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Member Activities in the  
Japanese Consumer  
Cooperative Movement

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# Member Activities in the Japanese Consumer Cooperative Movement

M.D. 'Cruz  
Education Officer (Women & Youth)

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**INTERNATIONAL COOPERATIVE ALLIANCE**

Regional Office & Education Centre for  
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## INTERNATIONAL COOPERATIVE ALLIANCE

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## Preface

In my Report, I have tried to show—against the background of the Japanese Consumers' Movement—housewives have come to be so fully involved in the consumers' cooperatives, how women's groups emerge from out of the general membership, and the manifold activities they conduct as members.

I visited Japan for two weeks in the latter half of June 1978 to study the Role of Women in the Japanese Consumers' Cooperative Movement. My programme was arranged by the Japanese Consumers' Cooperative Union (JCCU).

After a one-day orientation at the JCCU, I visited three societies in different parts of the country to get first-hand knowledge of how women are participating in the work of these societies. The societies visited were Shimouma Consumers' Cooperative Society, Nagoya Citizen Cooperative Society and the Nada-Kobe Consumers' Cooperative Society. The statistics given in the report pertain to June 1978.

I discovered that member activities are almost exclusively in the hands of member-housewives. This is a unique feature of the Consumers' Movement in Japan, as nowhere else in the Region\* is this the case. Another unusual feature is that the professors and students of the university cooperatives encourage housewives to set up Regional or Citizen Consumers' Cooperatives (community type open cooperatives as against the Institutional Cooperatives.)

Some of the information (including charts) has been taken from the material supplied to me by the JCCU. I

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\*The word "Region" refers to the 14 countries in South-East Asia which are served by the ICA Regional Office and Education Centre for South-East Asia, viz. Australia, Bangladesh, India, Indonesia, Iran, Republic of Korea, Malaysia, Japan, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand.

would like to express my gratitude to the Directors and staff of the JCCU and of the societies visited, as well as to the numerous member-housewives I met, for the wealth of information which they provided me. Their assistance made it possible for me to gain an insight into the enormous and valuable contribution which women cooperators in Japan are making to the work of the Consumers' Movement.

New Delhi  
July 1979

Mrs. M. D'Cruz  
Education Officer (Women & Youth)

# The Japanese Consumers' Cooperative Movement

## A Brief History :

There are five Cooperative Laws in Japan for regulating five different types of cooperative activity, namely :

- (a) Consumers
- (b) Agricultural
- (c) Fisheries
- (d) Forest Owners
- (e) Small Business

Each of these types of cooperatives have their own apex organisations—hence there are 5 apex organisations.

Upto 1948 the Consumers' Cooperative Movement was governed by the Industrial Cooperative Law, but in 1948 the Consumers' Livelihood Cooperative Society Law was enacted. Under this law, however, consumers' co-operatives could not engage in credit business. Thus, many consumers' cooperatives found themselves short of funds, and they did not have their own banks or other financial institutions. Therefore, in close collaboration with the Trade Unions, the Consumers' Movement campaigned for the establishment of Labour Banks. In 1953 the Labour Bank Law was passed, and Labour Banks were organised all over the country, for labourers and consumers.

## Structure :

The Consumers' Cooperative Movement in Japan has a three-tier structure, with the Unit Cooperative Societies (primary level) at the base, the Prefectural Unions of consumers' cooperative societies at the secondary level, and the Japanese Consumers' Cooperative Union (JCCU) at the apex (national) level. The JCCU is the sole central orga-



nisation which unites all consumers' cooperatives in the country.

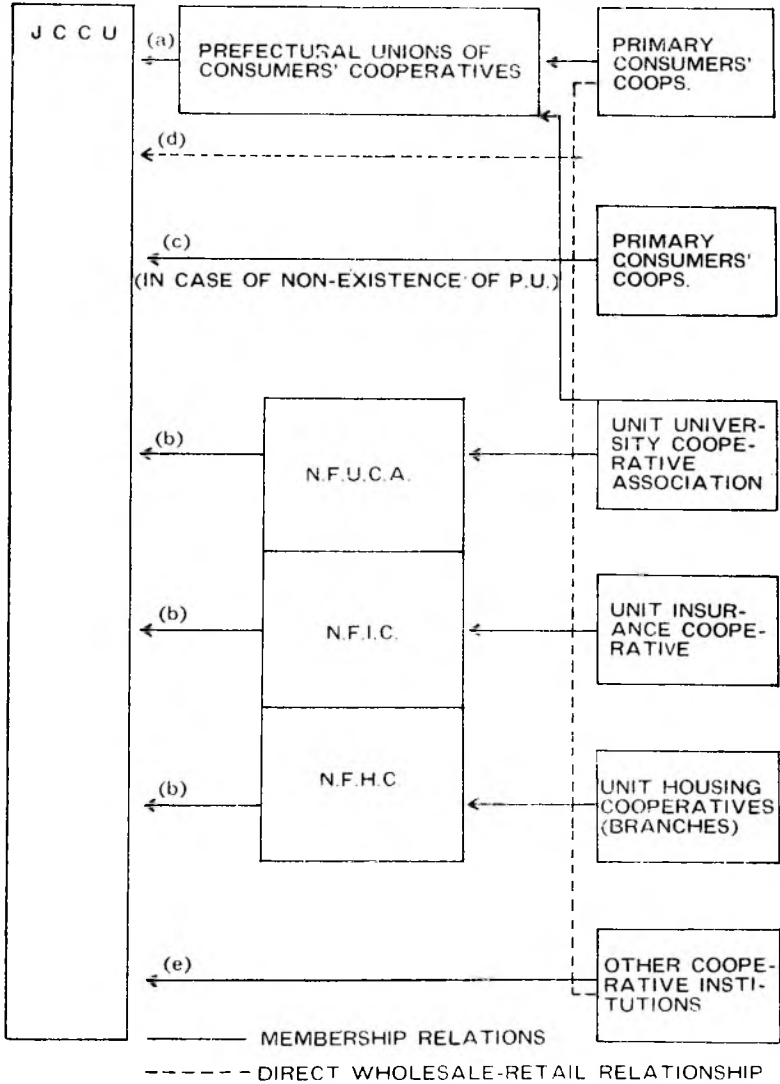
The JCCU was founded in 1951 as successor to the Cooperative League of Japan. In 1952 it was affiliated with the ICA. The total membership of the JCCU is 6.2 million. There are five main categories of members:

- (a) Prefectural Unions of Consumers' Cooperative Societies;
- (b) National Federations of University, Insurance and Housing Cooperatives;
- (c) Primary consumer societies in prefectures where no secondary organisation exists (there are 47 prefectures in Japan, 9 of which have no prefectural unions);
- (d) Primary societies having direct business transactions with the JCCU. (The former membership of the All-Japan CWS were integrated into the present membership of the JCCU when the All-Japan CWS & the JCCU were amalgamated in 1965);
- (e) Other cooperative institutions such as some agricultural and fisheries cooperatives which buy "COOP" branded goods from the JCCU. (There are a total of 14 agricultural and fisheries cooperatives buying "COOP" branded goods from the JCCU).

Unit-level consumer cooperative societies are linked to the JCCU through the Prefectural Unions. Unit-level university, Insurance and Housing Cooperatives are linked to the JCCU through their National Federations. However, all business transactions between these unit-level societies or other cooperative institutions and the JCCU take place directly, to avoid duplication in the handling of merchandise, thus keeping the costs involved to the minimum.

