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## Japan's Worker Co-operative Movement into the 21st Century

Bob Marshall

Japan's Worker Co-operative Movement into the 21st Century

By Bob Marshall

The pace of Japan's economy is picking up again after more than a decade of stasis. During this long period of economic stagnation, the many personnel practices favoring employees known by the rubric "lifetime employment" have been subjected to increased criticism by pro-investor, neo-liberal voices. Yet other less-well-amplified voices in Japan offer an alternative criticism of, and look for opportunity in, the changing status quo as well. In the last quarter of the 20th century efforts to create worker-owned and democratically governed businesses in Japan began to emerge with the support of a wide variety of economic actors -- among them labor unions and union organizers, consumer cooperatives, income-seeking housewives, the elderly, employees of small businesses, farmers and farm workers, employees of failing firms and maverick employees of large firms. And as worker owned and managed businesses have increased in size and number, their awareness of each other and their common interest in alternative ways to organize production has also grown.

As many as 30,000 people now work cooperatively in Japan, a number that has been growing steadily since the 1970s. These worker cooperatives are concentrated in the Kanto and Kansai, but can be found from Sapporo to Nagasaki. The Women's Worker Cooperatives (12,000), the Japan Worker's Cooperative Union (9000), the recently invented hybrid Senior Cooperatives (15,000 workers) -- a consumer/worker cooperative of, by and for those 55 and older in Japan -- and a congeries of independently founded worker cooperatives (3000 workers) from diverse backgrounds, all play major roles in this movement.

While a formidable array of forces has coalesced around the single idea of direct worker control of production at this moment in Japan's history, and as exciting as the prospects are for its further development, this movement toward an alternative way to organize work still has a very long way to go to match the contribution of other patterns of cooperative organization -- agricultural cooperatives, credit unions, consumer cooperatives -- to the Japanese economy. The growth of worker cooperation in Japan has been steady, principled and deliberate, however, not a product of desperation. Certainly I have heard no one suggest there are useful parallels to be observed between the current economic situations of Japan and Argentina, where employees have been operating, with limited governmental approval, a variety of businesses abandoned by their owners and managers in response to a collapsing national economy.

Other forms of institutionalized cooperation in Japan have a long head start and continue to enjoy greater political support than cooperation among workers. In the late 19th century, when the idea of cooperative economic organization was at its height in Europe and being introduced to Japan as part of the large-scale importation of all things Western, cooperation for consumption, credit and marketing was recognized and endorsed through legislation that was forbidden to workers, among whom cooperation was condemned as socialist. Now no longer explicitly forbidden, neither do worker cooperatives yet enjoy positive law to facilitate this way of owning and working. But for Japan's worker cooperatives to ever achieve the size and effect of more common and accepted forms of economic cooperation, it seems that more will have to change than just laws governing the organizational forms of businesses. Below I introduce and discuss Women's Worker Collectives, the Japan Workers' Cooperative Union, Senior Cooperatives and EcoTech, an independent worker cooperative.

The most commonly used phrase meaning 'worker co-operative' in Japanese is '*rodosha [seisan] kyodo kumiai*', 'co-operative' (*kyodo kumiai*) preceded by '[production] worker'. This phrase is not widely-known in Japan; among insiders, it is often contracted to 'rokyo', in the way that 'consumer co-operative' - '*seikatsu kyodo kumiai*' - is contracted to the widely used 'seikyo' in daily speech. Some speakers use the English words 'collective' and 'co-operative', subjecting them to typical Japanization through abbreviation: 'workers collective', '*wakazu korekuteibu*', is shortened to 'wako', 'co-op' to 'koppu'. The cooperative way of organizing work is not yet as well known in Japan as the many other forms of cooperation that are part of the fabric of everyday life.

### Women's Worker Collectives (WWCs)

Worker co-operatives offer housewives in Japan's new middle class, for whom employment prospects have always been and remain bleak, an opportunity to work part-time and, by controlling the conditions of their own labor, still care for their families to their own exacting standards. Since the mid-1980s, an emerging movement from within consumer cooperation dedicated to organizing worker co-operatives among women, has attracted increasing numbers in the Tokyo-Yokohama region. As many as 12,000 women now work at women's worker co-operatives.

In December, 1982, a handful of women in Kanagawa Prefecture started Ninjin, Japan's first women's worker co-operative. 'Ninjin' means 'carrot' in Japanese: the business began as the workforce for a consumer co-operative's produce distribution center. But these women write the name of their business by duplicating the simple two-stroke character which means 'person, or people'. In colloquial American English 'Ninjin' should be taken as "The People People," which is exactly how these women think of themselves. Extending Ninjin's breakthrough, women opened another fifteen co-ops over the next two years. The decade following Ninjin's founding saw 7000 women start over 250 co-ops. The authoritative roster compiled by Workers' Collective Network Japan, the official organ of the WWC movement, lists 463 worker cooperatives in the network in February, 2000.



Ninjin website

The women owning, running and working in these worker cooperatives are overwhelmingly middle-aged and middle-class. Over eighty percent are between 40 and 60 years old, more than half in their forties. Their household incomes, rates of homeownership and educational accomplishments are well above national averages. These co-ops' many different business activities arise from the knowledge, skills, interests and values members developed as well-educated wives and mothers, and in consumer co-operatives. A partial list of business activities spun off from Ninjin alone includes recycling shop, cooking class, lunch restaurant, home care service, day care, culture class (*karucha kyoshitsu*), marriage counseling, hand made goods, ice cream making, soap making, welfare co-operative, bread bakery, display group, translating, printing, editing, international exchanges, video production, consumer co-operative office work, delivery service, "and so on," writes the author of this list. These co-ops practice principles of workplace democracy, ownership equality and social responsibility.

