



## RECENT HISTORY OF CITIZEN CO-OPERATIVES IN JAPAN AND JCCU'S "2020 VISION"

**História Recente de Cooperativas de Cidadãos no  
Japão e a "Visão 2020" da JCCU**

**Historia Reciente de Cooperativas de Ciudadanos de  
Japón y la "Visión 2020" de JCCU**

Yukiko Yamazaki (The Consumer Cooperative Institute  
of Japan)\*

\* Mestre em Ciência Política pela Universidade de Toronto. Realizando seu Ph.D no Departamento de Estudos Políticos da Universidade de Queen (Canadá). Pesquisadora do 'The Consumer Cooperative Institute of Japan'.

Endereço: The Consumer Co-operative Institute of Japan, 6o andar,  
Plaza F, 15 Rokubancho, Chiyoda-ku, 102-0085, Tóquio/JAPÃO  
Email: yyam422@gmail.com

### Abstract

This paper outlines the historical development of so-called "citizen co-ops" in Japan and illustrates the problems they face today. Further, it introduces the citizen co-ops' response to these problems in the form of JCCU's 2020 Vision. The Vision is not a panacea to all the problems these co-ops face today, but Japanese society definitely needs them to take action.

### Keywords

Japanese Consumer Cooperatives.  
Unions. JCCU.

### Resumo

Este artigo descreve o desenvolvimento histórico das chamadas "Cooperativas de cidadãos" no Japão e ilustra os problemas que elas enfrentam atualmente. Além disso,

introduz a resposta destas cooperativas para estes problemas na forma da visão do JCCU para 2020. A visão não é uma panacéia para todos os problemas que as cooperativas enfrentam, mas a sociedade japonesa definitivamente precisa dela para tomar medidas.

### Palavras-Chave

Cooperativas de Consumo Japonesas.  
Sindicatos. JCCU.

### Resumen

En este artículo se describe el desarrollo histórico de los llamados "citizen Co-ops" en Japón e ilustra los problemas que enfrentan en la actualidad. También introduce la respuesta de estas cooperativas a estos problemas en forma de Visión JCCU para 2020. La Visión no es una panacea para todos los problemas que enfrentan las cooperativas, pero sin duda necesita la

sociedad japonesa a tomar acción.

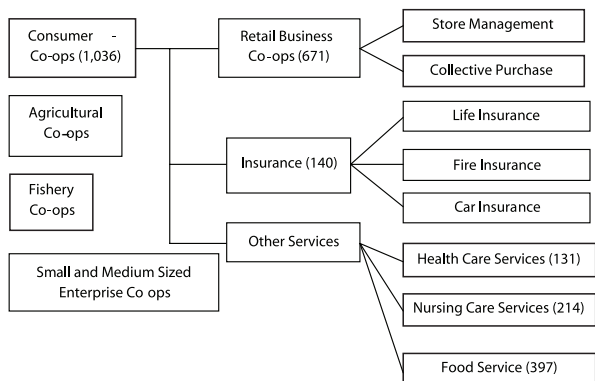
**Palabras Clave**

Cooperativas japonesas de consumidores. sindicatos. JCCU.

**1. Major categories of co-operatives and consumer co-ops in Japan**

According to the Ministry of Health, Welfare and Labour, the supervisory body for consumer co-ops in Japan, there are four major categories of co-operatives: consumer co-ops, agricultural co-ops, fisheries co-ops, and small and medium-sized enterprise co-ops. Although they are all categorized as co-operatives, each of these types has been administered by different laws and national bureaucracy, and, most importantly, has quite different characteristics. Consumer co-ops are organizations governed by the Consumers’ Livelihood Co-operative Society Law, originally enacted in 1948<sup>2</sup>. Consumer co-ops can be further categorized according to their main line of business. This paper will focus on consumer co-ops, especially those engaging in retail business.

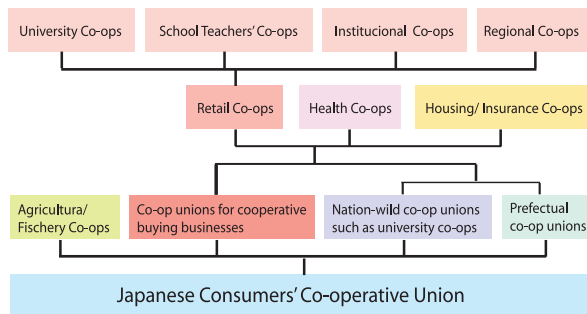
**Figure 1 - Main categories of co-operatives in Japan**



**Source:** The Ministry of Health, Welfare and Labour (2011) “Overview of Consumers’ Cooperative Societies” *Annual Health, Labour and Welfare Report 2009-2010*. p.206.

