

Appendix 8b – Statistical Analysis of Support for Prompt Deregulation

Using probit analysis, I provide a systematic analysis of support for prompt deregulation. In my model, the dependent variable—attitude toward deregulation—is coded 1 for legislators who supported prompt deregulation, and 0 for those who did not. The principal independent variable is *Urban*, which increases along with the legislator’s district’s level of urban-ness.¹ It is possible that more junior members will have come into office, (a) with a less established core constituency, and (b) facing greater pressures to deregulate because of the changing economy. As a result, junior members may be more likely to support deregulation. To test for this, I include as an independent variable, *Terms*, the number of times the legislator had been elected to the HR. Finally, to test for systematic differences between the parties that exist even after *Urban* and *Terms* have been controlled for, I add a dummy independent variable for each party.² I use the NFP as the base category here, so it is not listed in the probit results.

As Table 8.3 indicates, the coefficient on *Urban* is positive and significant (one-tailed test). Urban legislators were more likely to support prompt deregulation. Level of seniority appears not to make a difference. However, even after controlling for these two variables, a clear difference also remained between Japan’s traditional parties and the NFP. All four JCP respondents opposed prompt deregulation and so are dropped from the analysis because of their lack of variance. Both the LDP and SDP have negative and statistically significant coefficients, indicating that NFP legislators were more likely than those from the LDP and SDP to support prompt deregulation, even after controlling for urban-ness. Moreover, as indicated by the fact that the SDP coefficient is larger and more negative than the one for the LDP, the SDP was even more opposed to deregulation than the LDP was.

In sum, the LDP, SDP, and JCP were less likely than the new parties to support deregulation, and Diet members from urban districts were more likely than those from rural areas to support deregulation.

¹ Level of urban-ness is derived from Reed’s (1992) coding, which is based on population density: Rural=1, mixed=2, urban=3, metropolitan=4.

² I include *Kômeitô* as an independent variable. Despite the fact that *Kômeitô* party members were absorbed into the NFP, it is possible that *Kômeitô* members—as part of an organization that has as its supporters, for example, small shopkeepers—would be less likely to support prompt deregulation.

Table 8.3 – Probit Model of Support for Prompt Deregulation

N	154
Chi-sq	28.57
Prob>chi-sq	0.0001
Pseudo R-sq	0.138
Log Likelihood	-89.521

Variables	Coefficient (Std. Er.)
Constant	0.276 (0.398)
Urban	0.208* (0.112)
Terms	-0.034 (0.038)
LDP	-0.752** (0.311)
SDP	-1.169*** (0.325)
JCP	a
<i>Sakigake</i>	-0.424 (0.426)
<i>Kômeitô</i>	-0.338 (0.338)

The NFP is the base category.

*p<.05 (one-tail); **p<.05 (two-tail), ***p<.01 (two-tail)

a=all 4 JCP legislators in the survey opposed prompt deregulation.

Data Source: Bungei Shunju (1996).