Its critics assert that this co-operative alternative to the economic status quo can only continue as long as these women remain dependent on their husbands' substantial incomes. A 1999 survey of 221 members of co-ops found more than two-thirds with spouse's annual income above \$50,000; more than one-fifth were above \$100,000; fifteen percent did not answer the question. In 1995 more than two-thirds of co-op members reported annual household incomes above \$80,000. The average income for working households in 1999 was \$68,500. The common perception is that the women in worker co-operatives do not work from economic necessity, and these figures bear out that view substantially. The movement's critics frame a paradox from which we can appropriately launch analysis: why *do* these women so eagerly bite the hand – of the system, not the husband -- that feeds them so well? How does it happen that these women who enjoy all the advantages available to women of the new middle class, the heart of the economic miracle, would like to change the ways Japanese, all Japanese, work?

A first approximation to an answer is not difficult to come by: this is a movement that advances on three legs: labor market constraints, tax and equal employment opportunity law, and consumer cooperatives. Each of these sets of conditions, separately necessary for the rise of Japan's WWCs, create together a widespread and growing appeal among potential members.

The frequency-by-age curve of the labor market for women in Japan has two modes, and has been commonly described as "M-shaped": women in the new middle class typically work full-time for several years after graduation, "retire" to bear and raise a small number of children, and then re-enter the market for part-time labor in different, usually much less attractive, occupations some years later.

Second, Japan's income tax law hits a household's "secondary income" astonishingly hard above a quite low maximum in the middle-income brackets, a phenomenon infamous as the "hyaku-man-en kabe," the "Million Yen Wall."

Government policies designed to bolster "a breadwinner plus housewife" family system reinforce the particular ways Japan's labor market fails women.

A wife who earns in excess of one million yen loses her dependent status and has to pay her own social security taxes and health insurance. Here, one million yen arbitrarily though not unrealistically equals ten thousand US dollars.

Effectively, the first \$10,000 a dependent wife earns is tax exempt; but the next \$7000 to \$10,000 is a dead loss, all going to taxes of one kind or another. At the low hourly wages typical of jobs available to them, middle-aged women must expect to work 20 to 25 hours per week to earn \$10,000 annually. Vanishingly few jobs paying more than \$20,000 are available to women over 35. The Equal Employment Opportunity Law of 1985 and the Young Childcare Leave Law of 1992 are of a piece with tax law, designed to prop up and help reproduce a family structure in which economically dependent wives continue to have substantial daylight hours to devote to the care of their rarely divorced husbands, fewer than two children, and the world's longest lived parents-in-law.

Third, almost all members of these women's worker co-operatives have long belonged to the Seikatsu Club Consumer Co-operative, internationally extolled for its motto "Stop Shopping," its social activism, and its distinctive structure of networked small groups. Seikatsu Club intentionally incubated the first several co-ops as part of its overall aim to create alternatives in Japanese society.

Unlike other consumer co-operatives, Seikatsu Club continues to develop ever greater member activism on several fronts rather than turn itself into a chain of stores. In the words of Yokota Katsumi, one of the founders of Seikatsu Club Kanagawa, "It is not our ultimate purpose in life, as individuals, to buy safe reliable consumer goods at reasonable prices."



Seikatsu Club

Taken together, these three circumstances create a category of Japanese women predisposed toward cooperation and prepared to experiment with co-operation in its less familiar forms. Looking for appealing work once again, these women can create, with family savings they themselves manage, work opportunities where they control their own labor and schedules, as they are accustomed to doing as housewives, consumer co-operative members, and even co-operative and social activists.



Seikatsu Club Q and A

Conservatively, hundreds of thousands of Japanese women might see themselves in this specific description. In 1999 over 20 million members owned more than 650 consumer co-operatives throughout Japan. According to a 1987 survey by the Kanagawa Prefecture Consumer Co-operative League, slightly less than half of member housewives were employed, half of those remaining without work wanted it, and half of those wanting work wanted to work at their consumer co-operative. From the late 1960s to the early 1990s, the singular Seikatsu Club Consumer Co-operative itself grew to over a quarter of a million members, 95 percent of whom are women. The resources these novice entrepreneurs bring to their businesses, coupled with the advantages to them of working co-operatively, have allowed them to succeed and their movement to grow steadily from the mid-1980s through the present during successive phases of intense speculation, collapse and recession, and continuing stagnation and turmoil in Japan's market economy.

There is no question these women would not be able to enjoy the standard of living they do without their husbands' substantial incomes; but the same must be said of the contribution of their own incomes, smaller though they are in almost all cases, to their household economies.

A more complete answer to the question of why they so eagerly pursue this different way of working must next take into account the binds or contradictions as well as the opportunities working cooperatively in this context presents to these women. The prominent theme of the desirability of women's "independence" and "self-reliance" (*jichi, jiritsu*) echoes throughout the movement, and from which point of view the Million Yen Wall and other forms of gender discrimination are strongly decried. The independence most women in WWCs want, however, is independence from waged employment and from the constraints of current tax law: we cannot forget that these women's primary identity remains that of "professional housewife," not "entrepreneur." The goal of self-reliance does not lead to self-sufficiency and away from the primary activity of nurturance within their families, and by extension their communities. Independence from families or communities has not been a reason Japanese women mention for taking employment. So while many women want to work more hours in their WWC than they do, many others resist pressure from *within* their own WWC to work hours more by letting the Million Yen Wall deflect co-workers' unspoken accusations of selfishness. Whatever complex motivation each individual might feel deep inside, she will never allow her co-owners to accuse her of having gone into business "for herself."