According to the MHWL statistics, in 2011, there were 1,036 consumer co-ops in Japan, with 63.3 million members in total. Among these consumer co-ops, 671 are retail business co-ops, 140 are insurance co-ops, 131 are health care co-ops, 214 are nursing care co-ops, and 397 are food service co-ops.<sup>3</sup> These figures appear quite significant, but in reality accurate figures about consumer co-ops in Japan are not available. Nevertheless, as the following chart illustrates, many are members of the Japan Consumers’ Co-operatives Union (JCCU) and on this basis, to a certain degree, dependable figures are available.<sup>4</sup> From now on, most figures or statistics referred in this paper are based on JCCU data unless it is stated otherwise.<sup>5</sup>

**Figure 2 - Member co-ops of the Japanese Consumers’ Co-operative Union (JCCU)**



**Source:** Japanese Consumers’ Co-operative Union HP. (<http://jccu.coop/eng/aboutus/coopsjapan.php>)

As was stated previously, this paper focuses on the consumer co-ops which engage in retail business. These are the so called “citizen co-ops” (this is a synonym for “regional co-ops” in the above chart). In the next section, a description will be provided of the development of Japanese citizen co-ops.

**1.1 History of Japanese Citizen Co-ops**

Citizen co-ops in Japan have experienced three distinct stages of growth since the end of WWII. First, neighborhood associations formed

co-ops to secure food and other commodities under the necessity of supply shortage. Then, in response to the surge of the labour movement from the end of the 1940s to the early 1960s, the labour unions created consumer co-ops in order to improve workers' welfare. The third stage started in the late 1960s. This movement was mainly led by university co-ops and drew in local people, namely housewives. The backdrop to the movement was the various social and economic problems that proliferated during that era: rapid economic growth and subsequent inflation, mounting criticism of big corporations for their buyout and holding off of goods (especially kerosene) after the first oil crisis, concentration of population in urban areas, environmental problems, and growing concern over harmful food additives that engendered a strong demand for safe food. University co-ops, which had already established their position on campus, started to explore ways to cooperate with local people through protests against major corporations about price increases and other issues. They provided human resources as well as knowledge to these newly emergent regional co-ops, and these new co-ops started expanding their businesses into many areas. This explains why these co-ops came to be called "citizen" co-ops, and this type of co-op has survived to become what we normally regard as "consumer co-ops" today (YOSHIAKI, 2007)<sup>6</sup>.

## 2. Development of citizen co-ops in the 1970s and '80s

As previously explained, citizen co-ops were among the last to develop and were strongly driven by social problems of the time, which in turn affected the ways in which these co-ops developed. First, the rapid economic growth that started in the 1960s brought inflation, and a utility charge hike led the way for consumer price increases in general, at a rate of 4 – 8 % a year during that decade. This ignited the

consumer movement in Japan, and new citizen co-ops strove to develop their own goods so that their prices would be lower than those of goods supplied by major corporations. For example, the Japan Consumer Co-operatives Union protested that colour TVs produced by major manufacturers were too expensive and initiated a buyers' boycott. JCCU also worked on developing its own brand of colour TV and ultimately succeeded in selling colour TVs for less than 100 thousand yen, whilst other manufacturers were selling them for around 200 thousand yen (SAITO, 2007). Thus, along with achieving expansion in Japan, these consumer co-ops had gained the ability to develop goods which met their members' needs.

In another development, the buyout and holding off of goods (especially kerosene) by major corporations after the first oil crisis invited further price increases, and some citizen co-ops negotiated with oil distributors in efforts to provide kerosene at a fair price. In the process, members of these co-ops participated in negotiations with oil distributors, which resulted in wider public support for local citizen co-ops and encouraged active member participation.<sup>7</sup> Also, the price increase issue drove these citizen co-ops to start group purchasing, seeking cheaper foodstuffs and daily commodities, and this became an important feature of citizen co-ops in Japan.

Furthermore, concentration of population in urban areas worked to the advantage of citizen co-ops by helping to increase their membership, with many of these new urban members being workers' wives who lived in apartment complexes. This advantageous setting allowed citizen co-ops to recruit new members, and their sales grew rapidly, both at citizen co-op stores and through collective purchases. During the 1970s, sales among these co-ops increased approximately seven-fold (SAITO, 2007)<sup>8</sup>. Also, growing concern over harmful artificial food additives and environmental issues contributed to the expansion in sales of co-op brand name goods as well as agricultural products directly purchased from farmers. Consumer co-ops began

to focus more on developing safer goods, such as soap without synthetic detergents, foodstuffs containing fewer artificial additives, and agricultural products grown using less pesticide. In this process of diffusion of co-op goods, more consumers started to join citizen co-ops, and *han* (group) organizations for collective purchasing became firmly established. The formation of *han* further helped Japanese consumer co-ops to solidify their base for retail business (KANEKO, 1992)<sup>9</sup>.