Chart I (see page 3) shows the membership relations of the JCCU with the Prefectural Unions of Consumers' Societies and the National Federations of University, Insurance and

**CHART-1**  
**STRUCTURE OF THE JAPANESE CONSUMERS'**  
**COOPERATIVE MOVEMENT**



JCCU : Japanese Consumers' Cooperative Union  
 PU : Prefectural Union  
 NFUCA : National Federation of University Cooperative Associations  
 NFIC : National Federation of Insurance Cooperatives  
 NFHC : National Federation of Housing Cooperatives

Housing Cooperatives, as well as the wholesale-retail relationship between the JCCU and the primary societies and other cooperative institutions.

It may be mentioned here that there are, within the Consumers' Movement, University, Insurance, Housing, Medical and School Teachers' Cooperatives. University, Insurance and Housing Cooperatives have their own National Federations, while Medical and School Teachers' Cooperatives form Special Committees in the JCCU.

In 1956 the following three bodies were formed : the Japan Joint Committee on Cooperatives, Cooperative Trade Japan, and the National Liaison Committee of Consumers' Organisations.

As can be seen from Chart 2, (see page 5) the JCCU together with the Central Union of Agricultural Cooperatives and four other National Level Organisations of Agricultural Cooperatives, the National Federation of Fisheries' Cooperative Associations, and the National Federation of Forest Owners' Cooperative Associations formed the Japan Joint Committee on Cooperatives (JJC) for coordination at national level and international cooperative work. The JCCU is a member of the JJC.

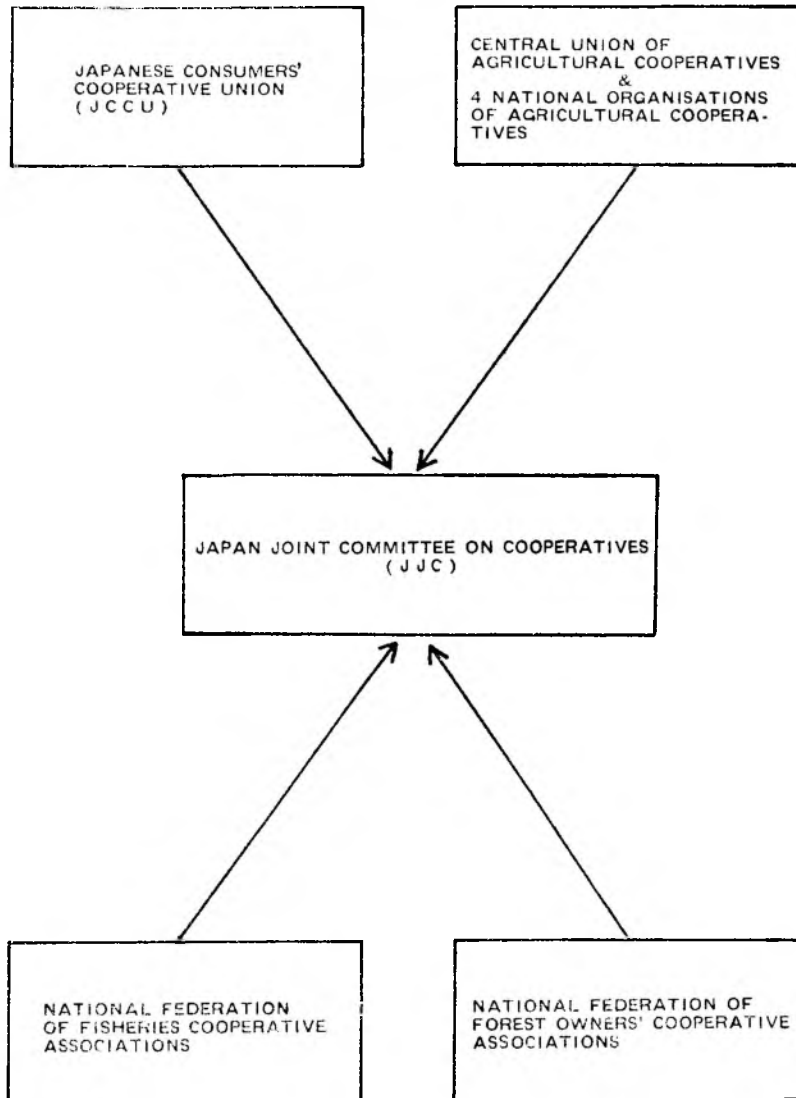
Cooperative Trade Japan (now Cooptrade Japan Ltd.) functions as the International Trade Department of the JCCU.

As shown in Chart 3, (see page 6) the Medical and School Teachers' Committees, and the Committee for the Organisation of Members' Activities are all represented on the National Liaison Committee of Consumers' Organisations. Also represented on this Liaison Committee are the National Council of Labourers' Welfare (which incorporates the National Association of Labour Banks and the National Federation of Trade Unions) and several consumer bodies.

It is likely that in the near future the Medical Cooperative Committee will be replaced by a separate department in the JCCU, which will look after Medical Cooperatives.

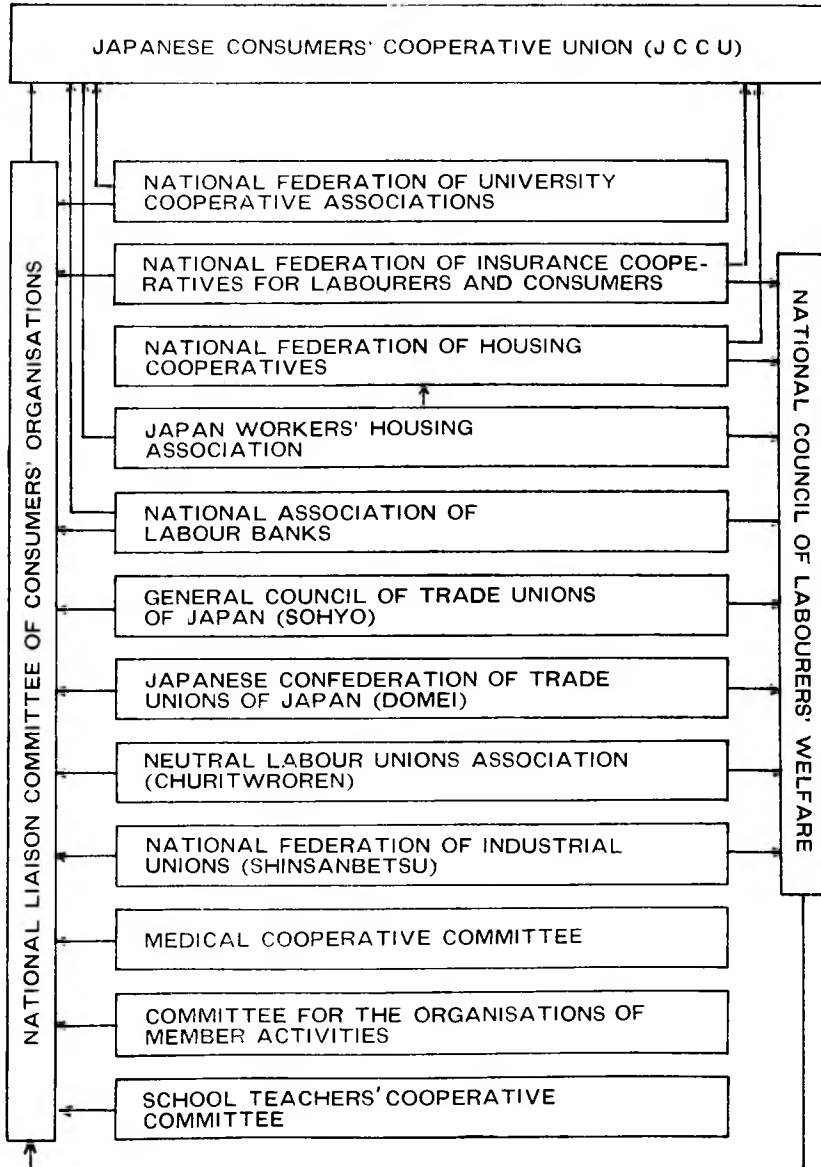
There is within the JCCU an Organisation Department which is responsible for consumer policy and planning and programming of member activities, and all other orga-