The sharp limit on their work hours, whether they want to work only part-time or not, lets these women better fulfill their obligations to family and community, obligations Seikatsu Club philosophy prominently embraces as the essence of personal life, the best of a way of life that is being destroyed by the commodification of the skills and relationships needed for daily living. Rather than themselves work more, many WWC members would prefer men to work less, and in different ways. Yet the reason surveyed co-op members overwhelmingly gave for working at all is to create *ikigai*, "a purpose in life," followed by "help out with the family budget" and "revive my experience." The popular answer among WWC members for why they are in WWCs, that they are looking for *ikigai*, must be understood within the context of WWCs as businesses rather than the volunteer organizations or NPOs in which younger suburban housewives have recently become active (Nakano 2005). "Ikigai" is a more general and inclusive answer than "want to help the family out with income." The

two answers are not, however, mutually exclusive. It is the challenge of starting and running a business successfully that gives them a reason to get up in the morning now that their children no longer require their constant attention. *Keizaiteki jiritsu*, "economic independence," finished out of the money, ahead of only "make better use of my leisure time." At this point, that some WWC members do not get the support for economic independence they hope for from other members must surprise no one, but certainly few co-op members can care to have such different desires aired openly in their own co-op. They decided to go into business together and remain committed to working together.

### Japan Workers' Co-operative Union

A little smaller (9000 members in 2005) than the WWC movement, JWCU evolved its present form through the 1970s and 1980s from its origin as the Kenketsu Ippan Zennichi Jiro, the Day Laborers National Union, a casual laborers' union with its stronghold in the Kansai rather than the Kanto. Union organizers negotiated with and sometimes pressured local governments politically to find service work for its growing number of members, frequently on a basis of day labor but sometimes on a continuing basis. Growing in size on the one hand, and faced with municipal governments' cut backs in budget allocations for these projects on the other, the union took the unusual step of transforming itself into a business owned and democratically run by its members, that would contract for work with a variety of organizations.

JWCU Homepage, May 2006

Through the 1970s they organized local groups in several prefectures and the Tokyo region that would find work and work with organizations to create work for members. These work groups took the name Jigyodan (Business Group), by which name they are still most commonly known throughout Japan. The Japan Workers Cooperative Union's (JWCU) origins at the edge of the trade union movement set it on a substantially different path than that of the WWCs. It is probably not accurate to say that JWCU is more politically active or involved than the league formed by the WWCs, which after all has its origins in the wing of consumer cooperation that has elected members to prefectural assemblies. But JWCU has certainly interacted more deliberately and directly, and substantially differently, with elected officials at all levels from its very start. Its main political focus at present is the passage of legislation recognizing worker-owned and managed firms as a distinct kind of economic organization different from personal ownership, partnership, and the limited liability joint stock corporation. A major campaign to pass sponsored legislation at the national level was launched in the fall of 2002, thus far without success. Perhaps when the WWC league makes a worker co-operative law a higher priority, an alliance formed for this purpose may become successful.

These home-grown experiments in the organization of work, JWCU and WWCs, are owned and run democratically by their workers, and both structure work around relatively small groups, from 10 to 50 people in a working group. But JWCU shows greater centralization in important ways: it was a union with a central staff of activists and organizers that became a worker cooperative with differentiated contracts and sources of income. WWC businesses are each independently owned by their members and started with only the encouragement of the Seikatsu Club Seikyo. These independent businesses later formed a league among themselves to foster the flow of information and political action. Consequently, friendly critics have questioned the degree of democracy in JWCU: its central organization does provide a great deal of leadership and support to local work groups whose members are usually not as knowledgeable about worker cooperation nor as committed to making it work. Members seem more to ratify and implement, rather than originate policies, which is the activity of professional staff. On the other hand, WWCs do not have a strong center at all, and their members see themselves as members of Seikatsu Club Seikyo rather than as members of any sort of organization beyond their own WCC, with which they identify as worker-owners.

Always an unusually innovative work in progress, it has never been as easy for JWCU to see itself clearly. In 1979, 36 local Jigyodan groups established a national council to provide critical analysis of, and guidance for, the organizations they had created. In their collective experience, they had no model in Japan along which lines they might develop their own organization. At this time the principle of the creation of "work for the good of the community rather than for profit" was first clearly enunciated. In 1982 the national council created a center to make propagation of their organizational practice easier by developing a "best practices" model of a work group, by establishing a stable financial base, and by opening a members' learning center to raise member skill levels.

During the early 1980s researchers at the national council discovered European cooperation, in particular the League of Italian Cooperatives and the Mondragon cooperatives of Basque Spain. In 1986 local Jigyodans decided to organize themselves as worker cooperatives; or perhaps more accurately, they realized they had been developing a membership-based organization dedicated to providing work for their members in the way a worker cooperative might. In 1991 the national council established the Japanese Institute of Co-operative Research. By 1993 the transformation was complete: each Jigyodan changed its name to "Worker's Cooperative" and the Jigyodan managed by the national council became the "Worker's Co-operative Center." These changes in name each represent a deepening understanding of the ways what had once been a labor union of the unemployed had been gradually transformed into a business owned and managed by its members as a worker's cooperative.