These citizen co-ops became established in the 1970s and continued to grow rapidly in the 1980s. Although prevented from expanding their business across the prefectural borders or trading with non-members due to prohibition by the Consumer Co-operatives Law, almost every prefecture had major citizen co-ops, and these helped new co-ops to form. Sales in collective purchasing rather than store sales became the major feature of the growth of citizen co-ops. Small and medium sized retail shops pressed the government to restrain citizen co-ops from opening new or large stores, and the imposition of other restrictions led citizen co-ops to focus more on group purchasing. Such developments in turn strengthened connections among members through *han* groups, and consumer co-ops spread to rural areas. Furthermore, members' activity was not confined to joint purchasing of goods or related studies on safe foods and daily commodities but expanded to wider societal activity such as involvement in the peace movement and welfare-related voluntary work in local areas. Thus, citizen co-ops in the 1980s increased their presence in local areas, not only as retailers but also as important players with social responsibility (KANEKO, 1992).

Statistics show that by 1990 membership of citizen co-ops had reached 10.1 million and the total amount of trade was 2.83 trillion yen. Comparison of these figures to those in 1971 demonstrates that membership grew by 532% and the total amount of trade by 1,540%, while monthly purchasing per member increased by 161%. The Japanese economy as a whole grew

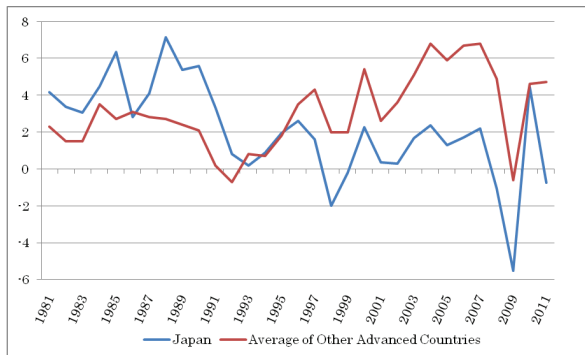
in the same era, so it should be understood that growth in citizen co-ops' retail trade was sustained by an increase in their membership (KANEKO, 1992).

It is clear that the success of citizen co-operatives in Japan was helped by various fortunate occurrences and overall economic growth from the 1960s to the '80s. But citizen co-ops' own efforts were also an important engine for growth through, for example, the development of safe food and other products and the development of their own distribution route through collective purchasing. These co-op brand products and collective purchasing continued to be the main economic pillars of their existence, but the changing economic/social environment started to pressure them to modify their ways of conducting their business. In the next section, the difficult economic situation that began to affect citizens' co-ops after two decades of soaring growth will be described.

### 3. Continuing economic stagnation

The Japanese economy has been suffering prolonged stagnation since the bursting of the bubble economy in the early 1990s. Although spasmodic and limited growth had been seen in 2003-4 and 2009-10 thanks to an increase in exports to North America and newly industrialized Asian countries, the average annual growth rate over the past two decades has been 0.75%, while that of other advanced countries has been 3.5%.<sup>10</sup> The figure below shows that real GDP growth rates in Japan and other advanced countries have suffered a downward turn since the early 1990s.<sup>11</sup> The Japanese economy's downward trend is very clear, and it seems that the failure of Lehman Brothers in 2008 hit Japan's economy harder than those of other advanced countries. In 2010, Japan's GDP was 510,992 billion yen, and it ranked as the third largest economy in the world. But according to IMF statistics, Japan's per capita GDP in 2011 was US \$42,783 and ranked in 17<sup>th</sup> in the world.<sup>12</sup>

**Figure 3 - comparison of changes in real GDP growth rates in Japan and other advanced countries (% between the years 1981 and 2011)**



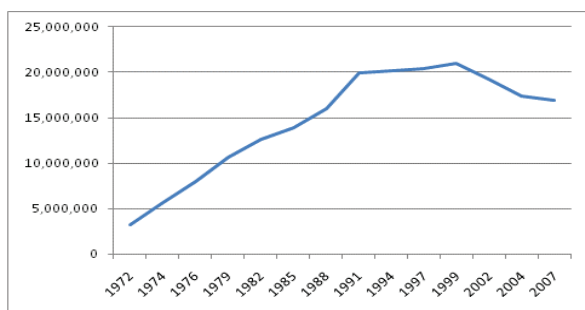
**Source:** Cabinet Office, "Chapter 3 Economy", *The Statistical Handbook of Japan 2011*. <http://www.stat.go.jp/english/data/handbook/c03cont.htm>.

