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	Member Participation Revisited
	: From Han Groups to What?
Main Features	KURIMOTO, Akira. CCIJ.

Introduction

Japanese consumer co-ops established a model of member participation based on Han groups and these basic organizational units lead to the rapid expansion of co-op's home delivery business that focused on Han group joint buying. Since the 1970s, when this model was first adapted, a win-win relationship was created whereby member's used Han to voice opinions which in turn improved operations and boosted business. There are several factors that enabled co-ops to create this model that are historical, socio-economic, institutional and organizational in nature. This model has been highly commended for combining democracy with efficiency and inspired an international comparative study on member participation in 5 countries in the 1990s.

The Han model now faces a changing environment that is characterized by more women members working outside the home, growing individualism, increasing diversity and a blurring of boundaries within society. As a result, the Han organization ratio, since the mid-nineties, has been decreasing and individual home delivery is now replacing Han joint buying. To address these changes, a number of studies and trials have been conducted with the aim of activating member participation.

Contents;

Main Features:	_____	1
	Member Participation Revisited: From Han Groups to What?	
	KURIMOTO, Akira. CCIJ	
News in Brief:	_____	17-18
	• CCIJ Conference	
	• ICA Global Co-op Research Conference in Paris	
	• CCIJ Colloquium on Co-operative Theory	
	• CIRIEC Japan's Conference	

This paper will analyze the changing patterns of member participation in three categories: participation in decision making as an integral part of governance, participation in thematic/cultural groups and participation in improving co-op's business operations based on a national membership survey and some case studies. Finally it will discuss how co-op members can participate in community building.

Han Groups as channels for member participation and the prerequisite of joint buying

Japanese consumer co-ops adapted the model for member participation through Han groups from Tsuruoka Co-op in Yamagata Prefecture where the first Han groups were established in 1956. The idea originated from a co-op employee, who in an effort to work with members to improve services, organized a member's gathering at a member's home. This simple idea initiated a model for member participation. Finding Han groups to be effective channels of communication with members, Co-ops throughout Japan began to adopt this model and in 1964 JCCU formally chose Han as the basic organizational unit of member participation and Han gradually took over from the traditional women's guilds ¹.

Han is a Japanese/Chinese word, which literally means a small unit of organization. In the co-operative context it is a group of more than 3 members living in the same neighborhood. Han groups are fundamentally a spontaneous organization and members join at their own discretion. Han meetings are held at member's houses with the aim to facilitate the flow of information between members and with management. Although the meetings can range in size and scope, when they involve a majority of the membership base they tend to take on a more institutionalized nature. At their height, Han groups were in fact expected to meet on regular periodical intervals according to the Co-op's timetable (before Annual General Meetings in April-May, and during Co-op Months in October-November etc.). Co-ops also convened Han leader's meetings to disseminate information on co-op's operations and receive feedback from members. Han groups were often used as a constituency to elect delegates to the AGM. Starting with Han groups as a base unit, many co-ops set-up intermediary organs such as shop/district committees and regional/bloc committees which facilitated co-op's governance at the local/regional levels and its involvement in the affairs of communities in terms of environmental protection, local welfare, child rearing, education and consumer education. Members who actively participated in Han groups often found ways to become more involved in issues and take on higher responsibilities which allowed them to climb the echelon of co-operative administration to become committee members, delegates or board members. Thus a pyramid type structure of co-op administration emerged (Chart. 1). Han groups constituted the basis of such an elaborate structure, which enabled co-ops to listen to the member's voices and effectively communicate information to a wide range of members.

