail in Chapter 3), for example, as little more than cheap subcontractors for the government, bereft of the independence necessary to qualify them as true NPOs. The permitting agency can issue directives to the PILP that, if not obeyed, can result in the dissolution of the PILP. The agency can also make on-site inspections and audits.

Legal status is just one part of this. Other important resources that the state can direct to favored groups include legitimation (mainly through legal status), public funds, and preferential taxation. Chapter 3 examines in detail taxation and also public funding of civil society organizations, another part of the overall regulatory framework, and concludes that, compared to other governments, Japan provides very little financial support to civil society organizations.

The state can often give or withhold another important resource from groups: legitimation. The state's ability to keep its hand on the purse strings of legitimacy is especially strong in Japan, where—according to most analyses—the state's historical and cultural weight is greater than in most, if not all, other advanced industrialized democracies. Legitimation derives from the legal recognition of the social value of civil society groups through the creation of a special class of groups or through the recognition of a particular group as belonging to that sanctioned category (for a discussion of the importance of legitimacy for German civil society organizations, see Zimmer 1999). Legitimacy as a resource can be understood in one of two ways. From a rationalist perspective, it is reputation. In other words, state certification effectively tells citizens that a group is aboveboard. Legitimacy can also be understood in a more culturalist context, with the value and importance of legitimacy weighing more or less in different cultural contexts. For the purposes of my argument, legitimacy is a resource that can be withheld or bestowed by the state in Japan and thus nests comfortably within the political institutional framework. This book examines this resource at several points: Chapter 3 considers legitimacy in general terms; Chapter 4 demonstrates the great value that state legitimation holds for Japan's small local neighborhood associations; and Chapter 5 scrutinizes evidence from the effects of the 1998 NPO Law to probe the significance of this resource for civil society groups.

### Political Opportunity Structure

The regulatory framework makes up a very important part of the political institutional structure that affects the development of civil society. The regulatory framework's effects—whether laws or financial flows—seem fairly easy to make out. However, the regulatory framework alone does not complete the political institutional structure. Two other elements require examination: the political opportunity structure and other indirect influences. By “indirect,” I mean unintentional influences on civil society's organization that are, in a way, by-products. I will look at the political opportunity structure first.

Japan's political opportunity structure has also had a large indirect influence on the pattern of civil society organization. Political opportunity structure is the “consistent—but not necessarily formal, permanent, or national—dimensions to the political environment which either encourage or discourage people from using collective action” (Tarrow 1994, p. 18). I use this term not in the study of collective action or social movements for which it was coined, but rather to indicate the structure of polit-

ical opportunities that face individuals seeking to influence politics. The broadening does no violence to the intent of the term, although it clearly removes it from its original locus and usage (Meyer and Minkoff 2004).

What is the political opportunity structure facing civil society organizations in Japan that might seek to influence politics? A relatively insulated bureaucracy and uninvolved parliament have shaped how these groups must form in order to be effective. Close coordination with ministries is more important than mass membership, although exceptions, such as the farm lobby, do exist (Richardson 1997; Richardson and Flanagan 1984; Schwartz 1998). Along such lines, Skocpol argues that the increase in U.S. congressional staffers from 6,255 in 1960 to 10,739 in the 1970s to 20,000 in 1990 was a key factor in the rise of advocacy groups in the United States (Skocpol 1998). More staffers meant more opportunities for advocacy groups to lobby and get their message across. Japan's parliamentary system provides only three staffers for each Diet member, compared to 26 for each U.S. senator. Correspondingly, there are fewer opportunities for lobbyists to get their message across to Japanese legislators. Nor can Japanese organizations seek to influence a president, since Japan has a parliamentary system.