Thus the overall climate of the Japanese economy has been unaccommodating for the past two decades, and this has certainly affected domestic business activities. In the next section, figures in the commercial sector will be examined.

### 3.1 Changes in the Retail Sector

As previously shown, retail business is one of the main pillars of citizen co-ops' activity. Total annual retail sales peaked in 1999 at 21,022 billion yen and have since been on the downturn. They had fallen to 16,913 billion yen by 2007.

**Figure 4 - Long-term trend of total retail sales (unit: million yen)**



**Source:** The Ministry of Economy, Trade and Industry.

"Number of Establishments, Number of Employees, Annual Sales of goods, Value of Goods in stock and Sales Floor Space, by 4-digits Industrial Sub-classification and by Year". (In Japanese. <http://www.meti.go.jp/statistics/tyo/syougyo/result-2/jikei.html>).

This macro economic situation is not the only current problem. Over time, another serious problem has developed, which has affected not only citizen co-ops but also Japanese society as a whole. It takes the form of increasing economic inequality among the people in Japanese society, and this will be examined below.

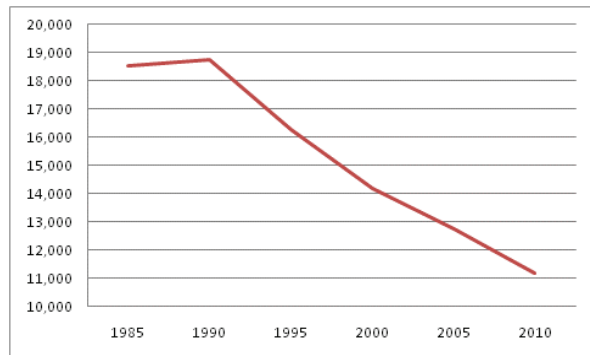
### 3.2 Social change - growing economic inequality

In 2006, OECD released a study that charts the rise of economic inequality in Japanese society. It points out that "(i)ncome inequality and relative poverty among the working-age population in Japan have risen to levels above the OECD average", but Japan's spending on social security as a share of GDP remains below the OECD average. Consequently, "the impact of social spending on inequality and poverty is weak compared to other OECD countries and inadequate to offset the deterioration in market income".<sup>13</sup> A further study by OECD, in 2005, suggests that Japan has the highest poverty rate after US among 30 OECD countries (OECD, 2005).

Also, every 3 years since the 1970s, JCCU has conducted a survey on how co-op members feel about their everyday life. Questionnaires cover members' household income, perception of their circumstances, their priority in life, their motivation to spend, what they expect of citizen co-ops and so on. According to this survey, members' household income has decreased over time, whilst an increase in the number of elderly pensioners is swelling the low income group (JCCU, 2009). The average amount of monthly purchasing by members shows a similar trend. Although membership and organization ratios have continued to grow regardless of the

economic downturn, the average amount of monthly purchasing has continued to fall.

**Figure 5 - Change in the amount of monthly purchasing per member**



**Source:** The JCCU Annual Report (1985, 1990, 1995, 2000, 2005, 2010)

Thus the economic circumstances surrounding citizen co-ops have been unfavorable, and recent increases in commercial sales do not seem to promise future growth because of the damage caused by the Great East Japan Earthquake and the prospect of a consumption tax hike. This dismal picture reflects the significant and lasting impact of the bursting of the bubble economy and deflation caused by subsequent hyper appreciation of the yen. The next section will examine how citizen co-ops have been faring in this discouraging economic environment.

#### 4. Citizen co-operatives in the 1990s and the failure of COMO Japan

Although collective purchasing was one of main engines of growth for citizen co-ops in Japan, sales through collective purchasing started slowing in the late 1980s, and helped by the then booming (bubble) economy, many citizen co-ops began to consider ways to boost their sales at stores. In retrospect, they started looking for ways to enhance their store sales just as the overall economic situation was about to tumble.