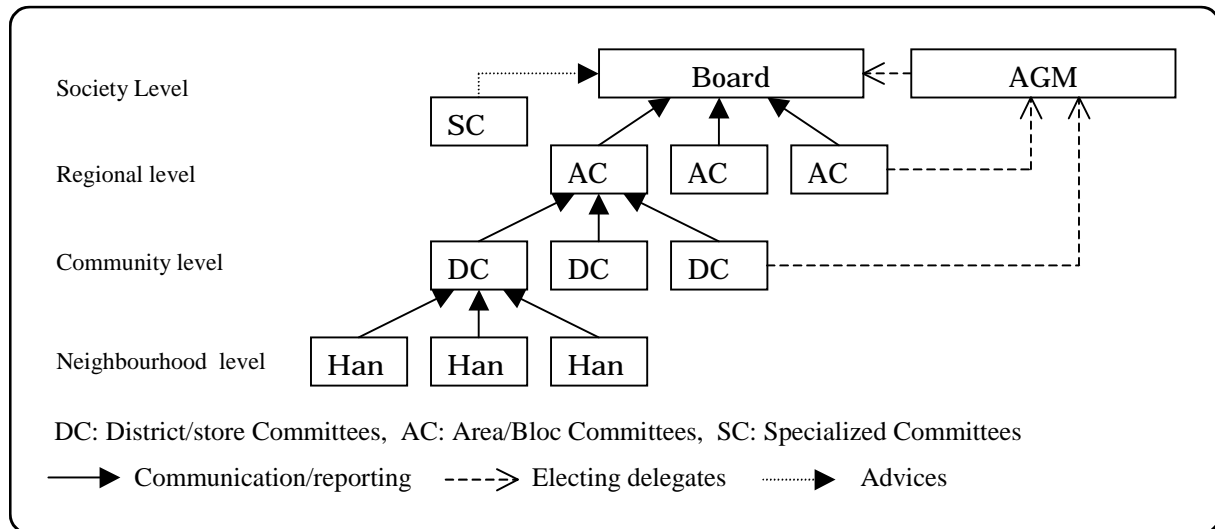


Chart 1. Pyramid structure of member participation

Some co-ops, as an incentive to promote Han membership only distributed dividends to Han group members. When connected to the Co-op joint buying system, Han groups took on a very important binding function within the organizational structure. Joint buying (Kyodo Konyu in Japanese) is a unique system of collective buying of daily necessities, centered on food, which was introduced by the Japanese consumer co-ops in 1970's. The concept took hold in the wake of rampant consumerism and consumers' concerns over food safety and quality control. In particular, the first joint buying was formed by a large group of mothers who wanted to purchase pure milk and protest against major dairies which were falsely claiming that their milk was unadulterated when it was not. Spontaneous buying clubs then grew within consumer co-ops; sometimes they were assisted by experienced managers and employees who had worked with university co-ops. In the 1970s, after several years of trial and error, joint buying proved to be the driving force behind co-op's expansion with yearly growth ratios exceeding 20-30%, and with joint buying largely contributing to the co-op's overall growth. In mid 80's, non-store retailing including joint-buying, surpassed store retail sales. Thus the joint-buying system proved to be a viable business model giving co-ops a competitive edge. A number of retail operators, including Daiei Co., formerly one of the largest retailers in Japan, tried to imitate the system, but failed since they lacked the core of the system, i.e. Han groups.

Joint buying presupposes collaboration of Han group members for ordering, receiving and sorting products among members. Member's voluntary (unpaid) work contributes to lower operation costs, while these savings are then passed on to lower prices at co-op stores as well. Through Han groups it is quite natural for members to raise complaints and make requests to management, who in turn then benefits from this member input by improving products and operations that better meet consumer needs. In this way, member feedback

through Han groups can work to strengthen member's loyalty to the co-op and create a win-win relationship. Thus the Japanese consumer co-op system of joint buying has become a successful business model combining economic efficiency with member participation.

Factors Attributable to the Japanese model

There are several factors which can be directly attributed to the Japanese consumer co-op model of member participation. These are: historical, socio-economic, institutional and organizational. First, historically the tradition of collectivism has been cultivated through rice farming which required the collective action of villagers for seeding, weeding, harvesting, irrigation and pest management. This way of life has been embedded into village life over generations, and was often reinforced by 'Murahachibu' or ostracism implemented as a sanction against those who broke village rules; villagers were excluded from any communication or transaction with other villagers. Furthermore, during medieval times, mutual help groups such as 'Yui' (village brigades) or 'Koh' (credit unions) also existed. In modern times, 'Chonakai' (neighborhood association) were encouraged to act as agents of the government rather than as autonomous bodies. During WWII, the war regime ordered the entire nation into 'Tonarigumi,' which were neighborhood groups, consisting of around 10 households, formed for the purpose of mutual help, surveillance and security. After the war, these groups were banned by the ruling GHQ, but in many ways survived in different forms. Collectivism, or a group mentality, is the basic concept behind Japanese style management within companies and organizations throughout Japan. Han groups can likewise be understood within the context of collectivism. Collectivism, however, is not unique to Japan, as it also exists in other Asian countries such as China, Korea and Taiwan, but it is rarely seen in other regions.

Secondly, the socio-economic changes of modern Japan created rich soil, from which the Japanese model has grown (Chart. 2). Rapid economic expansion since the late 1950s increased the GDP, but simultaneously brought byproducts such as excessive use of chemicals in farming and food production/processing, hyperinflation and environmental degradation. Economic growth also brought about large-scale migration from villages to urban areas. Newcomers to the urban areas moved into newly developed suburbs, where a sense of community was lacking, and where retail outlets were nonexistent. The pattern of the nuclear families prevailed; husbands worked in companies in the cities while wives stayed home to raise children. This is reflected in the M shape pattern of the women's workforce; the proportion of married women who did not work was highest during 1970-1980. It is also important to note that at this time, the education level increased with nearly all boys and girls attending high schools while higher education also became popular.