JWCU began as a trade union with low capital accumulation and little credit. As its earnings have grown, it has developed more capital intensive and more knowledge intensive industries. Home helper training centers are one example, and another is the development of construction cooperatives. Member cooperatives were active in the dismantling and subsequent repairs and reconstruction of Kobe following the earthquake there. After these beginnings in Kobe, JWCU opened a general office in Tokyo in 1996 for worker cooperatives in the construction industry. Still, however, about 75% of JWCU business is accounted for by work crews in consumer cooperative distribution centers, and hospital and park cleaning and maintenance.

Like those of the WWC network, the economic activities of the JWCU are diverse, labor intensive, and largely oriented toward low or unskilled service industries. JWCU co-operatives however focus especially on such activities as building, grounds and park maintenance. Through contracts with Min'iren, a group of hospitals run collectively by their member physicians in association with the Japan Communist Party, JWCU worker co-operatives provide hospitals with a variety of services such as floor and restroom cleaning, shop management, medical waste disposal, catering and food service, office and reception staffing. As well, JWCU worker cooperatives provide the labor force for many distribution centers of some of Japan's largest consumer cooperatives organized as grocery stores chains.

A third important and growing source of work for JWCU members is care for the frail elderly. This care work primarily involves personal attention as home helpers, but also minor sorts of nursing as licensed by the national government. JWCU itself, with the support and collaboration of municipal governments, has opened several training courses for home helpers who would like to qualify for national licenses. A license makes it possible for the person who hires a home helper to be reimbursed by a national homecare insurance program. I'll return to this issue below in the discussion of the development of "Senior Co-operatives," a JWCU initiative of the mid-1990s.

One of the most salient features of Japan's day laborers now is that they are old. Historically, day labor was work for the young and unskilled who become able to find more secure and regular employment as their skills and contacts increase. The average male day laborer in 1998, however, was 53, up from 39 in 1975. His mean age of death is 56, twenty years earlier than for the average Japanese male (Gill 2001: 163, 204). The North Tokyo Jigyodan crew which cleans Azusawa Hospital's floors, toilets and attached clinics, checks and bundles its bed linen, launders the staff's surgical uniforms, collects and incinerates all hospital trash, comprised nine women and three men, all between the ages of 55 and 75 when I worked with them in 1994. Such patterns of mortality may account for why so many JWCU members are women; another reason doubtless is the gender associations of cleaning and caregiving. Okyasu Kisaburo, at the time General Director of the Japan Institute for Cooperative Research, surveyed about 1600 JWCU members who ranged from teens to octogenarians (2002:24). He divided his sample into 'youth', 'middle aged', and 'seniors'. Those members 40 to 59 years old are middle aged and make up half the sample. Seniors outnumber youth almost two to one. Only in the last decade have numbers of workers in their twenties become members. Co-operation among workers in Japan is not a movement of young people who in general, both as line workers and staff, join JWCU to acquire new skills and leave because they "cannot earn enough money to make a living" (Okyasu 2002: 30).

### Senior Co-operatives

The first Senior Co-operative (Koreikyō) chapter was started in 1995. By 2000, more than 27,000 of Japan's seniors had joined chapters around the country.

Koreikyo now has over 100,000 members and a chapter in each of Japan's 47 provinces. The Kawasaki City chapter that I got to know in 2002 has about 400 members. The current goal of the national organization is one million members. There is no mass membership organization for the elderly such as AARP in Japan yet. Koreikyo professional staff have studied AARP, however, and have invited AARP executives to Japan in recent years. They have a long-term goal of making Koreikyo such an advocate for Japan's growing elderly ranks.

As JWCU developed and grew, the union activists who made up its cadres of organizers aged. In the early 1990s Nakanishi Goshu, author and the inspirational leader of these activists, learned at age 75 that he had developed diabetes; he began dialysis. His genius let him see in his personal affliction an opportunity to help people organize themselves for self-help, and his energy and charisma brought together the people who could start Senior Cooperatives, hybrid cooperatives combining features of worker and consumer cooperatives of, by and for Japan's seniors. Koreikyo's central mission is to find ways to help seniors remain in their own homes as long as they possibly can, and it approaches the problem from both ends: how to get frail seniors the help they need to stay independent, and how to help able seniors find work that pays, thru which they can stay active and add meaning to their lives by service to others. When I was invited in 1994 to attend an early organizational meeting among some union activists, JWCU members, politically active seniors and social activists at a Meiji era primary school building which had been turned into a retreat center in the hills of Western Tokyo, how little did I appreciate what these people were trying to accomplish then, and how successful their efforts would become a decade later. Although the first Senior Co-operative was started by people with a close association with JWCU (many of them were or had been JWCU staff members), and the relationship between the two organizations remains extremely close both in the movement of staff between them and in so far as there are people who are members of both co-operatives, Japan's Senior Co-operative has since grown very much larger than JWCU.

Koreikyo is a co-operative, a business run for the benefit of its members. All co-op members make a one-time purchase of a capital share in the co-op when they join (about \$50 and which is returned to members when they leave the co-op). They pay an annual \$30 membership fee, which includes a newsletter subscription. Members benefit from using the services their co-op provides rather than from profits on their investment. Typical of co-operatives everywhere, Koreikyo is run democratically. Members elect a board of directors and officers, and each functioning group within the local chapter sends a member to their board. What makes Koreikyo an unusual co-operative is the way it combines features of both consumer cooperatives, which are common in Japan, and worker co-operatives, which are not.