Before the bubble economy burst, the total amount of annual trade grew by 10% in 1990 and 1991. But in 1994, shortly after the fall of the bubble economy, total annual trade registered year-on-year losses. Although there was a recovery in 1995 and 1996, figures retreated again in 1997. Figures for the decade peaked in 1998 and then decreased consecutively in 1999 and 2000. In the meantime, whilst membership continued to increase, in 2000 the rate fell by around 1% compared to the growth ratio of the previous year, and sales through collective purchase fell in that year to below those of the previous year. Because of the expansion of the individual delivery service, collective purchase business maintained the increase in total sales, but retail stores' sales substantially dropped in the 1990s. From 1990 to 2000, citizen co-op membership grew from 10 million to 14.5 million and the total amount of trade grew from 2.2 trillion yen to 2.6 trillion yen (the figure was 2.7 trillion yen in 1998). But the amount of monthly purchasing per member declined consistently during the same period from 17, 776 yen to 13,121 yen.<sup>14</sup>

Of course, citizen co-ops did not sit idly by in this difficult situation. Introduction of an individual delivery service for collective purchases was among their business reforms.<sup>15</sup> In order to create an economy of scale, consumer co-ops got together across prefectural borders and formed consortia. They combined to purchase various products and sell them cheaply in order to compete with rival retailers. Also, citizen co-ops recognized the necessity of changing their store management strategy under intensive competition. Then, in 1990, 11 major citizen co-ops got together to form COMO Japan (Japanese Co-operative Store Modernizing Organization). According to its letter of intent for establishment, it aimed to achieve further store openings, cooperation among (COMO Japan) member co-ops, and satisfy a wide range of consumer demands. The proposed steps towards to achieving their goals were: creation of a common store model to go along with the opening of new stores, joint development and

purchasing of COMO Japan brand goods from wholesalers (thus lowering cost for purchase), founding a school to develop human resource skills in store management, and building a superior IT system that would be more competitive in the retail market. From the beginning, the venture was somewhat controversial because of the lack of member participation and the latent possibility of insensitivity to local situations (major co-ops applying knowledge acquired centrally to local co-ops in different circumstances) (SATO, 1994). After 10 years (November 2000), COMO Japan was formally dissolved. The major reasons for its dissolution were: failure in purchasing goods together (newly developed COMO Japan brand goods did not sell well), an increasing number of loss-making consumer co-op stores nationwide, and bankruptcy of many consumer co-ops, including Co-op Sapporo which was a main actor in COMO Japan (ITO, 2001). Citizen co-ops faced the dilemma that while pursuing their goal to be a community-based retailer, they had to fully utilize scale economy in order to be successful in retail business (or at least, recognize its importance). Therefore, as the new millennium was approaching, citizen co-ops in Japan were in quite a difficult situation economically.

#### 4.1 Citizen co-ops in the 2000s

As has been illustrated, the total amount of trade for citizen co-ops in the 1990s peaked in 1998, and subsequently, until 2001, the figure continued to fall. In 2003, there was a slight recovery, but again in 2004, the figure went down. From 2000 to 2004, the shift in total trade from consumer co-ops was 101.1% and their total retail sales fell by 99.7%. Closer examination of the breakdown of sales reveals that the shift in store sales was 91% (from 1.16 trillion yen to 1.06 trillion yen), group purchases fell by 73% (from 1.11 trillion yen to 806 billion yen), and the individual delivery service was the only successful area, with growth of 224% (from 311.3 billion yen

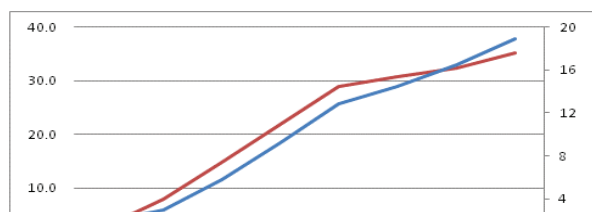
to 696.4 billion yen). Meanwhile, membership increased from 14.5 million to 16.5 million and the organizational ratio reached 33% in 2005 (31% in 2000).<sup>16</sup> In 2003, a JCCU leader expressed feelings of crisis and pointed out major problems within citizen co-ops: widening profit levels among citizen co-ops, the persistent problem of loss-making stores, and major losses in group purchasing (ITO, 2003). The need to improve sales at stores has been a pressing issue for citizen co-ops since the late 1990s, and many co-ops have closed down their loss-making stores. Whilst in 1995 there were 1,400 citizen co-op stores, this number had fallen to 1,214 by 2000. In 2005, the number dropped further to 1,100.<sup>17</sup> Pressurized by this situation, the JCCU called for management reforms to member co-ops, such as store business reform and reduction of labour costs. It also held seminars for leaders of these co-ops to increase efficiency in business management (HORITA, 2004).<sup>18</sup>