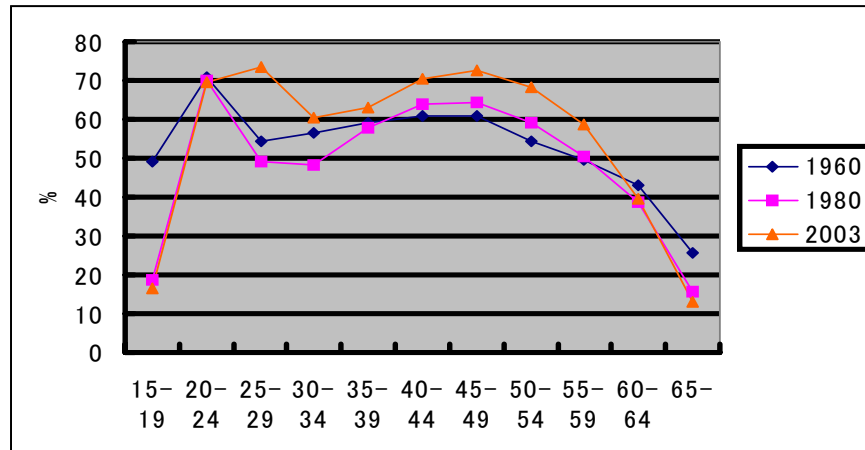


Chart 2. Evolution of the ratio of women in the workforce

Since the 1960's, the driving force behind the expansion of consumer co-operatives in Japan has been educated housewives who, deeply concerned about the food they fed to their children, particularly food additives and chemical residues, wished to buy pure and unadulterated food by joining hands with reliable local producers that supplied co-ops. Japanese housewives were also concerned with air/water pollution which could do harm to their health and the wider environment. They joined co-ops and organized themselves into Han groups within their neighborhoods, to voice their opinions and take part in a wider consumer's movement. Simply put, Co-ops fit into the lifestyle of housewives and co-op was thus often seen to be a major channel for participation in social affairs. In fact, consumer co-ops were the emerging consumerism movement in contrast with former worker oriented co-ops organized by trade unions during the 1950's.

Thirdly, of the institutional aspects attributed to the Japanese consumer co-op model, the most important one has been the legal prohibition of non-member business. The Consumer Co-operative Law had several impediments following pressure from the national small retailers' association which wanted to suppress consumer co-ops as rivals. Consequently, under the law, consumer co-ops are prohibited from trading with non-members, without exception, although other types of co-ops are allowed to trade, to the extent of, 20% of their turnover. This restriction has been fortified further with additional penalties and obligations. From time to time, co-ops have been harassed by retailers' anti-co-op campaigns, which requested co-ops to fully comply with such regulations. The co-op's response has been to enlist all customers to become members. Furthermore, co-ops are not been allowed to operate banking businesses and therefore have to rely on member's share capital. Under these circumstances, co-ops have asked for a minimum share when new members join, and asked members to make monthly payments to raise their shares or reinvest dividends into shares. Accordingly, co-op have built-up a firm financial base from member's share capital. Today, member's share capital constitutes 30% of the total assets while the

average per member investment amounts to 200 Euros on average. Thus member participation also includes financial participation with members expected to play the roles of users, investors and administrators. Han has been the basic organizational units to facilitate active member participation. In other words, co-ops have been enclosed and defined by their membership.

Lastly, in terms of organizational aspects attributed to the co-op model, consumer co-ops in the early years relied on university co-ops for professional management assistance. When co-ops were small organizations with only hundreds of members, the lay leaders could manage the organizations. But when co-ops began to grow and involve into thousands of members, professional management was indispensable to business growth and development. University co-ops first developed and grew from 1945-1960, when students and faculty members set-up co-ops at most public and large private universities. These co-ops were involved in the social movement against the US-Japan Security Pact and experienced political rift after 1960. Recognizing the natural limitation of their operations in terms of time (students turnover every 4 years) and space (confined within campus), some university co-op leaders decided to embark on organizing and assisting citizen co-ops in the neighboring communities with the vision to create a large co-operative movement. Thus Hokkaido University Co-op joined in setting-up Co-op Sapporo, while Doshisha University Co-op helped establishing Kyoto Co-op in 1965. Saitama University Co-op and Tokyo University Co-op assisted the newly created citizen's co-ops in Saitama Prefecture in 1965. These examples were followed by other university co-ops in different prefectures, and in this way citizen co-ops were established in most prefectural capitals by 1980. University co-ops, thus supplied managerial manpower, while member's activities were left-up to member housewives who took part in the process of co-op's operations, thus giving co-op a competitive edge.

Declining Han groups in the changing environment

This Japanese consumer co-op model of member participation was commended for combining democracy and efficiency by co-operative leaders such as the ICA President Lars Marcus who acknowledged that the Japanese model did in fact induce the main theme 'Co-operative Basic Values' when he made the keynote address to the ICA Congress in 1988. It has also been highly acclaimed by specialists such as Professor Jack Craig and Mr. S. A. Bök. In addition, the Japanese model inspired the International Joint Project on Co-operative Democracy which was a comparative study on member participation in Canada, Italy, Japan, Sweden and the UK during 1992-1995 ².

For the past decade, however, the Japanese model has faced a changing environment. The most visible change is the changing role of women in Japan with fewer members staying home and more and more members working outside the home. The proportion of women, among all members, that do not work, is still higher than the national average, but

the number of women members with part-time and full-time jobs is increasing year by year. This is especially true for women in their 40's and 50 who constitutes the bulk of the co-op membership. This means that increasingly a large number of members find it difficult to join Han groups and take part in joint buying. Some co-ops tried to tackle this problem by delivering products to Han groups at night or on weekends or by designating local laundries or service stations as pick-up places, but these steps were not enough to reverse the declining number of Han groups.

Co-ops are now facing the fact that both Japanese housewife's and working women's lifestyles are changing along with their values, which are becoming more diverse. As women have fewer children and longer life spans, women are choosing different courses from the traditional gender roles. Member's concerns are more diversified, and the boundary between co-ops and the outside are now blurred. Overall, a more individualistic attitude prevails, especially among the younger generation of consumers. They prefer to join interest groups on ecology etc. over locality-based Han groups. Also, today there are many alternative means to satisfy such diverse lifestyles and needs such as NGOs, NPOs, hobby circles, ventures and service industries to name a few. These changes are having great impact on co-op's operations. According to the JCCU Membership Survey in 1997, the cumbersomeness of joint buying was the number one reason members gave for quitting.