Legislators are not necessarily the right people to influence either. The bureaucracy has long dominated Japanese politics, and one of the most celebrated aspects of the Japanese bureaucracy was its "political insulation." Of course, this meant that the bureaucracy was not susceptible to pressure from outsiders, including civil society groups. What appears to be less appreciated by scholars is that this also significantly decreased incentives for civil society organizations' political activities. Instead, during the heyday of the developmental state, scholars piled accolades on the Japanese bureaucracy. For example, one volume, which grew out of a World Bank study intended to find lessons in the role of the Japanese bureaucracy for developing nations, agreed that Japan was clearly "The Best at the Game" economically and highlighted how Japan's civil service attracted the "best and brightest" of the nation who worked proactively to shape its economy (Pempel and Muramatsu 1995, p. 21). Although this study advanced a nuanced appreciation of the contribution of organizational features, such as the size and competitiveness of the civil service, the authors also gave credit to direct action undertaken by the bureaucrats (see also S. Pekkanen 2003).

Over time, politicians did become more influential in determining policies. However, their influence took only a limited and circumscribed form. Michio Muramatsu and Ellis Krauss (1987) characterize this as "patterned pluralism." Only a limited number of producer groups had influence over policy and only through the LDP. Inoguchi and Iwai (1987) described the rise of "*zoku*" Diet members, who specialize in particular

policy areas. However, even these powerful politicians only slowly built up expertise and typically cultivated close relationships with the bureaucracy and select economic interest groups. In 1997, a survey of groups in Japan found that those seeking to influence policy were much more likely to interact with the bureaucracy than with political parties—only 5.4 percent chose to work only with political parties, while more chose to concentrate their efforts on the bureaucracy (38.2 percent) than to work with both the bureaucracy and political parties (34.4 percent) (Tsujiyama, Pekkanen, and Ohtomo 2005; for data from the JIGS survey, see the Appendix).

The electoral system itself, Japan's peculiar single nontransferable vote, multimember district (SNTV MMD), did not steer politicians toward civil society organizations as vote collection vehicles. As discussed in the conclusion, the new electoral system adopted in 1994, with its combination of single member districts (SMD) and proportional representation (PR), has made politicians much more likely to look toward civil society organizations.

In short, however, Japan's political opportunity structure did not offer fertile ground for civil society groups attempting to organize for influence; an insulated bureaucracy and often uninterested politicians provided poor soil.

### Other Indirect Influences: Conflict Management and Postal Rates

Less obvious than the regulations on group formation or activities themselves are some indirect factors that can nevertheless play important roles. I examine two such indirect influences here: conflict management strategies and postal regulations.

Pharr argues that the state's response to social conflict has typically been to seek to privatize it (Pharr 1990). Preemptive concessions and privatization of conflict as a strategy also have the effect of making group formation less likely (Upham 1987). This can have long-term consequences in shaping the nature of protest in two ways. Lack of institutionalization raises collective action problems again should another potential conflict emerge, thus making such conflict more manageable for the state. Indeed, this is what happened to large Japanese social movements, such as the environmental movement. This logic lies at the heart of the second argument the book makes about the historical development of Japan's civil society. Japan generated social movements, but they failed to institutionalize or leave behind a powerful organizational legacy. As an analogy from the collective

action literature, working conditions can become much worse before a strike will occur if workers must re-form a union from scratch every time conditions decline. Japanese civil society had to reinvent the union. In addition, Charles Tilly has shown how the state's responses to protests can over time structure the nature of protest itself (Tilly 1979). I argue in the conclusion that this is the reason Japanese citizen activists turned inward after the failures of the 1960s and 1970s, retreating to focus on consumer identity.

Even seemingly unimportant regulations can have an important if indirect effect in structuring incentives for organizational development. For example, such influences may also include the lack of a bulk postage discount for nonprofits in Japan, discussed in the example at the start of this chapter. This might seem to be a trivial example, but in the United States this discount is important in promoting large membership organizations, which can deliver a letter to your door for about a penny. Such groups rely on the postal discount to attract and communicate with widespread membership bases. In Japan, the lack of this discount can make the operation of groups aiming at large memberships quite expensive and thus less likely to succeed. Although other factors might be more important (government involvement in the tobacco industry, for example, in the case of antismoking groups), the general point is that bulk-mailing discounts allow certain types of groups to grow more easily—those that rely on mass memberships and whose members participate largely by writing checks and are kept informed by mailings.