These two different kinds of co-operatives are combined by the simple method of a "pay-as-you-go" ticket system. The different prices of the co-op's services are published, and generally kept slightly below market prices. Members buy books of tickets and as they use co-op services, they turn over the appropriate number of tickets to the co-op member providing the service.

Service providers — themselves all co-op members as well -- in turn redeem the tickets they've collected at the co-op office for their pay. And the co-op retains a small amount from each transaction to pay their local and national professional staff, and finance expansion.

An organization of this sort — of, by and for seniors — is necessarily more complicated than a brief description can express. One ongoing discussion concerns the appropriate mix of strictly commercial activity and the many activities sponsored by the co-op that members enjoy with each other for their own sake. And even here, distinctions are not always sharp. I met Uchida Hiroshi for the first time at the Kanagawa Koreikyo office where he had come to find a suitable activity for himself:

"We, my wife and I, became members because we appreciate the personal touch and the safety of the drivers. She has diabetes and gets dialysis twice a week. So people from the Koreikyo pick her up and drop her off. It is so much better than a taxi and it's a little cheaper too.

"We heard about Koreikyo from a flyer at the hospital. Now, I don't know what I can do, maybe pruning and the like, but I'd like to be more active and do something with people in the group. It is really difficult for men much more than women to become involved in something local. Everything is about work for men. But you can't just stay home all the time watching TV, you'll go *boke* (senile) in no time. So while I've lived right in this area for a long time, I really haven't been involved locally. But it's so important for people to help each other and do things together, this is really the principle behind cooperatives, whether consumer co-operatives or medical co-ops or senior co-ops. What can people do together, that's what we have to discover."

There are lots of things people do together as Koreikyo members, not all of them exactly what one might think would be part of a business. In addition to their home helper service and transportation for dialysis and other kinds of therapy, Kawasaki Koreikyo provides a variety of other services to its members, among them nursing home assistance (feeding, bed linen changing), the clothing re-tailoring group "ReForm," and home environment repair and renovation. But there are also many activities for members that are not strictly business services, such as touring and hobby groups (knitting, doll-making), social service group volunteer opportunities, organizations to raise funds for Koreikyo and other charitable institutions, reading and discussion circles, and newsletter publishing. In other parts of the country, chapters provide lunch and dinner cooking and home delivery, day-care centers for seniors and even three assisted living centers. The Kanagawa Koreikyo office is on the second floor of a building which has a JWCU lunch delivery kitchen (*shidashi bentoya*) on the ground floor. Several of the women members of this kitchen are also Koreikyo members; one sits on the Kanagawa Koreikyo board as well.

Koreikyo is also becoming a major educational institution. In 2000 the Japanese government instituted Long-Term Nursing Care Insurance (*Kaigo Hoken*), for the elderly. This insurance program's goal is broadly identical to Koreikyo's, to enable the elderly to remain in their own homes as long as they can and want to. Everyone over 40 is enrolled in this national insurance program and pays a small premium that entitles people 65 and over to such services as home-helper and visiting nurse care, day care and brief stays at nursing facilities as needed, according to the judgment of a trained care-plan manager.

This new nursing care insurance program made it possible for families to be reimbursed for the expense of home helper services for the first time, but only by certified home helpers, and never for care from one's own family members. Overnight an immense demand for home helper training that would lead to certification was created. Koreikyo members started programs to train and certify themselves, and then opened these programs to the general public with the support of municipal governments. The training of home helpers and the operation of home helper dispatch stations has become a major part of Koreikyo activities.

Until quite recently in Japan, daughters-in-law and daughters were the primary care givers at home to the elderly who were fortunate enough to have families to care for them. But there are many tasks seniors prefer to have someone their own age do for them, especially help bathing, dressing, hair care, and feeding. And they like to have people of their own generation to talk to at home. On the other hand, they prefer to have someone from their own family cook and shop for them, someone who already knows their tastes. Survey after survey shows widespread satisfaction with the new nursing care insurance program among family members, care givers and the elderly who make use of it.

Mrs. Yoshida (78), a member of the Koreikyo linen changing crew at NewGreen Nursing Home, handed me one end of the sheet. "No, I don't have any children of my own; I never married. I was born in Manchuria when it was part of Japan and after my father died there near the end of the war, my mother and I were brought back to Japan. So I've had to work to support myself all my life. Without a family of my own, this chance to work here and rely on Koreikyo means a very great deal to me. I'm sure I'll need it even more in the future, so I'm really grateful it's here."

During World War II, Japan lost nearly 3.3 million men. More than 2 million women lost the opportunity to marry and raise a family. This group of women, Mrs. Yoshida among them, had cared for elderly parents in extended households in the past, and they are in need of long-term care today. But they do not have families to care for them. While recent statistics show that about half of Japan's aged continue to live with their families, extended family living will likely be less important in Japan's future than it has proven to be in the past. And like Mrs. Yoshida, more and more of Japan's seniors are finding that, with or without families of their own, Koreikyo and co-operation are rapidly becoming an important part of the solution to many of the problems aging presents them.

## EcoTech

Japan's dean of worker cooperation researchers, Iwami Takahashi, gives an accounting of approximately 100 alternatively organized and operated economic enterprises in 1985 under the title "Workers Collectives" (Iwami 1985). In 1989 the Asahi Shimbun referred to "more than 300" worker cooperatives (*rodosha kyodo kumiai*) in an article about a mainstream bank employee who resigned to start an alternative press workers cooperative.