As a result, the Han organization ratio (proportion of members joining Han groups among total membership) has been decreasing despite a number of efforts aimed to activate member participation since the 90s (chart. 3). In fact, the number of members who belong to Han groups has declined from 42% in 1994, to 28% in 2004 and the average size a Han has shrunk from 5.7 to 3.5 from 1990-2004. But this figure does not necessarily show the true reality, since some co-ops classify members who sign-up for individual home delivery as Han members, while other co-ops count those members as belonging to single-member Hans, although this is contradictory. Furthermore, whereas in the past Han groups were a prerequisite for members to take part in joint buying, there is no incentive to join a Han for those members who just shop at co-op stores. Although many co-ops have tried to promote Han activities centered around stores, efforts have not met these co-op's expectations.

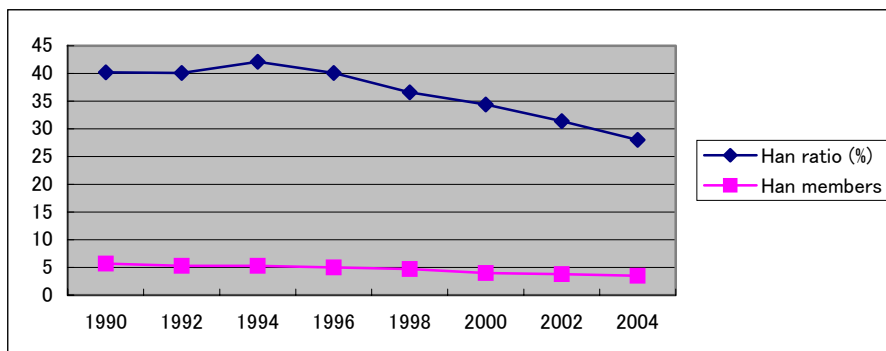


Chart 3. Declining Han organization ratio and average Han members

The JCCU Member Organization Survey in 2003 revealed the downsizing trend of Han groups and member committees (chart. 4). Furthermore it showed that many co-ops positioned Han groups as a locus for communication or mutual help among members, rather than as the basic organizational unit even with joint buying³. The requirements of Han groups (such as electing leaders and holding Han meetings) were perceived as burdens by members and so became less appealing. Fewer members wished to be Han leaders and it was more difficult to maintain Han groups among members who shopped at stores. Therefore Han groups were drastically decreasing, despite incentives such as discount coupons and allowances.

As membership on a whole has declined, it has also become more difficult to recruit committee members; especially district/store committees have greatly decreased⁴. These were once thought to be the locus for member's autonomous activities rather than an intermediary organ for governance and area/bloc committees were expected to implement co-op's policies and give support to member's activities (table 1).

This trend illustrated in Table 1 shows the shift in business models whereby individual home delivery has been replacing or supplementing collective home delivery to Han groups (joint buying) since the mid-nineties (chart 5). The Metropolitan Area Consumer Co-op Federation (MCCF) initiated individual delivery in 1990 to cope with the difficulty in maintaining Han groups. In this system, members could have products delivered individually at fixed times of the week for a 2 or 3 Euros surcharge. This was found to be effective way to cater to the needs of members whose needs were not necessarily being met by joint buying. Among others, working couples, young couples with babies, singles, elderly households and the handicapped have found it difficult to take part in joint buying, although they wished to buy safe and reliable products. Individual home delivery recognizes the increased diversity and independent lifestyles of members and offers an opportunity for those people to take part in the co-op. It has grown rapidly and has offset the declining sales of joint buying since 1995. As a proportion of total sales of non-store retailing, it has grown from 2% to 47% in the last decade. Thus it has proven to cater to member's demands for convenience, but it leaves a new paradigm of how member participation should be developed.

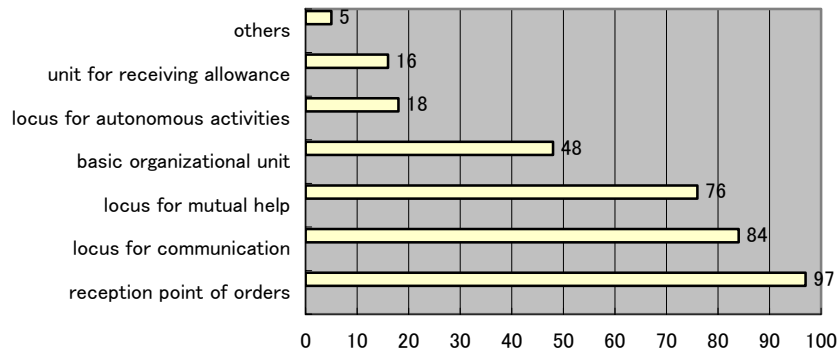


Chart 4. Co-op's positioning on Han groups among joint buying members

	District committees		Area committees		Total committees	
	2002	1996	2002	1996	2002	1996
no. of committees	6,391	8,886	1,866	1,549	8,257	10,435
no. of members	44,640	72,641	11,816	11,026	56,456	83,667
members per com.	7	8.2	6.3	7.1	6.8	8