CHART-2

**STRUCTURE OF THE JAPAN JOINT COMMITTEE ON COOPERATIVES (JJC)**

**CHART-3**

STRUCTURE OF NATIONAL LIAISON COMMITTEE OF CONSUMERS' ORGANISATIONS AND NATIONAL COUNCIL OF LABOURERS' WELFARE



nisational questions. This Department has two major sections, namely an Organisation Section and a Consumer Activities Section. It is the Organisation Department which directly links women's activities with the JCCU because when we speak of member activities in the Japanese Consumers' Movement, we are talking of women's activities.

#### **Staff Training :**

The JCCU does not have any training centres or colleges for staff training. Staff training is carried out through a series of meetings, seminars and conferences at primary, secondary and national levels. These are usually of short duration—between 2 and 5 days—and are held on a regular basis.

#### **Member Education and Training :**

The National Member Activities Committee is the advisory organ to the Board of the JCCU, and is assigned the main responsibility in policy-making in the field of member activities and education. The Committee has two Sub-Committees, namely, the Home Book-keeping Sub-Committee and the Goods Investigation Sub-Committee.

Like staff training, the member education programme is also conducted through meetings, seminars, conferences, etc. Once a year, usually towards the end of June, a National Members' Meeting is held for the purpose of exchange of information on member activities. The meeting is organised by the National Member Activities Committee and is of two days' duration. About 500 member-housewives attend. The first day is devoted to discussions and participants are divided into eight groups. On the second day there is a plenary session. The National Meeting is preceded by Regional Members' Meetings (there are eight Regions in the country) and each Regional Meeting is attended by about 100 persons.

Specialised courses on Home Book-keeping are held in the eastern and western parts of the country for new members. About 100 persons attend.

Specialists' Meetings such as Seminars on Home Book-keeping or Goods Investigation are held for active mem-

bers. These are intended to train them to be able to promote such activities.

Member education activities of this type are also organised on a regular basis and are of short duration ranging from 1-2 days.

There are a number of *ad-hoc* committees at national, prefectural and unit society level, such as, for example, the *ad-hoc* kerosene committee, which is fighting against the monopoly held by the private trade in the sale of kerosene; the *ad-hoc* milk committee which seeks to promote collaboration with producers of dairy products and to develop "COOP" branded dairy products, etc.

### **Main Types of Consumers' Cooperative Societies in the Retail Sector :**

There are four main types of consumer societies in Japan, namely, Regional Cooperative Societies, Institutional Cooperatives, University Cooperatives and School Teachers' Cooperatives.

Whereas Regional or Citizen Cooperatives cover whole communities, Institutional Cooperatives (such as b, c, and d below) only cater to select groups and are therefore limited to a certain area. Hence many of the institutional cooperatives including the School Teachers' Cooperatives are changing over to Regional Cooperatives.

Since University Cooperatives cannot expand their activities beyond the campus, the professors and students encourage housewives in the area to start Regional Cooperatives, and give freely of their expertise and services in helping to run such societies.

#### *(a) Regional or Citizen Cooperatives :*

No. of Societies	No. of Shops	Membership	Share Capital (millions)	Turnover (millions)
200	744	2,260,000 mostly housewives	Y 20,874	Y 468,333

Fresh foods, groceries, delicatessen, bread, confectionery, etc. account for between 70-80% of the sales. Non-foods account for the rest. These include drapery, footwear, furnishings, hardware, electrical items, petrol, etc. Dealers in spirits must obtain a licence. They can sell to anyone (except persons who are under-age). Dealers in rice must be registered with the Prefectural Office, and they are required to keep a record of the names and addresses of all persons to whom they have sold rice.

Regional or Citizen Cooperatives are established and run by housewives with the help of students and professors of the University Cooperatives.

(b) *Institutional Cooperatives :*

No. of Societies	No. of Shops	Membership	Share Capital (millions)	Turnover (millions)
128	332	355,000 mainly office workers	Y 1,504	Y 32,632

These societies were established by office workers, factory workers and similar groups sponsored either by the trade unions or the companies, and sometimes by both. They prospered upto the 1950's. After that, because of the changing economic situation in the country, their sponsors started to reduce the subsidies they had hitherto been giving to the societies. As a result, many of the societies found themselves in a difficult position, and they changed over to Regional Cooperatives.

Foods—mainly groceries, and confectionery etc. account for 36% of the sales and non-foods for 64%.

(c) *University Cooperatives :*

No. of societies	No. of Shops	Membership	Share Capital (millions)	Turnover (millions)
139	365	758,653	Y 3,560	Y 66,637



These societies are established and run by the professors, workers and students in most of the public and major private universities. They operate retail business and run restaurants, canteens etc. Food accounts for 9% of the total sales, and non-foods for the rest. 30% of the sales are accounted for by the sale of books. The university cooperatives can sell books at 10% less than in the open market. This is important because there is a strict control on prices in the sale of books in Japan, and there are only two wholesalers dealing in books. The Consumers' Movement is fighting this.

(d) *School Teachers' Cooperatives :*

No. of Societies	No. of Shops	Membership	Share Capital (millions)	Turnover (millions)
42	18	532,000	Y 3,448	Y 39,065

Such societies are established and run by school teachers in the elementary and secondary schools, and are sponsored by their trade unions. Food accounts for 7% of the total sales, and non-foods for the rest. The Member Societies usually order by mail after consulting the catalogues prepared by the JCCU.

In order to provide the pupils with stationery, sports-wear, etc., the school teachers' cooperatives have opened separate companies—which are owned and operated by them—for this purpose.

**The Changing Position of Women as Consumers :**

Upto 1948, when the consumers' cooperatives were governed by the Industrial Cooperative Law, women were not allowed to become members of the consumers' cooperatives. They, therefore, worked in support of the Movement through their own separate women's bodies like Women's Guilds, Women's Associations, etc. Even after 1948, when the Consumers' Livelihood Cooperative So-

ciety Law came into force, and this ban was removed, women still retained their separate organisations. Women's influence upon the cooperative management became stronger year by year along with the development of the Movement.

In 1957 the Consumers' Cooperative Movement felt that as women were not fully involved in the work of the consumers' cooperatives, efforts should be made to increase and accelerate their involvement. To achieve this objective, the JCCU set up a Women's Committee to act as an advisory body to the Board of the JCCU.

By 1977 the picture had changed completely. Although there are no separate figures for male and female membership, it is an established fact that today women form the bulk of the membership in the Consumers' Cooperative Movement, and it is mainly the member-housewives who undertake member activities.

How did this change in the position of women as consumers come about? The Consumers' Movement in Japan has the system of family membership. Generally, it was the man, as head of the household, whose name appeared in the membership register. Housewives could attend meetings, but they could not exercise their votes unless they were given proxies by their husbands. As a consequence of the fact that housewives started to take over the member activities, many men transferred their membership rights to their wives, whose names now appear in the members' register.