Fifteen years after his earlier census, Iwami (2000) recognized that worker cooperatives, growing into the many hundreds, had become no longer easy to census. The bulk of these are cooperatives organized within the frameworks of JWCU or the WCC league. There are, however, several widely-known independently formed worker cooperatives in Japan. Christina Turner (1995) documents the failing Paramount Shoe Company's employees' efforts to rebuild and revivify the business as a custom orthopedic shoe manufacturer through its union. Her research from the early 1980s was carried out before Paramount reorganized as a worker-owned and managed business. Here I briefly introduce one of the worker cooperatives of this origin I know best, Workers Co-op EcoTech, a designer and manufacturer of environmentally friendly technology. Like Paramount, EcoTech was able to use its employees' union to organize their workplace cooperatively and operate it democratically.



Ecotech Homepage

EcoTech's story and its president's name are relatively well known in labor, environment and progressive community activist circles throughout Japan. Yamane Masako (1991) tells the story of the emergence and separation from the Toshiba conglomerate after an eight year struggle in the courts and in the streets by the self-governing business operating under the name Tau Giken Labs, which later spun off EcoTech. The leader of this struggle and later president of EcoTech, Suzuku Ke, tells this story in his own words in an interview with Ronald Dore (1994) for the magazine Sekai (World) in a series on Japanese who march to different drummers. In brief, Toshiba bought the Ampex corporation, an American business with valuable tape recording technology assets, and moved production to Japan. When this technology was judged exhausted, Toshiba sought to split up the group that had been working as Toshiba-Ampex and reassign the workers. They resisted, in the streets and in the courts. After eight years operating this business autonomously while the matter was under litigation, the employees won the right to own and operate what remained of the business known as Ampex, a settlement worth several million dollars but scarcely a fortune for a business of its size and technological sophistication. Essentially they won the right to keep their jobs and become legally independent of Toshiba. The business, by then down to about forty workers, took the name Tau Giken Labs. Over a disagreement about the degree to which the business ought to remain activist, Suzuku and eight others left Tau Giken to found EcoTech with their share of the settlement. Tau Giken itself continues as a worker co-operative.

Workers Co-operative EcoTech proclaims its mission, its grand design, to become the center of an environmental products movement. (You can [take a look](#) to see one of their products available in the US through Real Goods, a bio-active home composter that reduces all organic waste in just a few days to water and CO<sub>2</sub>, by aerobic and anaerobic decomposition.) They see themselves growing into the hub that draws together manufacturers, retailers, customers, monitors, university faculty members, their labs and departments, non-profits and NGO's, local and regional governments and government agencies, and worker, consumer and producer cooperatives. And they recruit individual citizens of many backgrounds into the organizations that make up EcoTech's networks. EcoTech designs and develops environmentally friendly products and products with a connection to the environmental movement, that fit into these networks. But they don't just design and make things, they organize individuals and groups into the networks of which they too are part.

Rather than have EcoTech itself, which has only 10 full-time members, grow large, they try to spin off as many activities as possible into parts of their network. For example, EcoNet is a loose group of 25 or so small retailers who handle many of their products. The AlterNet is a network of groups of soap-from-old-cooking-oil makers who use EcoTech's soap-making machines. A network of groups in the Tokyo area monitors various toxic NO<sub>x</sub> compound emissions with EcoTech digital analyzers, and they are forming a network of groups to monitor acid rain with a parallel device.

EcoTech opened for business on Sept 20, 1993 with 8 full time and 3 part time members. The three part-time members each have continuing responsibilities with other cooperative organizations. The firm focuses on the environment, making products that are easy on the environment, help clean it up, or are less energy demanding. Their greatest challenge, however, has no clear counterpart in US ecological alchemy, the turning of used household cooking oil into soap. EcoTech came into being largely to take on this issue: in 1990 a woman deeply involved in the Seikatsu Club Seikyo's "soap movement," as it is known, called on EcoTech president Suzuku Ken, to ask if there was anything his company could do about making a washing machine that worked well with soap made from used cooking oil. When he and five others left Tau Giken to found EcoTech, they took the washing machine project with them. (Tau Giken Technical Engineering Labs remains an independent workers cooperative).

The soap movement is almost 30 years old now. It has woven a complex web around a complicated issue. Standard sanitary sewage treatment plants manage toilet wastes conventionally to international public health standards, but gray water, which includes water from sinks and washing machines, is discharged directly and untreated into, streams, rivers, lakes, wetlands, and finally, the ocean. This gray water contains large quantities of two serious pollutants: synthetic detergents and used cooking oil. Synthetic detergent of course is a well known pollutant in the US and is degraded in treatment facilities. In both countries phosphorous is no longer added to synthetic detergents. Used cooking oil is not treated at all either, and it goes directly into gray-water drains all over the country.

Households and restaurants cook with oil daily. The walls and ceilings of older kitchens are a rich dark brown and sticky with years of built-up oil deposits. After a few or even only a single day's use, cooks throw their cooking oil "away." Of course, there's no such place as "away." Large restaurants pay to have their used oil hauled to commercial facilities; small restaurants and housewives just wash theirs down the sink with cold water. But both detergent and oil have long lives in water and break down only slowly, finally strangling the life out of the streams, wetlands, and bays where they end up.