#### 4.2 Current market position of citizen co-ops

In the FY 2010, JCCU member citizen co-ops achieved total retail sales of 2.55 trillion yen, a fall of 1.4% from the previous year. Examination of a breakdown of the total sales reveals that retail stores took 98 billion yen in total sales (2.5% down compared to the previous year) and 57 billion yen in sales by home delivery service (0.9% down from the previous year). In the previous decade, home delivery service (especially individual delivery service) had led sales growth, but in recent years, general supermarkets and grocery stores have entered the market and expanded their service areas. This intensive competition reduced profit margins for citizen co-ops, which had been compensating for losses in store retail sales by means of home delivery service sales. Another worrying trend is the widening gap among citizen co-ops. According to JCCU statistics, in 2010, total retail sales of the top 10 citizen co-

ops were 1.24 trillion yen and made up 48.6% of the total sales by citizen co-ops (ones belong to JCCU).<sup>19</sup> However, even these top co-ops have reported drops in sales, and such circumstances create pressure for them to merge. As permitted by the 2008 revision of the Consumer Co-operatives Law, citizen co-ops in the Kanto area (Tokyo, Chiba, Saitama prefectures) are planning to merge in March 2013. If this trend continues, local citizen co-ops might become not so local. Lastly, the membership and organization rates have been increasing regardless of the economic situation; the retail market share by citizen co-ops has remained stable at around 2.5%.

**Figure 6 - Long-term changes in organization rate and membership of citizen co-ops**



\*Left bar indicates organization rate, and the right bar shows membership.

**Source:** JCCU. Annual Report (1985, 1990, 1995, 2000, 2005, 2010), Saito (2007).

The gap between the increasing member/organization rates and stable market share means that citizen co-ops have not been able to achieve the sales they actually deserve. Co-op leaders recognize this fact, and are trying to find ways to connect more with members and their use of co-ops. The next section will discuss the efforts Japanese citizen co-ops are making to survive in these difficult circumstances.

## 5. JCCU’s mid-term and long-term plans and the development of its 2020 Vision

Even during the era of retail business growth and expansion of member activity, many citizen co-ops were starting to tell the JCCU that annual planning was not enough for further development. Then in 1976, the JCCU drew up its first mid-term plan, announcing “promotion of cooperation among citizen co-ops and fostering leading co-ops in local areas”. Based on this plan, some citizen co-ops merged, and co-ops in neighboring prefectures started interacting with each other (SAITO, 2007)<sup>20</sup>. The JCCU continued to develop mid-term plans every three years, but both the changing environment and expansion of citizen co-ops made it necessary to draw up a plan for the longer term. Since the late 1980s in particular, the low level of monthly purchasing by members and the decline in group purchasing had become salient issues. Also, citizen co-ops saw a lack (or insufficient) recognition by wider society of this as an important problem. That is, although their membership and business sales were continuing to grow significantly, (as they thought) they did not have the place in society they really deserved. The JCCU compiled the fourth mid-term plan in 1987 and started drawing up the first long-term plan, called “(JCCU) Vision for the 1990s”, in 1988. The fourth mid-term plan claimed that consumer co-ops had now reached a “turning point”. Starting from such consciousness, “Vision for the 1990s” aimed at overcoming these problems and tried to create “humane and enriched lives” with emphasis on the union of self-sufficient people, promotion of health and welfare, and protection of environment and peace (YAMAMOTO, 1991). In June 1990, the JCCU finalized the “Vision for the 1990s” along with the fifth mid-term plan.

Following the “Vision for the 1990s”, the JCCU issued the “Plan for the Late 1990s” in 1996, the “Ideas and Vision for the 21st Century” in 1997, and the “JCCU’s Vision for 2010” in 2005. Then, in autumn 2008, JCCU formed a committee to formulate the contents of its next long-term



plan.<sup>21</sup>

In the past, there had been few opportunities for members to participate in the formulation process of the long-term plan. However, in terms of the “Vision 2020”, JCCU actively asked for discussion in local co-ops and set up workshops to study the content.<sup>22</sup> These workshops included both members and workers and accumulated various opinions. The JCCU also called for opinions through the internet on its HP. The committee first raised 20 discussion points and accepted feedback from members. Then it drafted the first version of “2020 Vision” and once more asked for members’ opinions. Upon receiving their ideas, the committee wrote another draft. The second draft was also followed by open seminars (with members and members’ feedback reflected in the final version) and the report was finalized in June 2011.<sup>23</sup>

The “2020 Vision” first raises the desired image for consumer co-ops 10 years hence in that “they would aim for the creation of a society where people are happily connected and trust among people prevails”.<sup>24</sup> It also notes that acts of consumer co-ops should be based on the principle established by *The 1995 ICA Statement on Cooperative Identity*. In order to achieve this goal, the “2020 Vision” presents 5 action plans, emphasizing that the first is the most central to consumer co-operatives.

