

## Introduction

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“Regime shift” by T.J. Pempel (2000) is a fascinating analysis of major political change in established democracies. A regime is made up of socio-economic alliances, political-economic institutions, and a public policy profile. Pempel argues that a shift occurs if each of these three elements changes substantially at about the same time. Two portraits of Japan – one of the 1960s, and the other of the 1990s – form the basis of his analysis. The descriptions put forth are very different; obviously, a regime shift has occurred. The data and arguments marshalled by Pempel can be plausibly linked to the idea of major change.

Comparing Japan and Germany, a research project directed by Wolfgang Streeck and Kozo Yamamura arrives at a very different result (2001; 2003). According to these two scholars, both countries have experienced very little change. If there was any change, it happened in the form of a hybridization, or a „layering“ of reforms. This process adds only a few liberal elements to a nonliberal capitalist political economy (see in particular Vogel 2003).

Like Japan and Germany, Switzerland belongs to the group of nonliberal, “embedded,” coordinated capitalist economies (Hall and Soskice 2001; Lane 2001). And as in the case of Japan, some researchers detect signs of major reforms, which they argue are changing the basic structure of the political system. For example, in careful empirical analyses, Pascal Sciarini and André Mach found a tremendous degree of change taking place (Sciarini 1994; Mach 2001). However, other authors point to institutional and policy persistence (Bonoli and Mach 2000; Bonoli 2001; Armingeon 2002).

In this volume the political systems of Switzerland and Japan are compared. Persistence and change are analyzed with regard to certain policy fields and institutions: migration; the labor market; fiscal, economic and social policy; public administration; and the decentralization and federalization of the state. The authors identify both instances of change and of stability. They try to explain policy modifications, as well as giving reasons for policy persistence.

Comparing the development of the political systems in Japan and Switzerland to those in other established and economically advanced democracies, Armingeon's article highlights a great deal of change taking place in the two countries. However, these changes are similar in direction and in magnitude. Therefore, the relative position of the countries being compared is not substantially altered. Rather, in most countries, the same new elements are "layered" on pre-existing policies and institutions. Japan and Switzerland vary in terms of the timing of changes, but so do the other nations.

In a paired comparison of neoliberal reforms in Japan and Switzerland, Hirashima argues that Switzerland has been able to implement moderate and coherent neoliberal policies, while governments in Japan have failed to bring about coherent neoliberal reforms. Rather, in Japan economic and fiscal policies have been applied in an incoherent manner to challenges.

While Hirashima stresses the differences between the two countries, Kriesi dwells on their similarities in his contribution on party systems and their socio-economic bases. In both nations, the mismatch between socio-economic realities and political configurations has widened. Party systems are under pressure to change. These changes have been implemented to a much greater extent in Switzerland than in Japan, although they cannot yet be classified as regime shifts.

The vertical structure of the Swiss and Japanese political system is hugely different. Japan is a centralized and unitary state, while Switzerland is decentralized and federalist. However, in his analysis of intergovernmental relations, Vatter argues that both political systems have to cope with similar challenges, such as financial strains and the balancing of legislatures against a powerful executive.

Braun analyzes science and technology policies. He finds strong evidence of widespread convergence among OECD nations in terms of science and technology policy in the 1990s. This development occurred despite the fact that in the 1980s the Japanese and the Swiss research system were ill-equipped to deal with the challenges of the 1990s. The author explains the major reforms in that policy field in light of the requirements of the new international economic order and the re-organization of national belief-systems regarding public service and state intervention.

In his comparison of Swiss and Japanese economic and fiscal policies, Hiwatari starts from the observation that Switzerland and Japan pursued tight monetary policies and conservative fiscal policies, although they have been much less pressured to do so compared to other OECD nations. The same disinflationary institutions that spared both countries from inflationary pressures inhibited stimulus measures and structural reforms. Hiwatari maintains that the interdependence and coalition-building that occurred between the export and

domestic sectors are crucial in explaining these policy compromises.

Switzerland and Japan have both been reluctant to enter into regional political co-operation, such as EU membership in the case of Switzerland. But this position of limited isolation is creating increasing problems, as shown in Lavenex's analysis of immigration policies. Having espoused a rather exclusionary approach towards immigration, Japan succeeded in pre-empting mass immigration into the country, while Switzerland experienced large inflows of foreign labor. In addition, in Switzerland, foreign residents' rights have been recently expanded. According to Lavenex, this is due mainly to the increasing integration of Switzerland into the European Union, despite the country's continued avoidance of formal membership.

Neither Japan nor Switzerland represents a typical liberal welfare state, Bonoli and Kato argue. Rather, the two regimes can be characterized as liberal-conservative. The authors present a portrait of the major welfare state schemes to support their point. Liberal-conservative regimes today are under pressure. In particular, the transition to a post-industrial economy and the changing demographic structure are major challenges which must be addressed. In this regard, Japan may have even more problems in creating a sustainable new welfare state, given its low fertility rate and its low female employment rate.

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