The deep insight of the soap movement was that something useful could be done about both pollutants at the same time and provide valuable educational, political and economic opportunities to anyone interested as well. Cooking the oil with caustic soda for a few hours, then adding soda ash and cooking some

more, is how people used to make soap in the pre-detergent days. The housewives in the soap movement urge their neighbors to start doing so again. There are for-profit businesses that turn bulk used oils from the food product industry into soap, but there is no commercial network to collect used oil from households and family-run restaurants. Commercial enterprises aren't interested in such a labor intensive source of supply largely because the market for soap is still so small. So the soap movement organizes neighbors to collect their own used oil and turn it into soap themselves. And as with all substantial social movements, the soap movement too offers magazines and newsletters, workshops, ancillary goods and services to its members and potential members. Some of the more central *things* of the movement, though, are soap making machines, soap powdering mills, and washing machines.

EcoTech has spliced three strands of its organization into the soap movement. First, EcoTech designs, assembles and programs portable, user-friendly soap-making machines. These soap-making machines are too expensive for individuals to buy as household appliances, but they're well within the reach of community organizations: the complete setup for the large capacity machine is about \$10,000, about \$3000 for the smallest. So individuals do not make soap at home, and commercially manufactured soap is widely available through consumer cooperatives. But soap-making is an ideal activity for a local chapter of the soap-making branch of the environmental movement: members can spend an evening a month or even more, go around to events and places where people gather, demonstrate how to make soap and how to organize a soap-making group, and educate about what damage cooking oil does to the water supply. It all adds up to a helpful, non-confrontational, middle-class grass-roots environmental consciousness-raising movement for, especially, housewives, who are highly motivated and still have some leisure. Many WWC members and enterprises are deeply engaged in the soap movement. As well, this campaign gives even politically uninvolved housewives something to do about a serious environmental problem in an especially productive way: each person who brings some oil to a collection point sees the oil she hasn't dumped down the drain being turned into soap, and then can use that soap instead of detergent. And when she brings her oil in, she is exposed to the movement message.

EcoTech's second strand organizes networks of soap-makers, teaching them how to make soap in some cases, learning more about how to make soap in others, teaching and learning how to get people moving in the same direction and help them build enduring and effective organizations. EcoTech's members have extensive, valuable experience organizing social support networks as a result of their eight-year struggle for independence from Toshiba. Their effort in these activities weaves EcoTech into the consumer co-op movement, especially Seikatsu Club Seikyo, but also prefectural consumer cooperatives. And they also organize a network of retailers for these and other products, finding retailers who are community and environmentally minded and working with them, working them into the movement too. EcoTech is made up of an interesting and unusual mix of scientists, engineers, technicians, business people, advocates for co-operatives and community activists. Most of EcoTech's members easily fit two, and even three, of these descriptions.

Their third tie to the soap movement is the prototype washing machine they've designed to use the soap made from cooking oil. Many of this washer's features improve on those of regular washers: it's gentler on clothes, and uses about 1/3 less water as well. They call it the EcoDrum because while still top-loading, it revolves on a horizontal rather than vertical axis. The clothes are dropped, as it were, again and again into the soapy water, rather than twisted back and forth. The lint left in the filter after a load of wash comes from the twisting motion of the washer breaking down the fabric fibers of the clothes as it washes them, I was told and shown. The EcoDrum resulted from the visit of the woman from the soap movement to Suzuku Ken in 1990. The original horizontal drum washer is Finnish. The Brother Corporation holds contracts to manufacture the washing machines.

EcoTech also makes a digital analyzer that individuals or groups can use to monitor various toxic oxides of nitrogen, airborne pollutants created as products of combustion, especially, of internal combustion engines. These monitors are organized much like the soap makers are. EcoTech helps organize groups of monitors and holds meetings and workshops with them on how to get the most out of the analyzer, how to get reliable results, how to monitor nitrogen emissions scientifically. They make air-quality maps from the reports turned in by the increasing numbers of people and groups who have gotten involved.

As with the development of the washing machine EcoDrum, air pollution movement people came to EcoTech to get help with the *thing* it needed to add credible precision to their activity. Integrated into this project from its start are a group of nationally recognized scientists specializing in air pollution issues, one of whom is the conceptual inventor of the digital analyzer. Engineers at EcoTech made the actual plans and built it.

Now the monitors' network includes EcoTech too. Each workday starts with analysis of the air sample collected over the past 24 hours on the roof of their original office building, located directly behind Shin Yokohama station. And then monitors began organizing school science classes whose students can be trained and counted on to collect reliable data. EcoTech has also designed a similar product, a hand-held acid rain analyzer. The monitor goes to the collecting station, sticks the sensor into the vial of reagent and gets a digital readout of parts per million of selected airborne pollutants with the one, waterborne pollutants with the other. All this activity builds toward gathering and publicizing reliable information about the wretched quality of Japan's air and water, to pressure the government to move its support away from internal combustion engines, especially, and do more for clean electric alternatives.

Japan Institute of Cooperative Research (JIRC)

The JICR (Kyodo Sogo Kenkyujo) was founded in 1991 by the JWCU to ally with cooperative and community activists, and academic researchers, to publish the results of national and international research on cooperatives and related topics of use to the Institute's member activists and worker cooperative members. The Institute's journal *Kyodo no Hakken*, "The Discovery of Cooperation," is published monthly. As an example of what it publishes, the April, 2006 issue, no. 165, features a series of reports prepared for a workshop to promote a workers' cooperative law for Japan. The April, 2005 issue, no. 153, contains articles on the workers cooperative taxi cab business in Fukuoka, and another on its counterpart in Madison, WI. As well there are articles on how jobs change under employee management, the rights of associated workers and community renewal through social enterprises.