Table 1. Member committees declining

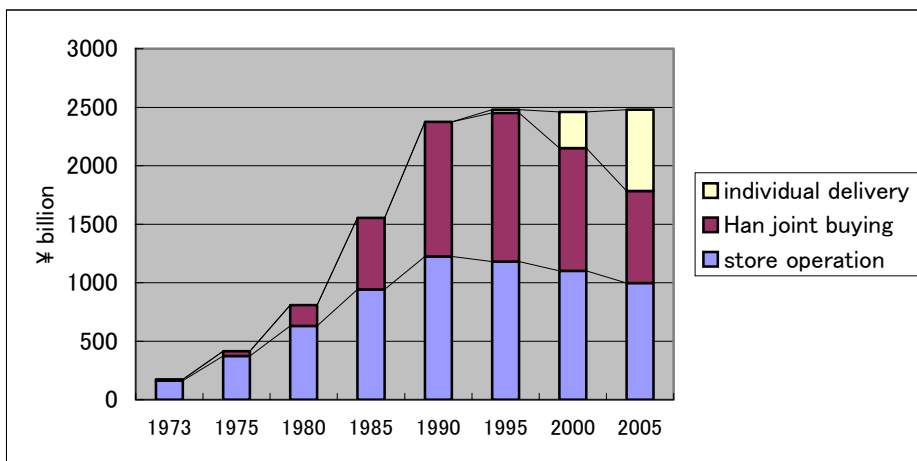


Chart 5. Evolution of retail co-op turnover according to types of operations

Changing patterns of member participation

The composition of co-op members is changing according to a national membership survey conducted in May-June 2006⁵ (chart 6). The average age of co-op members has reached 51.4 years reflecting the overall aging of the population. Members in their 40s were 23% and those in their 50s were 27%, which constituted the bulk of the membership, while older members over 60 were only 26%. In contrast, the younger members under 30 years of age shrank from 8% to 3% from 1994-2006, while the gender distribution showed little change with a female majority (94%) vs. a male minority (6%). The average size of families was 3.3, which is larger than the national average of 2.6.

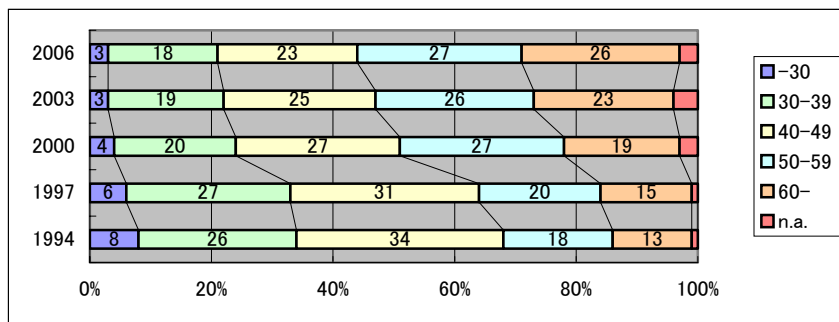


Chart 6. Composition of membership shifting to older age group

Member's employment status is changing a little; part-timers increased from 21% to 26% from 1994-2006, while self-employed members decreased from 14% to 10% (chart 7). The proportion of working women was highest amongst those in their 40s and 50s. Of particular note, 70% of members in their forties were working full-time, part-time or were self-employed, while nearly half of those in their twenties and thirties were housewives who were rearing children. The majority of members in their 60s and above were housewives or pensioners.

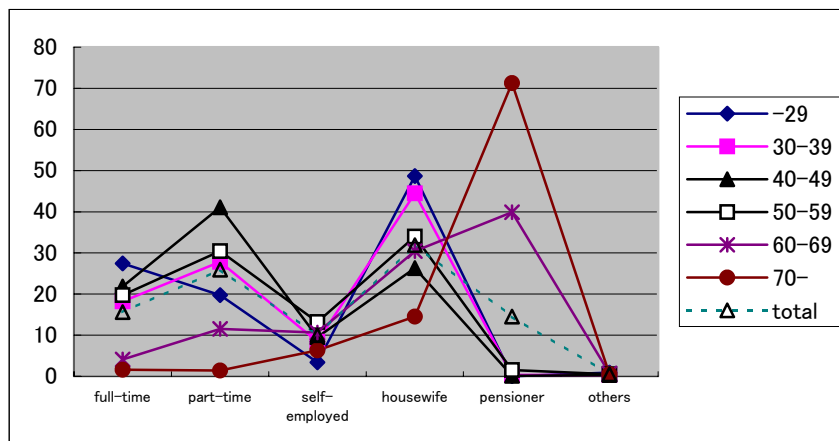


Chart 7. Member's employment status

Member's interest in co-op-related activities is also decreasing as well as becoming more diversified (chart 8). The percentage of members with no interest other than shopping has increased, although there was a swing back in 2006, while those members who were interested in participating remained very small. Such a pattern of decreased member interest in co-op activities has been seen in most of industrialized countries since the 1970's, and there has simply been a time lag with respect to Japan. More importantly co-ops are no longer a small nexus of activities, but have grown to involve 30% of households covering a wider spectrum of the population.