### Recent Changes

One of the four main arguments of this book, the “regulatory contestation” argument, is that the regulatory framework is determined by politics. By extension, changes in the nation's political environment can lead to changes in the regulatory framework. In the conclusion, I argue that the role of political parties is especially critical in this regard and that recent changes in the electoral system and party system have created new incentives for the parties to push for a more liberal framework for civil society groups.

In fact, two recent legal changes have improved the legal environment: the 1998 NPO Law (Law for the Promotion of Specified Nonprofit Activities) and the granting of tax privileges in 2001 (in the Fiscal Year 2001 Tax Reform). The 1998 NPO Law created a new category of PILP (technically, through a special law attached to Article 34 of the Uniform Civil Code) and was designed to limit administrative guidance

and bureaucratic discretion in the granting of legal status while allowing many more civil society groups to gain legal status. There is some evidence that administrative guidance continues, and a survey of the 1,034 groups granted NPO legal person status by November 1999 (to which 463 responded) found only 5.2 percent “satisfied” with the law. On the other hand, by 2004 there were 16,000 new NPO legal persons in Japan—and this in itself is *prima facie* evidence of the importance of liberalizing regulations for the growth of civil society in Japan and thus, by extension, evidence of the importance of regulatory frameworks in shaping civil society. The 2001 tax changes created a subcategory of NPO legal persons (Tax-Deductible [*nintei*] Specified Nonprofit Activities Legal Persons) to which individuals and corporations can make a contribution that is deductible from their taxable income. The change does not lower tax rates for NPOs and allows only some NPO legal persons to receive charitable contributions. Those groups must be certified by the Commissioner of the National Tax Administration of the Ministry of Finance as meeting a number of stringent criteria: for example, a requirement that one-third of the organization’s budget must come from donations. This “public support test” alone could disqualify as many as 90 percent of NPO legal persons.

As elaborated later, these recent changes present us with a puzzle. Japan had almost no change in its regulatory framework for civil society organizations (except occupation-sponsored reforms) from 1898 to 1998. This is a phenomenal record that demands explanation. However, since 1998, Japan has witnessed a flurry of legal changes (discussed in Chapters 3, 5, and 6). These also demand explanation. We need an explanation that can help us to understand *both* why the Japanese regulatory framework lay in stasis for so long *and* why it has changed so rapidly recently. Chapter 6 attempts to furnish just such a consistent and compelling explanation: the “regulatory contestation” argument.

## Conclusion

As a result of this legal environment (recent changes notwithstanding), the status, number, and independence of NPOs have been severely curtailed in Japan. Of course, groups could form as corporations, and some do, or they can remain voluntary groups without legal status. However, it is clear that Japan’s legal system has a strong bias against NPOs. This bias is, again, an essential element in the structuring of incentives that help to construct the pattern of civil society development in Japan and makes it difficult for many groups, especially those seeking to be independent of the state, to grow.

It is important to keep in mind that the negative role of the state is only one part of the equation. The Japanese state also promotes many cooperative groups. Cooperative legal persons are one example, as are neighborhood associations as a class. The latter exemplifies the positive role of the state in promoting certain organizational features in Japanese civil society. Chapter 4 shows how neighborhood associations benefit from *de facto* legal recognition, devolution of powers and jurisdiction, conferral of a monopoly of legitimacy (perhaps tantamount to repression of rival organizations), and state funds.