Another factor contributing to the increasing women membership is this : women form the major part of the representatives attending Annual Meetings, and (as in the case of men) they can only be elected to office if they are members in their own right. Thus, many women have enrolled as individual members, and it is not uncommon to find both husband and wife belonging to one household registered as individual members.

A third factor which is responsible for the growth of women membership in consumers' cooperative is the emergence and growing popularity of the Regional or Citizen Consumers' Cooperatives which, over the years, have started

to replace the institutional cooperatives. The setting up of Regional Cooperatives, was, and continues to be, encouraged by the teaching staff and students of the University (consumer) Cooperatives. They appeal to the housewives in the community to start such cooperatives, and actively assist them in the establishment and operation of these cooperatives. The staff and students of the University Cooperatives give freely to the Regional Cooperatives the expertise gained from their experience of operating their own cooperatives. Many of the consumers cooperatives draw their staff from among the students who were involved in the management of the University Cooperatives.

#### **Women on Boards :**

In the JCCU, out of a total of 30 Directors, 2 are women. Both are also Directors of unit-level consumer cooperative societies, and one of them is a Member of the ICA Women's Committee.

In the Shimouma Consumers Cooperative Society all Board Members are women.

In the Nada-Kobe Consumers Cooperative Society out of a total of 29 Directors 7 are women.

In Nagoya Citizen Cooperative. out of a total of 30 Directors 22 are women.

#### **Women as Employees :**

In the JCCU 3 women are Section Chiefs, one in the Financial Department, another in the School Teachers' Branch, and a third in the Organisation Department (Consumers' Activities Section).

In the Nada-Kobe Society out of a total of 5,536 regular employees, 2,272 are females. Of these one is a Department Manager, two are Managers and two are Assistant Store Managers. The rest are involved as sales staff, clerks etc.

In the more recently started Regional Cooperatives elsewhere the membership of which is composed mainly of housewives, more women are employed in managerial positions.

### **Member Activities :**

I visited 3 societies to study the member activities being conducted by them. These were : Shimouma Consumers' Cooperative Society, Nagoya Citizen Cooperative Society and the Nada-Kobe Consumers' Cooperative Society. The information given here pertains to all three, as member activities follow a uniform pattern all over the country, the only difference being the degree of importance which is attached to each in different societies. For example, joint buying by "han" groups is the oldest and most important activity in Nagoya Citizen Cooperative (joint buying accounts for the bulk of the sales in food) whereas in Nada-Kobe Society "han" groups were only started in the urban areas of Kobe as late as November 1977, and joint buying started at about the same time.

Just as in the JCCU, there are at society level too Organisational Sections or Committees for Member Activities. They are responsible for planning and programming of member activities in keeping with consumer policy. Implementation is done by the members, through their different groups, in close collaboration with the society's staff.

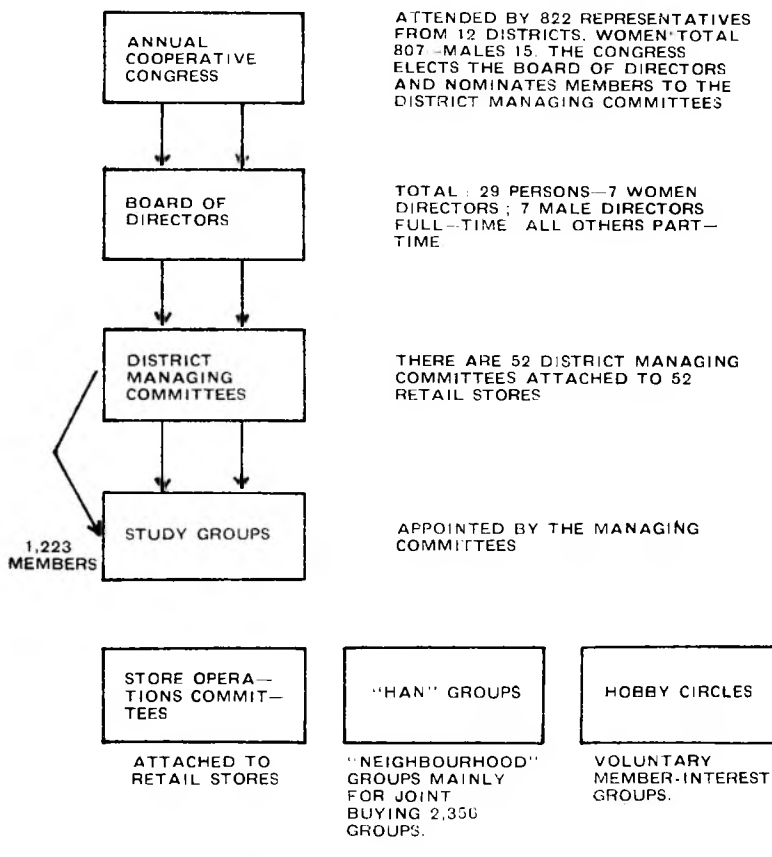
Chart 4 (see page 14) in the section of this report which deals with the Nada-Kobe Consumers' Cooperative Society shows the way in which the different groups responsible for member activities emerge, and the various tasks undertaken by them. This again will be representative of the country as a whole.

We will deal here with the major activities undertaken by the members. These are illustrated in Chart 5. (see page 15)

### **Home Book-Keeping :**

Previously, only those societies which had active women members paid serious attention to home book-keeping. With the increase in women membership in the consumers' cooperatives, this subject has gained in importance. Recognizing its value both for the housewife and the Consumers' Movement, the JCCU has printed a special account book to enable housewives all over the country to maintain

**CHART-4**  
**ORGANISATIONAL CHART OF THE NADA-KOBE CONSUMERS'**  
**COOPERATIVE SOCIETY**



\* These are not Managing Committees in the normal sense of the term, as they are not responsible for management. They are Members' Councils. The term "Managing Committees" has been retained in this report since this is the English translation of the term used by the JCCU for these bodies.



Decisions are made at the annual congress



The management committee members undertake campaigns to propagate "Coop." Brand merchandise, at the coop. stores



Home book-keeping activities at a Han meeting



In the Coop-Festival—masterpieces made by hobby circles are kept on display.



Receiving goods ordered by a Han group  
(Scene of joint buying)



Han leaders meeting—housewives attend the meetings along with  
their children



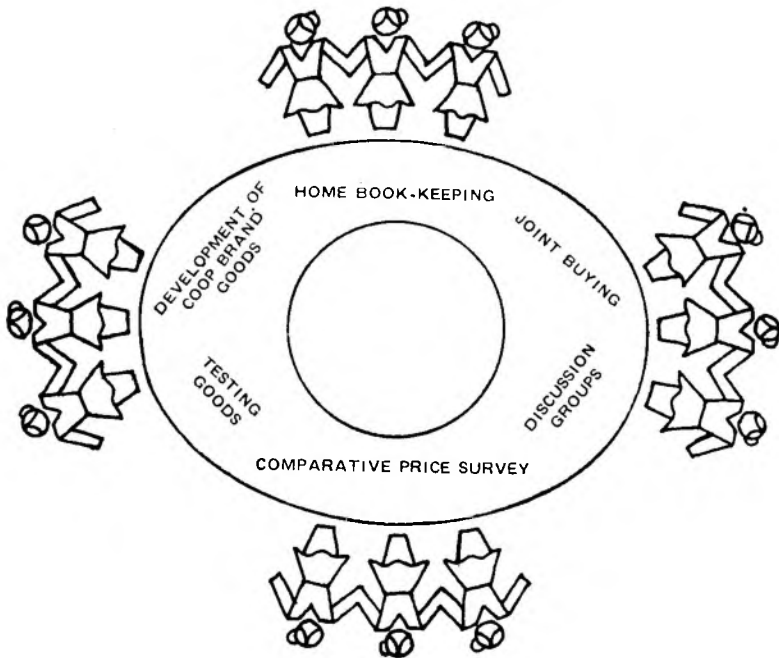


Members holding open-air market to recruit new members in the area where the coop. plans to open a new super market



Han leaders meeting—managers respond to members' questions concerning store operations and quality of goods sold

**CHART-5**  
**MEMBER ACTIVITIES IN THE**  
**JAPANESE CONSUMERS' COOPERATIVE MOVEMENT**



a uniform and systematic record of all household purchases (over 88,000 copies printed). Discussions on home book-keeping now form a regular part of member activities, and the data recorded is used in various ways. The account books are sold to members for yen 300 (yen 202.7 = 1US \$ as of June 1978).