#### JCCU 2020 Vision Action Plan

#	Action plan	Details
1	To enhance people's everyday life	-flexible service provision - increased communication with members - active use of IT to improve business – fulfilling social responsibility - increasing home delivery membership and making loss-making stores profitable
2	Participation in Regional Development	- utilizing co-ops' own networks of business and member activities, participating in the creation of a local community where people can live pleasantly - provision of educational opportunities for developing independent consumers

#	Action plan	Details
3	Contribution to the Japanese and Global Societies	- broadening understanding of and sympathy with the co-ops' values - contributing to the realization of the UN's Millennium Development Goals - working on environmental protection
4	Enhancing Active Membership and Workers' Organizations	- encouraging members to participate in various activities - organizing members groups to contribute to local communities - creating workplaces where both men and women can realize their potential -securing annual profit rates greater than 2% and sustainable financial strength - complying with laws regarding organizational and business management
5	Building a Basis for Further Cooperation and Action	- promoting the formation of consortia - working on institutional change (the Consumer Co-operatives Law, accounting system, etc.) for a better environment for co-op development - building the recognition of consumer co-operatives

#### Conclusion

As this paper illustrates, the Japanese citizen co-operatives have experienced significant changes over time. Since the bursting of the bubble economy in particular, these co-ops have been plagued by sluggish growth in sales under harsh competition in the market. Despite the failure of attempts such as *COMO Japan* to improve their business, people continue to join citizen co-ops. This reflects that the co-ops are expected to play a responsible role in local communities: not only selling goods but also building networks of people. Fully aware of this situation, member co-ops and the JCCU jointly compiled the 2020 Vision. It is based on the philosophy laid down in *The 1995 ICA Statement on the Cooperative Identity* and it aims to contribute to the creation of a society in which people can live together happily and with trust in each other. This of course would not solve all the problems citizen co-ops are currently experiencing, but Japanese society definitely needs them to take action.

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## Notas

1 Este artigo foi originalmente preparado e apresentado no International Summit of Cooperatives 2012, realizado na Cidade do Quebec, Canadá, no mês de outubro de 2012. A autora gostaria de expressar seu sincero agradecimento a seus colegas, Kurimoto Akira, Fujii Haruo e Ohotsu Shoichi, do *Consumer Cooperative Institute of Japan*, por seus conselhos. A autora também gostaria de agradecer a Misaki Keiko e Adachi Takashi da Biblioteca do *Japan Consumers' Co-operatives Union (JCCU)* por suas entusiasmadas instruções e vontade de apresentar vários materiais, até mesmo no fim de semana. Sem a ajuda destes,

a autora não teria sido capaz de adquirir todas as informações necessárias para este artigo.

2 The Consumers' Livelihood Co-operative Society Law (herein after the Consumer Co-operative Law) was revised in 2008. The revision was historic in a way because no substantial change had been made to the Law since its enactment. Major points of revision relate to slight relaxation of regulation of business operation areas and non-member trade, decision making in consumer co-ops, separation of insurance business of a certain size from consumer co-ops, etc. (Kurimoto, 2010. p.177-181).

3 These figures include co-ops which are not active or are dormant, so there may not be as many consumer co-ops in Japan as is shown. In addition, in relation to the total numbers of consumer co-ops members, family members in the same household may become members of one local co-op, or it is quite common, especially in urban areas, for one person to become a member of multiple co-ops. So consumer co-op membership may not actually total 63.3 million (about the half of the total population in Japan).

4 Not all consumer co-operatives are members of the JCCU, but more than 70% of retail co-ops, (especially regional ones) which are the main focus of this paper, belong to JCCU, and one can grasp an overview of consumer co-ops in Japan through the JCCU figures.

5 The Japan Consumers' Co-operatives Union is a national federation of consumer co-operatives or co-op consortia. It was established in March 1951, and is the biggest consumer organization. It supports the development of member co-ops through jointly producing and supplying original goods, and assisting member co-ops' business and other activities. Also, as a representative of co-ops nationally, it interacts with other national organizations in order to broaden understanding of consumer co-ops, and submits policy proposals. (JCCU HP: in Japanese <http://jccu.coop/aboutus/jccu/>)

6 Chapter 3. Co-op Shuppan. Kaneko, Atsuyuki (1992). "Dai 2sho Nihon no Seikyo no Genjo to sono Hatten Yoin (Chapter 2 Current State of Japanese Consumer Co-operatives and its Reasons for Growth)". Ouchi, Chikara and the Consumer Co-operative Institute of Japan (ed.). *Kyodo Kumiai no Shin Seiki – Seikyo Undo no Aratana Hatten wo Motomete* (New Century for Co-operatives – Seeking Further Development). Tokyo: Sankyosha. p.98-111.