In fact, there are four things I would like to make it clear I am *not* saying. By spelling these out, I hope to clarify my own argument and avoid accusations or misunderstandings about the scope of my assertions. First, I am not arguing that Japan's civil society is weak. In fact, Japan's civil society is surprisingly strong compared to its popular image, and the strength of local groups detailed in Chapter 4 is a crucial part of this book. Groups such as neighborhood associations have been largely neglected in studies of Japan's civil society. More important, the book attempts to move the debate away from a weak/strong dichotomy to a more nuanced analysis that can disaggregate civil society in Japan. Second, I do not claim that civil society never influences policymaking in Japan. In the conclusion, I argue that Japan's civil society is underprofessionalized, has limited influence on the public sphere and public debates, and almost certainly has less influence on policy than the civil society sector in many other states. However, civil society groups *can* and do influence policymaking in some cases (Chan-Tiberghien 2004; Peng 2004; Shipper 2001 and 2002). Third, I do not claim that civil society is also powerless to influence the state. To a limited extent, that has happened. Chapter 5, for example, details the role that civil society organizations played in the legal reforms of the last decade. Fourth, I do not claim that there is no change in Japan's civil society. I recognize that change and growth are part of the story of Japan's civil society, and I discuss this in Chapter 6 (see also Pekkanen 2004a for an analysis focused on recent changes). However, there is an important difference between longitudinal analysis in one country and comparative analysis across states; there is no contradiction in saying that Japan's civil society organizations are larger or more powerful now than they were 15 years ago and saying that they are still smaller than or different from those in other countries (or our expectations).<sup>16</sup>

The political institutional explanation accounts for the major feature of Japan's civil society in a comparative perspective: its underprofessionalization, or pattern of many small local groups and few large professional groups. It is equally important that this explanation, unlike the others raised earlier, also accounts for the pattern of development among profes-



sionalized civil society organizations. Japan's professional civil society organizations are not evenly distributed, and a key advantage of this explanation is that it accounts for this characteristic, as well as the pattern of large and small groups generally. Even among professionalized groups, some sectors are favored above others. The dearth of large environmental groups and relative abundance of health groups, for example, is accounted for by this explanation. Similarly, the large number of religious legal persons and small number of advocacy groups is also explained.

As outlined in the arguments section, this book advances four main contentions. First, the Japanese state's influence has shaped the dual civil society pattern of development—the “political institutional” argument. Second, the postwar history of Japan's civil society is likewise illuminated by a focus on the power of the regulatory framework—the “ice age” argument. Third, the regulatory framework itself is the product of political contestation and can change—the “regulatory contestation” argument. Fourth, Japan's dual civil society supports democracy through social capital generation and community building, but largely lacks sizable professional groups that influence the public sphere or policymaking—the “members without advocates” argument.

The following chapter, Chapter 2, first paints the picture of Japan's civil society in a comparative perspective, providing more detail on the dependent variable. Here, the dual civil society pattern is extensively documented. This chapter (as well as Chapters 3 and 6) also presents new analyses and new support from two data sets on civil society (see the Appendix).

Chapter 3 details the regulatory framework that makes up an important part of the political institutional explanation. The chapter describes not just the laws, but also the financial flows and tax regulations that constitute the framework.

Chapter 4 examines small civil society groups, primarily through a case study of neighborhood associations. This chapter also provides comparative evidence of neighborhood associations that have and have not received direct government support, allowing us to weigh the value of the government support of civil society organizations both as a type and in individual cases. This powerfully advances the central “political institutional” argument. Chapter 4 also illuminates the strength of those membership groups in supporting social capital, local community identity, and government—important to the “members without advocates” argument mentioned above and taken up again in the conclusion.

Chapter 5 investigates the politics behind the regulations through a detailed case study of the 1998 NPO Law and examination of other recent changes in the regulatory framework, as well as the framing of the pivotal

Article 34 in 1898. A key point is that the regulation of civil society is a politicized phenomenon. These case studies are also necessary to gather evidence to address the reasons behind Japan's regulatory framework, as well as to speculate about the causes of the recent changes. Such steps are integral to developing the "regulatory contestation" argument of the book in the conclusion.

The conclusion revisits the four main arguments of the book, crystallizing the analysis based on the evidence of the foregoing chapters. The conclusion also sharpens these arguments by, for example, introducing evidence about the relative inability of civil society groups in Japan to influence policy or public debates and fleshing out the implications for Japanese democracy of Japan's dual civil society structure of members without advocates.