Home book-keeping enables housewives to review their household economy and effect improvements wherever possible.

Member housewives meet to discuss the subject of home book-keeping, how purchases should be recorded in the JCCU accounts book provided for this purpose, how the information recorded can be used, etc. Out of the group a certain number of women agree to maintain records of all purchases made over a specified period, and to submit these to the JCCU through their society. The group leader is responsible for collecting the records.

The data collected provides the Consumers' Movement with insights into the buying habits of consumers in different areas. The records of purchases indicate what items (especially foods) are consumed most; which brands are popular; which particular items have recorded sharp increases in price etc. On the basis of this data, the Consumers' Movement is able to review its merchandising and pricing policy. Items which have become too expensive have to be "dropped". Protests are organised against the price hikes of selected items, and the Movement enters into negotiations with manufacturers, distributors and the Government to bring prices down.

The following example will illustrate how the Consumers' Movement succeeded in bringing down the cost of coloured T.V.

When the largest manufacturers of colour T.V. sets in Japan undertook powerful sales drives in an effort to capture the biggest share of business in the field of colour T.V., malpractices such as "double-pricing" started to prevail. Consumers immediately protested against this "double pricing" which meant that there were big differences between the cost of production and the retail price which customers had to pay for coloured T.V. In addition to the

storm of protests there was a strong boycott of coloured T.V. by members of consumers cooperatives and other consumer bodies. The JCCU then entered into negotiations with another manufacturer of colour T.V. sets and special sets were manufactured for the JCCU and marketed by them under a "COOP" brand name "SUN SEVEN" at a much lower cost. As a result, the prices of colour T.V. sets in the open market came down considerably.

There are several instances where the Government has been forced to control prices of essential commodities and ensure their fair distribution through rationing, as a result of the consumer's voice being raised in protest against unfair prices, cartels and monopolies.

#### **Comparative Price Surveys :**

Groups of housewives meet and discuss which particular items should be selected for comparative price surveys. A list of 10-12 items is then prepared. Members visit cooperative and private supermarkets and stores and compare the prices of identical goods sold in both places. The results are conveyed to the societies. If some items (of the same quality, brand etc.) are being sold at a lower price in the private shops, investigations are undertaken to find out why any item (or items) cost more in cooperative shops. If the consumer stores cannot remedy the situation, they will drop that particular item and try to substitute it with another, which is equal in quality and price.

The members who undertake the comparative pricing then prepare a chart showing the items selected and the prices at which each item sells in the cooperative stores and in the private shops. They work out the price differences, so that other members can see the exact amount of savings they effect when they buy these items from their cooperatives. The charts are displayed at society meetings and in the consumer stores, and act as a strong incentive to the members to purchase from their cooperatives.

#### **Development of "COOP" Branded Goods :**

Some cooperatives, such as the Nada-Kobe Society for instance, have their own production plants for making

bread, cakes, bean curd, noodles and devil's tongue. Nada-Kobe also has a meat processing plant, a fish packing centre and cold storage. Shimouma Consumers' Cooperative and Nagoya Citizen Cooperative also have their own bakeries. Except for such limited production, however, consumers' cooperatives are generally dependent on the open market for most of their needs.

For a variety of reasons, mainly economic, the Consumers' Movement cannot enter into the field of production, where it will have to compete with big business houses which hold monopolies in several fields. Wherever possible the JCCU and its member societies procure their requirements by negotiation with other cooperatives. Fruits and vegetables, for instance, are often supplied to them by the agricultural cooperatives, and fish by the fisheries' cooperatives. In most other cases the Consumers' Movement is dependent for its requirements upon the private manufacturers. Although it does not have its own production units, the Movement still has to protect the rights and safety of the consumer. This means that consumers must have a choice of goods, and all goods must be of standard quality and be sold at the most economical prices. In order to be able to achieve these objectives, the Movement develops "COOP" branded goods in the following way.

The JCCU has a National Merchandise Development Committee; there are similar committees at local level. In addition, the JCCU has appointed a National Testing Group of 500 member-housewives (living in different parts of the country) to assist with the development of "COOP" brand goods.

Cooperative members and member societies send in suggestions to the JCCU regarding items to be developed as "COOP" brands. The JCCU investigates the suggested items, takes a policy decision regarding the goods it accepts for development as "COOP" brands, and sends a list of these items to all its member societies.

The member societies and the Merchandise Development Committees at local and national level discuss the merchandise to be developed. The JCCU then starts negotiations with private manufacturers for the production of

these items (first on a trial basis) and lays down certain specifications regarding quality, price, etc., in conformity with which the goods are to be produced.

The finished products are professionally tested by the JCCU's Cooperative Laboratory to see if they have been produced according to the specifications given. There are two other cooperative testing laboratories, one in Nada-Kobe Society and the other in Sapporo Citizen Consumer Society. There are also Government testing laboratories at national level, and Consumer Centres at local level which belong to the local Government. The testing facilities provided by these are open to the public for a nominal fee. Goods are also tested, through usage, by the 500 registered member-housewives and other consumer groups, whose opinions are recorded and forwarded to the JCCU. The local and national Merchandise Development Committees and expert sub-committees then discuss the quality, price etc., against the background of the specifications given by the JCCU and the opinions from the member-housewives, and take a final decision regarding the development of the merchandise as "COOP" branded goods. After that a publicity and sales promotion campaign is carried on to popularise the "COOP" brand goods for use among consumers. Member-housewives continue to test "COOP" branded goods with the aim of improving them further, and make great efforts to promote sales.

Efforts to produce an effective detergent are still continuing. The popular detergents in Japan are very effective cleaning agents, but they contain certain ingredients which cause exzema and other skin diseases as well as water pollution. Because of this the JCCU has been making strenuous efforts during the last 15 years to develop safer detergents. The new detergents called "COOP SAFTER" were developed in 1969. They are less harmful to the skin but some users are still affected with skin complaints, though to a lesser degree. Now there are many discussions as to whether it is better to use soap instead of detergents, and there are many arguments "for" and "against" this. Some persons feel that soaps are better as they contain natural oils, whereas the chemicals in detergents pollute water, and plant and

animal life. Others are not satisfied with soap as it is not as good a cleaning agent as detergent. The Consumers' Movement is still trying to solve the problem and is launching into the third stage of development of safer detergents by using sugar-easter as cleaning material.

Some of the societies also develop their own "COOP" branded goods.

### **Joint Buying :**

Joint buying is one of the most important activities undertaken by "han" groups. These joint buying groups differ from the buying clubs found in some of the other countries of the Region in several ways. For one thing, they are organised all over the country, and large consumer stores will deal with several "han" groups. The groups meet and discuss with the Director and the concerned staff of the society their volume of purchases in relation to the society's sales targets. These sales targets pertain to individual buying by members of the group, as well as to the group as a whole. Members then agree upon how much they can increase their consumption of certain items so that the targets can be met. In some cases the society indicates that although a certain commodity has gone up in price, if the members increase their purchases of that particular item by a specified amount, the society will continue to sell it at the same price.