7 Ene Co-op HP (<http://www.enecoop.jp/kerosene/manga/index2.html>). Ene-Co-op is a company built by Co-op Sapporo. Sapporo is a major city in Hokkaido and the area is known for its harsh winter temperatures.

8 Chapter 4.

9 Chapter 2. In 1971, there were 186 citizen co-ops with 800 thousand members. 10 years later, the former number had grown to 203 and the latter had grown to 2.9 million. Saito (2007), p.144.

10 For international figures, IMF (2010). *World Economic Outlook, April 2010* cited by the Ministry of Economy, Trade and Industry White Paper (<http://www.meti.go.jp/report/tshuhaku2010/2010honbun/html/i1110000.html>). Japanese figures are cited from: Cabinet Office. *Annual Report on the Japanese Economy and Public Finance 2002-2003.*, *Annual Report on the Japanese Economy and Public Finance 2003-2004.*, *Annual Report on the Japanese Economy and Public Finance 2009-2010*, and *Annual Report on the Japanese Economy and Public Finance 2010-2011*. (Cabinet Office HP. <http://www5.cao.go.jp/keizai3/keizaiwp/index.html#hakusho> Some summary reports are available in English at <http://www5.cao.go.jp/keizai/index-e.html#aes>)

11 The other advanced countries are Canada, France, Germany, Italy, Spain, the United Kingdom and the United States.

12 IMF (2010). *World Economic Outlook, April 2010* cited by the Ministry of Economy, Trade and Industry *White Paper 2010*. (<http://www.meti.go.jp/report/tshuhaku2010/2010honbun/html/i1110000.html>).

13 Executive summary of OECD (2006) *Economic Survey of Japan 2006*. ([http://www.oecd.org/document/6/0,2340,en\\_2649\\_201185\\_37127031\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/6/0,2340,en_2649_201185_37127031_1_1_1_1,00.html))

14 *The JCCU Annual Report* (1985, 1990, 1995, 2000, 2005, 2010 in Japanese)

15 Individual delivery is an aspect of collective purchasing, but it is different from group purchasing in that goods are delivered to individual homes. Whilst group purchasing requires people to get together to form a *han*, individual delivery services do not have this requirement. So some people throw doubt on the meaning of consumer “co-operatives” in relation to an individual delivery service because it is quite similar to regular internet or catalogue shopping services. Nevertheless, the individual delivery service has definitely contributed hugely to increasing retail sales

among consumer co-ops since the end of the 1980s. Kaneko (1992), p.101.

16 *JCCU Annual Report* (1995, 2000, 2005).

17 *JCCU Annual Report* (1995, 2000, 2005).

18 Since the early 2000s, this JCCU journal has focused on how to improve both store sales and group purchase sales in almost every issue and introduced exemplary cases.

19 JCCU (2011). *Annual Report 2010*.

20 P.124-125.

21 Each plan relates to the previous one in terms of its major goal since each plan begins with an evaluation of what has been achieved in terms of the goal raised by the previous plan and then formulates a new goal. The “2020 Vision” reinforces the goal originally raised by the “Ideas and Vision for 21<sup>st</sup> Century” drawn in 1997 because the 1997 goal of “realization of humane lives and sustainable society” has not been achieved. This goal itself is also cited from ICA’s *The 1995 ICA Statement on the Cooperative Identity*.

22 The JCCU sent the committee to the UK, Italy and Sweden to study business cooperation among consumer co-ops in these countries. Shiga-ken Seikatsu Kyodo Kumiai Rengokai (Confederation of Consumer Co-operatives in Shiga Prefecture) HP. (in Japanese [http://shiga-seikyoren.org/action\\_report/other/010171.php](http://shiga-seikyoren.org/action_report/other/010171.php))

23 The formulation process is detailed in JCCU (2011). *Nihon no Seikyo no 2020 nen Bijon* (the 2020 Vision by the Japanese Consumer Co-operatives). p.25-26.

24 Here, the JCCU use the word “consumer Co-ops” to include insurance co-ops that are among their members. But the Vision mainly focuses on citizen co-op action. Shiga-ken Seikatsu Kyodo Kumiai Rengokai (Confederation of Consumer Co-operatives in Shiga Prefecture) HP. ([http://shiga-seikyoren.org/action\\_report/other/010171.php](http://shiga-seikyoren.org/action_report/other/010171.php))