There is also in each issue a section reporting on relevant news from abroad. JWCU and JICR have always been oriented toward the international, especially European, cooperative movement and active participants in ICA-sponsored events. Currently about 400 individual members and 50 institutional members belong.

JWCU also publishes a newspaper, "Rokyo Shimibun" (Workers' Co-op Newspaper) three times a month and a bimonthly magazine, "Shigoto no Hakken" (Discovery of Work), for members of JWCU work co-operatives, primarily. Their content is largely devoted to the activities of worker co-op members and activity in the wider world that might affect the activity of JWCU worker co-ops.

## Into the Future

Co-operatives emerge where markets fail. As Japan's economy becomes both less responsive to its workers and its manufacturing sector continues to hollow, we can expect an increasing number of workers to try, as they try in many other countries, to make a go of it under various structures supporting varying degrees of worker ownership and democratic management. At this point, the instrument most widespread in the US through which management maintains control over worker-owners after employee buyouts of the businesses in which they work, the Employee Stock Ownership Plan (ESOP), is not available in Japan. Consequently, while employee ownership of the firms that once employed them remains quite rare in Japan, worker-owners do seem to have a strong voice in the management of those businesses where they have become owners.

Although ESOPs are not available in Japan to restructure ownership, if not management, of failing firms, neither is there yet a legal recognition in Japan of the distinctive features and advantages of worker cooperatives. Managers of businesses purchased by their employees find they must pour their new wine into bottles old and poorly shaped for their intended purpose, the control of capital by labor. The legal requirements of organizing as a joint stock corporation, through which organizational form capital has historically controlled a labor force, have proven cumbersome for worker-owners in Japan as elsewhere. There is simply no easy, legal way to organize worker co-operation in Japan yet, and this must surely be a barrier to their spread.

Another area in which legal changes may make a difference to the future of worker cooperatives in Japan is that of tax law. If the laws maintaining the "Million Yen Wall" are removed, the numbers of hours it will make sense for women of the new middle class to consider working may change, and this may possibly reduce their interest in forming worker cooperatives. The Diet discussed bills embodying such changes, and the newspapers predicted their imminent passage, in the fall of 2002. Nothing has come of this discussion yet, however. And in any event, I see nothing on the Equal Employment Opportunity legal horizon that is likely to change the "M-shaped" curve of female employment or the wide wage differentials between men and women of the same age and



education levels. The status quo in this area strongly favors a preference among many women to start a WCC rather than take conventional employment.

At the moment, the movement toward worker co-operation is a movement of middle-aged, middle class women, the elderly of both genders and both working and middle class, and a limited number of unusual outliers of the sort that must appear in any complex system. From this perspective, that the future will be something rather like the past, we can expect that the pool of people in Japan to whom worker cooperation holds potential interest will only continue to increase. And yet, there seems to be no connection between these existing worker cooperatives and young people whom the labor market has failed significantly since the early 1990s when compared with the experiences of their parents,

We cannot forget that starting a business requires both capital and knowledge. Once the JWCU transformed itself from a labor union into a worker-owned business, its assets and dues structure provided a foundation for capital accumulation. The housewives of the WWC league and the members of the senior cooperatives have their personal and family savings to invest, although none of their investments are large and their work capitalizes their life experience to a high degree. And the workers who restructure through their ownership the businesses that formerly employed them often have a variety of sources of capital to invest in the success of their companies. While it is true that many start-up worker cooperatives are founded on members' "sweat equity," the retention of earnings that result from members' labor, we still have to ask where young people are likely to find the capital they need to start a business and knowledge relevant to the niche they hope to exploit, to say nothing of how to organize and run a worker co-operative if they are not associated with the organizations discussed above. There are at least a few work groups composed entirely of young people in JWCU, after all. Today we live in a global era reminiscent of the classic age of plutocracy prior to the First World War, in which capital is in the driver's seat and does not spare the whip. How will growing numbers of today's young workers ever manage to control sufficient capital to do other than keep themselves alive at near-minimum wage in the growing service sector of the economy?

Women's Workers Collectives, Japan Workers Cooperative Union and Senior Cooperatives all are expanding in their characteristic ways and have every reason to expect that they will continue to do so. They don't make much money from their businesses but they seem to make enough for their members to keep them going and for others like them to want to join or start their own similar co-operative businesses. Many of their members are seniors and much of their business activity centers on the needs of seniors. Certainly there will be no shortage of seniors to keep them going in Japan's future. Seen from this perspective, perhaps the biggest barrier to the spread of this alternative way of working among the young is simply their lack of knowledge about its possibilities. Recalling that the category "youth" reaches to age 39 in his survey, Okayasu (Okayasu 2002:29-30) observes that while almost 70% of staff belong to other co-ops in addition to JWCU, only 27% of youth members do. And this in an organization that sedulously promotes cooperation of all kinds among JWCU members. How low must knowledge of institutionalized co-operation, and especially worker co-operation, be among Japan's young people at large?

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#### **Web Links to Japanese Cooperatives**

[JWCU](#)

[Workers Collective Network Japan \(WWC League\)](#)

[Senior Coops](#)

[Workers Co-op EcoTech](#)

[Japan Institute of Co-operative Research](#)

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