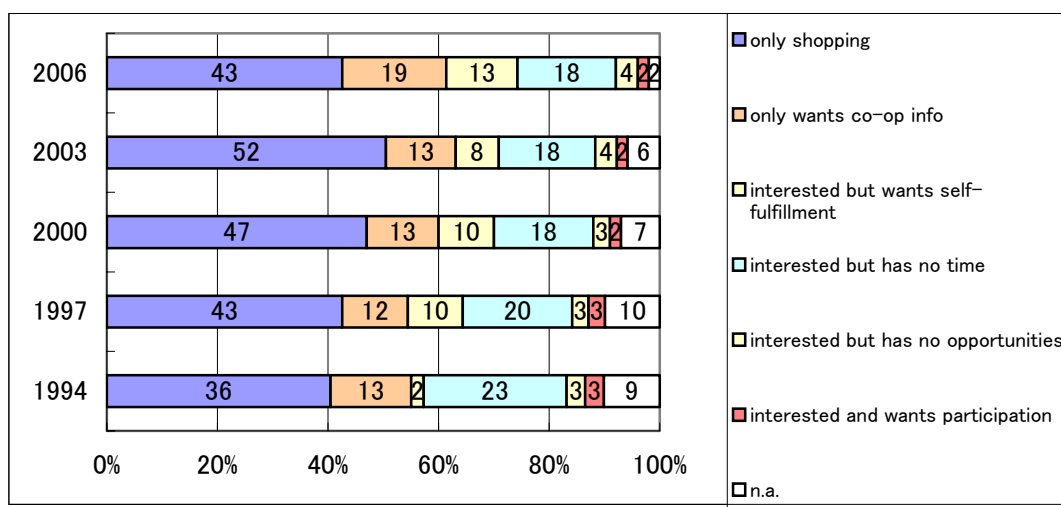


Chart 8. Member's interest in co-op-related activities

The diversified interests among members have impacted the manner of member participation. The patterns can be classified into three categories, i.e. participation in decision making as an integral part of governance, participation in thematic/cultural groups and participation in improving co-op's products and business operations ⁶.

a) Participation in decision making as an integral part of governance

When the bulk of members were organized into Han groups, Han leader meetings or district/area committees could serve as constituencies for electing delegates to the AGM. Traditionally a majority of delegates had been elected from among members who participated in joint buying while members using stores and individual delivery were underrepresented. But when Han groups began to represent only a minority of the membership, they lost their representative status.

Necessarily a number of reforms were introduced. Han groups became less binding while Han leader's meetings were transformed into spontaneous member's gatherings

within the community. Many co-ops separated district and area committees from constituencies in terms of electing delegates, which were restructured according to administrative districts. The requirements for these committees were reduced while they were encouraged to undertake autonomous activities by their own initiatives. The organizational structure itself was more flattened by reducing the number of intermediary organs.

A greater emphasis has been placed on empowering delegates by giving detailed information on items on the agenda, holding regional delegate's meetings more frequently, and so on. In some co-ops they were elected just after AGM rather than before it to give them enough time to prepare. This was meant to strengthen individual delegate's capacity in the governance of co-operatives.

In addition, the capacity building of lay board members has been emphasized so that they can play the role of supervising executive directors. The majority of board members are still housewives who have been active in promoting member's activities. As elected representatives of member's activities they are expected to play a leading role in this field. However, they have also been responsible for the overall governance of co-ops and for enhancing the competence as board members. As such, some co-ops have started to arrange special courses for lay board members including legal, financial and management seminars, while the JCCU has organized training courses for this purpose.

b) Participation in thematic/cultural groups

The second category of member participation is associated with member's interests in matters that affect their daily lives. Co-op Tokyo started encouraging members to undertake thematic/cultural groups based on their concerns by offering small allowances, which were given to Han groups. Any themes were accepted, no matter how they were related to co-op operations. The response was beyond expectation; 9,627 members took part in 1,227 groups in 1991 and now on average 55,000 members have joined 12,000 groups. This has demonstrated that members prefer autonomous activities rather than neighborhood groups in such an environment as Tokyo with its dense population, high mobility and diversified value systems.

Members can take part in a variety of autonomous activities, while co-ops promote these activities by giving allowances, publicity and networking. Depending on the socio-economic situation, the fields of member's activities have extended from food safety and dietary education, household economics, consumer problems, environmental protection, peace and international exchange, to mutual help groups for the elderly, and drop-in centers for mothers and toddlers. In addition, volunteer groups and hobby circles have proliferated in many co-ops. These activities can be organized by district committees, specialized committees and small groups/circles.

As such, a shift from binding groups/committees to more spontaneous ones is taking place in many co-ops. In other word, a variety of ways for member participation to address individual needs are being sought after in recent years. Co-ops support small autonomous groups by offering allowances and samples, securing places for activities, recruiting applicants for projects and so on. However, there are some problems as it is not yet clearly understood what 'autonomous or voluntary' means. Members often do not understand what these activities mean in the context of co-op, while co-ops are not accustomed to dealing with these groups and often hesitate to give advice or guidance. The spontaneity of committee members is not necessarily ensured when they are recruited. There is no evaluation system to gauge the performance and progress of these activities. Perhaps co-ops need to strengthen the intermediary functions of member relation's officers or committee members to give support and consultation to these activities.

Chikamoto classified four dimensions of member's involvement in drop-in centers for mothers and toddlers ⁷ (Chart 9). The vertical line indicates whether groups are voluntarily set-up or initiated by co-ops while the horizontal line indicates whether groups are oriented to purely member activities or business operation. A includes the independent non-profit organizations or worker co-ops as spin-offs from consumer co-ops, sometimes involving non-co-op members. They may be financed by user's fees but are often entrusted to implement public policy by local governments. B and C are the co-op member's groups either organized voluntarily or initiated by co-ops. Co-ops often support them by offering space for activities or small allowances. D is the case of daycare centers organized by co-ops. Chikamoto argues, that while A and D dimensions were likely to be sustainable as business operations, B and C dimensions are unstable and likely to move to A or D.