Another difference between "han" groups and buying clubs is that the society has special warehouses, delivery trucks, staff etc., to cater to the "han" groups. The system of operation of joint buying is as follows :

A group of persons living in close proximity to one another will form a "han" group, which usually consists of between 10-12 members. A "han" leader will be elected. The job of the leader is to collect orders from the other members, tabulate them, collect money, and place orders with the society. At an appointed time, and place, the society's trucks will deliver the goods. The loudspeakers (with which the trucks are equipped) will announce that the goods have arrived, and the members will come to the spot

to collect their goods. (if the members are living at some distance away, the "han" leader will telephone them). The leader then checks the goods against the list of orders and makes payment to the society staff. Members come with their bags, check the goods ordered by them against their individual lists, and take delivery. Sometimes before the truck departs, the society's staff are given the order for the next delivery. Although the "han" leader is responsible for many tasks, other members are always on hand to help.

Apart from "han" groups, there are other joint buying systems. In the Nada-Kobe Society there are 25 Home Delivery Service Centres which supply members with both food and non-food items. Under this system salesmen will visit the homes of members, collect their orders and deliver the goods the same day. The society employs about 600 salesmen for this purpose.

Members can also purchase their requirements on a weekly or monthly basis, and the society provides special printed forms for this purpose. Catalogues of the goods stocked by the society, new items, special offers etc., are also made available to the members attached to the Home Delivery Service Centres.

In the Osaka-Kita Consumers' Cooperative in Osaka (sponsored by the Nada-Kobe Society), there is a Joint Buying Centre, and 3 Home Delivery Depots. The Joint Buying operates in the same way as the "han" joint buying groups. The Home Delivery Depots function in the same way as the Home Delivery Service Centres in Nada-Kobe Society.

In addition to joint buying activities, the "han" (and other) groups take up for discussion a large variety of subjects directly related to the society and its operation, such as, for example, how to increase membership, raise share capital, enlarge membership in the "han" groups etc.

Members are well informed about consumer policy, decisions taken at the annual congresses, plans and programmes of member activity, etc. Above all, they are ever-mindful of the overall aim of the Consumers' Movement to improve home-life conditions. Discussions are related



to the society's targets, and results in decision-making in support of these.

Apart from activities in direct relationship to the society and its operations, members discuss numerous other subjects which centre around the home, children, the handicapped, cultural matters, etc. There are many interest groups like "hobby circles", and many on-going classes in cookery, kimono-making, wood-carving, painting, how to do minor repairs in the home, etc.

### **Nada-Kobe Consumers' Cooperative Society Limited**

#### **(A Case Study on Member Activities)**

##### **A Brief History**

The Kobe Consumers' Society and the Nada Consumers' Society were both started in 1921. In 1924 the Kobe Society organised a Women's Guild. In 1962 the two societies were amalgamated into the Nada-Kobe Consumers' Cooperative Society.

The operational area of the Society covers 14 cities and 4 townships in Hyogo Prefecture. Out of a total number of 1,021,121 households, 448,265 households (43.9% of the total) are members of the Nada-Kobe Society.

In 1977, in keeping with the policy laid down by the JCCU, the Women's Guild was renamed the Organisation Committee for Member Activities.

##### **Member Activities (Organisation of Groups)**

From Chart 4 (see page 14) we can see how the various groups which are involved in member activities emerge.

The operational area of the Society is divided into 12 districts. Each district sends its representatives (or delegates) to the Annual Congress. Out of a total of 822 representatives 807 are females and 15 are males. These Member Representatives elect the Board of Directors. Out of a total of 29 Directors, 7 are women. 7 of the male Directors are

full-time; the rest are all part-time.\*

The Members Representatives (from 12 districts) also nominate the District Managing Committees from among the general membership. Each District Committee consists of between 20-40 persons, and they are nominated to the Managing Committees in keeping with the districts to which they belong. The Board of Directors may also recommend candidates to the District Managing Committees.

The District Managing Committees are attached to the Society's retail stores. The Nada-Kobe Society has 59 retail stores, but only 52 Districts Managing Committees. The reasons are as follows : 3 of the stores are small and have only Assistant Managers—but no Managing Committees, 4 of the other stores are housed in buildings which do not have meeting rooms, hence the Managing Committees of these stores are combined with those of other retail stores in the same district. The Society had plans to open 2 more retail stores by the end of 1978.

The function of the District Managing Committees (Members' Councils) is to act as a link between the members and the Board of Directors. They convey to the members the policy, plans, targets etc., of the society and help in implementing programmes in keeping with these.

The members of each District Managing Committee meet once a month. In addition, the Committee leaders also meet once a month (52 persons) at the national level. Joint District Managing Committee meetings are held as and when there is need. In such cases the Committees from two or three districts meet jointly, and all committee members attend. Concerned Department Heads from the society attend all the meetings of the District Managing Committees. The term of office on these Committees is one year.

Study groups are appointed by the District Managing Committees from among their own members and the general

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\*Under the bye-laws of the Society, there can be upto 29 members elected to the Board of Directors, and upto 20 per cent (or less) of the fixed number of Directors can, under special circumstances, consist of persons who are not members of the Society. Thus there is scope for electing to the Board persons with experience in professional management, or others who, through their association with the Society, can further its interests.

membership. Each group consists of between 20-40 persons, and any member wishing to join may do so. There are study groups dealing with : food, merchandising, comparative testing and pricing, development of "COOP" brand goods, home book-keeping, member education, and social and cultural matters. The Managing Committee appoints an accountant to look after expenses incurred in connection with meetings, and further appoints persons to be in charge of various groups (one person per group). The term of office is one year. A new Chairman is elected at each meeting. There is no hard and fast rule regarding meetings and the groups decide when, and how often, they should meet.

The Store Operation Committees are attached to the retail stores. They consist of between 30-40 persons, and any members wishing to join only have to give in their names to the management of the store. These groups discuss the operation of the stores from the customers' angle. They usually meet once a month. These Committees have more affinity with the retail stores than with the Managing Committees. The term of office is six months, so as to give as many members as possible a chance to serve on these committees.

"Han" or "Neighbourhood" groups consist of 6-7 housewives (although elsewhere in Japan they consist of 10-12 persons) living in close proximity. Their main function is group or joint buying, though often "han" groups also meet to discuss various topics of interest to them. In the Nada-Kobe Society "han" groups were only established in the urban areas as recently as November 1977, and joint buying activities were started about the same time. There were 2,356 "han" groups as of June 78. "Han" groups are formed through the efforts of the Society's staff, who canvass among the members to form such groups, and also through the efforts of members themselves, as they try to persuade their neighbours to join such groups. Like the Store Operation Committees, these groups have more affinity with the society than with the Managing Committees. Each "han" group has a leader. These leaders attend the "han" group meetings, and also hold their own meetings. These are flexible groups, and they decide for

themselves as and when they should meet.

Thus we see that Member Activities are planned and coordinated by the Organisation Committee for Member Activities in the Society's head-office, and the groups which, together with the Society's staff, implement the programme are : the District Managing Committees, the Study Groups, the Store Operation Committees, and the "Han" Groups. The total number of housewives who are active in the District Managing Committees and the Study Groups is 1,223.

There are no hard and fast rules regarding payment of expenses to the members of the various groups, e.g. Managing Committees, Study Groups, etc. However, when the members incur travel costs to attend meetings at distant places, the society reimburses them for the money spent. When necessary, they are also provided with meals and light refreshments by the society.

Members also form their own Hobby Circles around various topics of interest, e.g., sports, photography etc. These are purely voluntary groups and there is no Society involvement.

### **"Cooperative House"**

"Cooperative House" is a hub of member activities, conducted on a regular basis according to a planned timetable, and with the help of volunteers. The building, which is owned by the Nada-Kobe Society, has 7 floors. One floor is occupied by the society's staff in charge of member activities, and the rooms on another floor are used jointly by the Society's staff and the members for meetings. The other five floors are used for various member activities.

In "Cooperative House" one can see gymnastic classes for mothers and children, witness meetings and discussions by different groups on several topics such as merchandising, goods investigation, home book-keeping, member education etc. or watch on-going classes in wood-carving, sewing and embroidery, and painting (for older people). One group was busy producing tapes to be donated for use among blind children. They had selected a story, read

it, and were discussing how best to tape it. The finished tape will be handed over to the Red Cross who will have it delivered to an appropriate institution for blind children.

All the rooms in "Cooperative House" are equipped with furniture and fittings suited to the purpose for which they are used.

I spent a very happy and busy day in "Cooperative House", visiting one room after another, to see the different activities being conducted there. I found a feeling of warmth and friendliness among the member-housewives who seem to find so much pleasure in working together.

Since it is not convenient for members from all over Kobe to come to "Cooperative House", the Suma Branch in the western part of the town has put one floor of the building it occupies at the disposal of members. Here too, member activities are planned and conducted with the help of volunteers. A special feature is the children's lending library and "story telling" for small children.

It is planned to have a similar venture in the eastern part of Kobe too.

Mention must be made here of some of the special facilities provided for women by the society.

The society has its own school for training its staff and men and women employees are equally eligible for the training provided. In addition there is a one-year class for women employees, but this deals more with home science topics rather than with cooperative subjects.

The society has also provided special medical coverage for its member-housewives. Usually men are covered as far as medical treatment and expenses are concerned by their employers, and children are given vaccination, inoculation and other preventive treatment against epidemic diseases in the school, but housewives are not provided with any such coverage.

Out of its reserve funds the Society provided to the Hyogo Prefectural Association of Preventive Medical Care money for the purchase of four mobile medical units—2 for X-Rays, and 2 for preventive treatment against epidemic diseases. For X-Rays housewives pay a nominal fee. Preventive treatment is given annually free of cost. The

society pays Y 800 per year, per person, to the Hyogo Prefectural Association for this coverage. The Managing Director of the Nada-Kobe Society is also on the Board of the Hyogo Prefectural Association of Preventive Medical Care.

As it is very expensive in Japan to get medical treatment (or hospitalization) privately, this coverage is a boon for housewives.

### **Shimouma Consumers' Cooperative Society**

#### **(A Case Study on Member Activities)**

This society was established in 1945, and at that time its membership was composed of male and female members. However, the society was not doing well, and it is only after it was taken over by women in 1952 that it started to prosper. *Today the membership consists solely of women*, as also the Board of Directors. There is a lady Managing Director (who is also on the Board of Directors of the JCCU and is a member of the ICA Women's Committee). In addition to the Managing Director, two of the Directors are full-time. There are 3 Advisory Committees on : (a) Home Book-keeping, (b) Goods Investigation, and (c) Member Education.

The Society's area of operation covers 2 special wards in Tokyo metropolitan area. Membership of the Society is 15,000. The society has six shops and one distribution centre for joint buying, and a seventh shop will be constructed by early 1979. Shops retail both food and non-food items, and some of the shops belong to the society which also owns its own bakery.

The society's members are active through their Managing Committees, Study Groups and "Han" Groups Committees, etc. When we visited the society a group of about 15 member housewives were testing different brands of curry powder. (These were being tested all over the country by the group of 500 member housewives appointed by the JCCU). The curries were prepared in accordance with the instructions given on the packets, and the opinions of the group were being recorded for onward trans-

mission to the JCCU.

I visited a small "han" group meeting, consisting of four members. They were working out the amount of patronage dividend due to them from the society for a period of six months, on the basis of the receipts given to them for their purchases.

Some of the members are learning dancing and were kind enough to put on a show for us. The Managing Director arranged a private tea ceremony in her house. Stemming from the interest of the members the society last year arranged a Cooperative Cultural Festival—the first of its kind. Each store has its own study circle for cultural activities.

The society has launched out into the cattle breeding business. Beef is a very expensive commodity in Japan, and consumers are demanding that the Government should encourage "home" produced beef, and also allow import of beef. The Society has received a subsidy from the Government of 400 million yen to promote breeding of livestock. Cattle have been purchased from the Society's own funds and the subsidies will be used for fodder etc. The members have developed specialised study material on the subject of cattle breeding. The Managing Director was invited by the Governments of New-Zealand and Australia to visit their countries to study cattle breeding.

Cattle breeding is a fairly new venture, and the way in which members can be meaningfully involved in this activity, to be managed by the society itself, is being studied.

The society issues its own monthly newsletter.

### **Nagoya Citizen Cooperative Society**

#### **(A Case Study of Member Activities)**

This society was established with the help of Nagoya University Cooperative, and two of the Directors are University Professors. The society started in 1969, with about 1,330 members. Today the membership is about 28,000. The society's operational area covers 11 towns and 14 villages.

One of the most important groups here are the "han"

groups. It is a rule in this society that everyone who wishes to enroll as a member must agree to become a member of a "han" group. The society feels that in this way it can involve all members. "Han" groups usually consist of 10 persons, and since there are 28,000 members, there are about 2,800 "han" groups. The main activity of "han" groups is joint buying. The "han" groups also undertake other member activities such as development of "COOP" branded goods, comparative price testing etc.

When a "han" group meets to discuss how to raise the share capital, for instance, they will decide how to do this in a planned manner, by making contributions each week or month. If they have bought a share of Yen 5,000 they may decide to increase it to Yen 15,000 per person, by a fixed date. The "han" leader will collect the money and hand it over to the society. Normally, "han" groups meet 4 times a year, but active groups may meet even more often.

Every 4 "han" groups (40 persons) will send one representative to the General Assembly. There are 650 representatives to the Annual Congress. The society's business operational area is divided into 60 districts, so there are 60 Managing Committees, each consisting of between 10-30 persons. The society has 10 shops.

The society's stores sell mostly food items. Non-foods are limited to a few essentials like detergents, toilet-paper, etc; 60% of the sales are from fresh foods like fish, meat, fruit, vegetables, etc. and 40% from groceries. There are separate warehouses for supplying goods to the joint buying groups. Perishable foodstuffs are not home-delivered, and have to be bought from the cooperative shop.

In Nagoya, I was able to see a joint buying "han" group in action. Members of the "han" group live in 4 blocks of flats in the same area, so the delivery trucks made 4 stops, and the loudspeaker system was used. The residents were families working in the Telephone Corporation. After seeing the smooth manner in which the group and the society's delivery staff worked, I visited two warehouses which supply the "han" groups with their requirements, as well as the warehouse which supplies the consumer store.



I was able to see a Joint District Committee Meeting in action. Besides representatives from Neapolis (where the meeting was held) there were District Managing Committee representatives from 4 other districts, as well as "Han" leaders and 2 directors from the society. The agenda for the meeting was prepared by the society's staff.