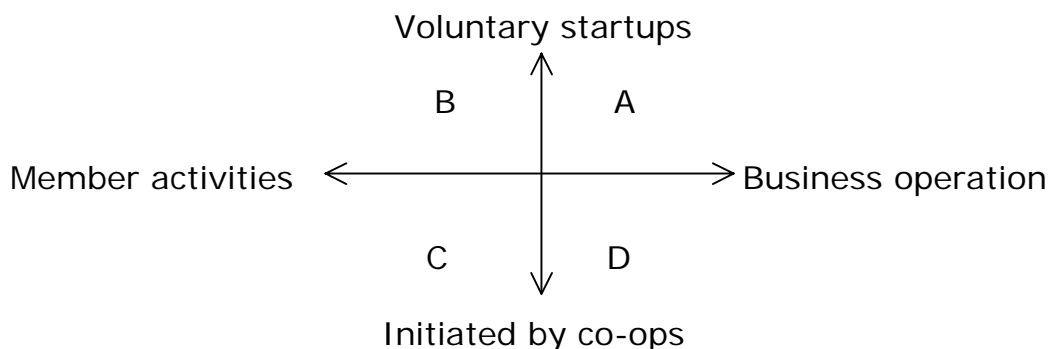


Chart 9. Four dimensions of consumer involvement in drop-in centers

c) Member participation to improve products and business operations

The third category of member participation is associated with member's involvement in improving co-op's products and business operations. The largest incentive for consumers to join co-ops and the greatest satisfaction with co-op is still the purchase of safe and reliable food at reasonable prices. Therefore while member participation improves co-op's products and business operations, for members, the major reason to participate, remains to be the assurance of co-ops safe food policies and safe food products.

Members are encouraged to and have the opportunity to take part in the decision making regarding co-op's business policy pertaining to the opening/closing stores, new business areas/models, food additives and GMOs, agricultural chemicals, product assortment and so on. These decisions are to be made by the board or AGM as statutory bodies, but specialized committees dealing with some topics are often organized as advisory bodies to the board while district/area committees are consulted. Such member participation can enhance member's knowledge and loyalty, but it can also cause problems when the involved members are not competent in the field and are representing a wider membership. It may also take more time for decision-making. In fact, there have sometimes been deadlocks in the decision-making when for instance, a Member's Committee on Assortment rejected management's proposals. As such, there are still open questions as to how much members should be involved in decision-making of business policies, what kinds of authority they should be delegated, how to ensure representative quality of the involved members and so on.

Members can also take part in the process of product development. From co-op's stand point, this has meant products are developed from the user's viewpoint rather than the supplier's. This involves a variety of channels that include: small autonomous groups suggesting new product ideas, testing products and price comparisons, product improvement suggestions, product development process as team members or monitors, and so on. Member's involvement such as this has helped co-ops to develop really needed products and facilitate member's learning about wider socio-economic aspects. The kinds of activities undertaken by many co-ops have given centripetal force to co-op's products and satisfaction for involved members, thus contributing to the co-operative identity. However there have been both successes and failures. For example, some products failed to attract many customers and were soon discontinued. While it becomes difficult to link more diversified member's needs with the merit of mass production, co-ops are not accustomed to designing effective ways of member participation in the process of product development.

Members also undertake various activities related to co-op's business operations. These range from learning about and tasting foods, visiting producers, factories, and co-op store clubs, to cooking classes, exchange meetings for information on living and so on.

These activities are often linked with co-op's sales promotions for newly developed products that are conducted by district committees or special groups. These are the most popular activities among members that are organized with the intent to disseminate information about the merits of CO-OP products and enhance consumer's literacy about products as a whole. More active members may attend courses to learn how to become life-plan advisors, consumer affairs counselors and health advisers who are then expected to facilitate member's knowledge of co-op's products and operations.

In addition, many co-ops are making special efforts to listen to member's voices about business operations or products through suggestion cards or co-op hotlines. Also, employees such as sales assistants and delivery staff, who have direct contact with members, are asked for their opinions. These collected voices provide feedback from which co-op's aims to improve business operations.

Conclusion

From time to time, the JCCU has reviewed the policies for member activities/organizations in response to the changing socio-economic environment. Its review in 1992 suggested an overall change from a pyramid type organization to a network type, based on the growing trend toward member's apathy. Also at this time, recommendations included investigating ways to facilitate more diversified participation, promoting participatory democracy and strengthening member education. The review in 2001 stressed the importance of autonomous and voluntary activities reflecting the increasingly diversified lifestyles and concerns of members. These policies proposed ways to activate member activities while maintaining the framework of member organizations centered on Han groups and district committees.

But the JCCU's membership policy in 2006 suggested enlarging the scope of member participation from formal groups/functions to patronage/voices to co-op operations⁸. Recognizing that member participation would give co-op an advantage and give members the opportunities to meet their own needs, thus contributing to the overall good of the communities and the generation of social capital, it was recommended that co-ops involve member participation in the process of business operations, create conditions in which members can communicate and participate in communities, improve democratic governance and social accountability, and strengthen intermediary support functions to promote member's autonomous activities. In particular, the necessity for co-ops to develop channels/methods to collect and respond to member's voices was stressed.

Historically, Japanese co-ops had been enclosed within themselves due to institutional constraints that prohibited non-member trading and banking business. They had to solely rely on members for patronage and finance. So they evolved to have a closed organizational structure. A model of member participation based on cohesive Han groups and

joint buying fit this structure. However consumer's changing lifestyles and the increasingly individualistic attitude has made it difficult to maintain this model. Consumers now face a variety of problems in their communities such as devastated inner cities and depopulation, environmental degradation, shortage of welfare services, increasing student dropouts and unemployment, and social exclusion. Of course it is impossible for co-op to solve these problems alone, but co-op is expected to join in the community governance as the largest membership organization. As such, some co-ops are encouraging members to create worker co-ops or nonprofits as spin-offs to deal with such problems while other co-ops have approached local authorities to join in the efforts to build better communities. Since the boundary between co-ops and the outside has become blurred, some co-op members are 'graduating' from their role within co-ops and joining community groups and businesses where they can make use of the experience and knowledge they obtained through co-op member activities. It is necessary to encourage more co-op members to participate in community building, thereby also contributing to the enhancement of social capital.

Notes.

1. Kurimoto, A. (2005), 'How Consumer Co-ops Compete by Preserving Community Identity: Case of Tsuruoka Co-op', Paper presented at the ICA Research Conference in Cork
2. International Joint Project on Co-operative Democracy (1996), *Making Democracy Meaningful: Participatory Democracy in Co-operatives*
3. *JCCU Member Organization Survey 2003*
4. *Ibid.*
5. *JCCU National Member's Opinion Survey, 2006*
6. Futamura, T. (2005), 'Co-op members activities and organizations' in *Search for Consumer Co-op Studies I.*
7. Chikamoto, S. (2005), 'Changing lifestyles of co-op members' in *Search for Consumer Co-op Studies I.*
8. JCCU (2006), *Suggestions on member participation and organization in co-ops*

News in Brief

CCIJ Conference

The 16th Annual CCIJ Conference was held on October 7th at Meiji University, Tokyo and attracted 220 participants. This conference discussed "The New Role of Co-operation as Japan's Income Gap Grows" based on the CCIJ's Study Group on this subject headed by Prof. Mari Osawa, University of Tokyo. Prof. M. Mifune of Ochanomizu Women's University presented a paper entitled "At the Frontier of Proactive Creative Living" depicting the changing lifestyle of co-op members. Mr. H. Akamatsu of Co-opnet Federation and Mr. S. Wakamori of Pal System Co-op Federation commented on the paper. Prof. M. Fukushi of Tokyo Keizai University and Prof. Osawa then provided an analyzed on "Regenerating Community Economies" and 'From Social Exclusion to Co-operation'. The symposium discussion focused on "Can Co-ops Contribute to Community Regeneration" under the co-ordination by Prof. M. Ito of Tohoku Community Service University.

ICA Global Co-op Research Conference in Paris

The 22nd International Co-op Research Conference met on October 19-22 in Dourdan, Paris' suburb. 'The Co-operative Response to Civil Society's New Expectations' was the theme of the conference. 90 researchers took part from 25 countries and more than 60 papers were presented in 18 workshops incl. Franco-phone sessions. Mr. Kurimoto of CCIJ presented a paper entitled "Member Participation Revisited: From Han Groups to What?" (See special feature.)

CCIJ Colloquium on Co-operative Theory

CCIJ is seeking to establish new fields of inquiry on consumer co-operatives and as such published two volumes on the practical and theoretical aspects of co-ops in 2005 and 2006. The first colloquium, dealing with the current status of consumer co-ops, in May, was followed by a second colloquium on November 11 at CCIJ with special emphasis on theoretical aspects. More than 30 researchers and practitioners, who had contributed to the volumes along with CCIJ board members, took part. Prof. Emeritus T. Miyasaka of Waseda University gave introductory remarks, while Prof S. Shogenji and Prof. M. Osawa of the University of Tokyo presented papers on approaches to consumer co-operative studies. Prof. T Oguri of Komazawa University, Asst. Prof. A. Fujii of Rikkyo University, Mr. S. Konno of Zenno, Mr. S. Wakamori of Pal System Co-op Federation and Mr. H. Shimada of Coopnet Federation commented on these presentations. The ensuing discussion focused on the conflicts between economic aspects and social dimension of consumer co-operatives.

News in Brief

CIRIEC Japan's Conference

CIRIEC Japan held its 21st Annual Conference on December 2-3 at Daito Bunka University, Tokyo. Its main theme was the Socio-Economic System in a Depopulating Age from an International perspective. In addition to the plenary symposium, eight simultaneous sessions were organized. One of them was dedicated to social economy where Prof. K. Tomozawa of Seigakuin University and Prof. I. Tsukamoto of Meiji University presented their papers on studies on social economy and social enterprises. The achievements and perspectives on social economy research in Japan were assessed by the panel discussion where Prof. Tsukamoto, Prof. Y. Matsunaga of Osaka Commerce University, Prof. Y. Suda and Prof. H. Imamura of Toyo University made contribution under the co-ordination of Mr. A. Kurimoto of CCIJ. This event was held as the first step of preparation for the CIRIEC International Research Conference on Social Economy to be held in October in Victoria.