The meeting opened with the showing of a film depicting the society's development from the time of its inception in 1968 upto the present time. After that the Executive Director of the society explained to the members what had transpired at the last General Assembly, and explained the society's targets in the following fields :

- (a) to increase membership,
- (b) to raise the share capital in a planned way,
- (c) to make "han" group activities more attractive.

The new method of paying patronage refund was also explained.

At present in Neapolis out of a total of 704 households, 156 (22.2%) were members. Target : to increase membership to 31%. In the 4 adjoining areas the position was as follows :

1. Out of a total of 103 households, 35 (17.2%) were members
2. Out of a total of 430 households, 84 (19.5%) were members
3. Out of a total of 400 households, 35 (8.8%) were members
4. Out of a total of 68 households, 10 (14.7%) were members

Discussions to increase membership in these areas also, in keeping with the society's targets, were discussed.

The members further discussed how to increase the value of their individual shares in a planned way; how much they should pay, and at what intervals (every week, fortnight or month) over a given period of time so that the target could be met.

It was also decided to increase membership in "han" groups to 10 persons where the number was less, and to consider ways and means of making "han" group activities more appealing.

The society decided that it would pay 8% Patronage Refund. Out of this, "han" groups would be paid 5% to cover minor costs incurred in joint buying such as telephone, etc. District Managing Committees will get 0.2% also to cover minor costs such as tea, telephone costs incurred in connection with meetings, etc. Each member of the District Managing Committees will get 300 Yen per month to cover costs incurred for attending meetings etc.

The groups were also given a packet containing bread, Yogurt, Japanese fish cake, etc., and asked to send in their opinions to the society.

In another part of the town, I joined a "han" group, who were meeting in one of the member's home to discuss how best to use a pressure cooker. They were deciding what they should cook, when they should meet again, etc.

The Society has developed some of its own "COOP" brand goods.

## **Conclusion**

From the study of Member Activities in the Consumers' Cooperative Movement in Japan certain facts emerge: Women's position as consumers has undergone a tremendous change between the period 1948-1977. This change was brought about as a result of the enactment of the Consumers' Livelihood Cooperative Society Law (1948) which, for the first time, opened the doors for women to become members of the consumers' cooperatives instead of confining them to limited participation through their own separate women's bodies. Another factor was the realization on the part of the Consumers' Movement that the patronage, loyalty and active participation of housewives was essential for the success of the Movement. This realization led to the setting up of a Women's Committee within the JCCU, to act as an advisory body to the Board on Women's involvement. From then on, women's position

in the Movement grew from strength to strength, until by 1977 women out-numbered men as members of consumers' cooperatives, and today member activities are almost exclusively in the hands of women. It is no longer necessary to have separate women's cooperative organisations as women are now fully involved in the mainstream of cooperative activity. Women also constitute the majority of the representatives to the Annual Congresses, where consumer policy is decided. We have seen how member-housewives influence the merchandising policy, pricing policy, and operational aspects of the consumer retail stores, and how through their network of member activities they support the Movement in its fight against price hikes, monopolies etc.

Women on Boards, and as employees in managerial positions, are not very prominent in the older societies, but in the more recently established Regional (Citizen) Cooperatives, they constitute the bulk of the membership in the societies, and on Boards and even occupy most of the higher positions.

What are some of the other factors responsible for the strong position of women in the Consumers' Movement in Japan today? There is no illiteracy. Certainly, one important factor contributing to the large participation of women in member activities is the fact that many Japanese housewives do not have to work outside the home for economic reasons. Some of the younger generation do go out to work when their children are old enough not to need constant care, but that is because they want to earn additional incomes to give their children a better life. The member housewives take their cooperative work very seriously and attendance is almost 100% in all meetings, despite bad weather, transport and or other difficulties. It is common to see housewives with babies or very young children at meetings.

The whole system of member activities is very well organised, and a great advantage is that every society has well-knit groups, well equipped meeting rooms, planned programmes, study material (usually prepared by the society), and other information media (e.g. the society's news-

letter) for keeping members up-to-date about the society's affairs. The discipline maintained in meetings is also something to admire. At one of the meetings I attended, there was a small plate with notes and coins outside the entrance, and as each member came in, she picked up the exact amount of money she needed to cover her transport charges.

The women cooperators are very conscious of the human aspect of their consumer cooperatives. In various exchanges I had with member housewives they expressed their feelings in different ways. Some felt grateful to their societies for ensuring the safety of their children by providing them with "safe" foods. Others felt that member activities had enriched their lives by providing them with new interests and helping them to make friends. One member felt that although there are no separate cooperatives like school cooperatives for children, it was necessary to involve children somehow in cooperatives so that they get the "feel" of cooperatives already now. In this way the younger generation will automatically fill the gap left by those who have to retire, and the Movement can maintain its continuity. Another member said that cooperatives cater to everyone, hence older people too should find a place in them. All the housewives I met felt that it was their moral duty to support their cooperatives which brought so much well-being into their lives. Women were also concerned about world peace. In Nagoya Citizen Cooperative I was told that women cooperators in Japan had collected funds for Vietnamese cooperators. This year a peace petition against the production and use of nuclear weapons, signed by Japanese housewives would be submitted to the U.N. Secretary-General. Two women board members were among the NGO Japanese delegation which attended the UN Assembly's Special Session on Disarmament in New York in May 1978.

In the cooperative stores too one can see the influence of member-housewives. Based on the opinions of various food-testing groups, some of the stores display certain edible items which they categorically state they will *NOT* sell. The reasons for their action are clearly stated. Either

the goods contain something which is not good for health, or the products are too highly coloured, or too much packaging material has been used, etc.

Other interesting features in the stores are the "advice corners" and the "swap corners". The "swap corners" have notice boards on which members can advertise any second-hand goods they wish to sell, or express their wish to buy certain second-hand items. They state their home addresses and/or telephone numbers and in this way interested parties get in touch with one another.

There is a very close coordination between the society's staff and the member-housewives, and this relationship is seen everywhere. In addition, the consumers' cooperatives collaborate with other cooperative sectors and also with other consumer bodies.

There are, of course, problems too. One is with regard to "COOP" branded goods developed by the JCCU for distribution to the retail consumer outlets. The distribution costs involved push the prices of such goods higher than similar goods developed by the societies at local level, for distribution within their limited area of operation. Another problem concerns the "han" groups in some areas. Where there are large numbers of working wives, the "han" groups are not very active.

Japanese women are keen that cooperators elsewhere should learn from their mistakes. They warned against the use of too much chemical fertilizers, insecticides and pesticides. They strongly feel that industrialization brings its own gains and its own problems, and housewives and mothers should never forget the importance of human values, the happiness of a close-knit family, working and sharing equally in communities, and never cease their efforts for peace.

The Cooperative Movements in the Region are in the process of organising women's bodies, and are looking for ways in which to involve women actively in cooperatives. The example of Japan can provide them many pointers as to how they can successfully do this. □

## THE INTERNATIONAL COOPERATIVE ALLIANCE

is one of the oldest of non-governmental international organisations. It is a world-wide confederation of co-operative organisations of all types. Founded by the International Cooperative Congress held in London in 1895, it now has affiliates in 64 countries, serving over 366 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in London, there are two regional offices. viz., the Regional Office & Education Centre for South-East Asia, New Delhi, India, and the Regional Office for East and Central Africa, Moshi, Tanzania. The Regional Office in New Delhi was started in 1960 and the office in Moshi in 1968.

The main tasks of the Regional Office and Education Centre for South-East Asia are to develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national co-operative movements. The Regional Office and Education Centre now operates on behalf of 14 countries, i.e. Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and T and.

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