

## A View of Co-operation and Collaboration in Sectional Meetings

Kengo Nishii<sup>a)</sup>, Yasunobu Komatsu and Isao Yokomizo

*(Department of Agricultural Production Systems)*

Today's agricultural cooperatives management is tending to be led by executives and employees. It has produced many unconscious members in the organic whole system of an owner, a user, and a management person. In such a situation, the sectional meeting has maintained members' high concentration power as a business management organization decentralized within agricultural cooperatives. However, while the heterogeneity inside members is deepened, independence and autonomy in sectional meetings tend to fall. This paper takes up the apple sectional meeting in Kita Shishu Miyuki Agricultural Cooperative, and co-operation among members and collaboration between members and employees are considered, based on social capital theory.

There were two apple sectional meetings, the initiative type of employees and the initiative type of sectional meeting officers, in a case agricultural cooperative, and the concentration power of the latter was high. Based on the difference, we pointed out as following. In order to reconstruct co-operation among members, it is necessary to create a network from the activity which focused on the specific field, or nearness, and to lead to the positive feedback which encourages the mutual co-operation by making self-sacrifice of an officer into driving force. Moreover, in order to build collaboration between a sectional meeting member and an employee, the latter as the connecting person between the market and the members has to try hard continuously so that development of co-operation activity can match development of farm management.

The co-operation as a horizontal network and the collaboration as a vertical network are built, and the soul of mutual support must be penetrated in these networks. Then, the members' social capital as resources will become abundant, and sectional meetings will develop stably.

**Key words :** co-operation, collaboration, sectional meeting, agricultural cooperatives, social capital

### 1. Introduction

The 11th National Agricultural Cooperatives (abbreviated to JA in the following) Convention in 1967 hung up a banner "Promotion of an agricultural fundamental plan". The farming housing complex design will have been located in the core of JA movement for a while since then. Five requirements which should be equipped were set to this farming housing complex. Establishment of a producer sectional meeting was especially positioned as one important requirement<sup>1)</sup>.

Since then, a large portion of farm advice activities by JA, such as farm technology, farm management, and planned shipment, have been carried out through sectional meetings. In JA, the sectional meeting was regarded as the functional organization systematized

by purpose-oriented activity, and has been developed as a concrete place where a member performs co-operation activity.

As is well known, today's JA management has a strong tendency to be led by officials and employees. It has produced many unconscious members in the organic whole system of an owner, a user, and a management person. The competitive power of JA is dependent on the concentration power of the member to JA's business. The concentration power is largely based on a sense of belonging, a sense of reliability,

---

Received October 1, 2004

a) Graduate School of Natural Science and Technology,  
Okayama University, Okayama 700-8530, Japan

etc., which are derived from the participation in the business process<sup>2)</sup>. Therefore, business management led by officials and employees will not necessarily guarantee stable development for JA. In such a situation, the sectional meeting has maintained members' high concentration as business management organization decentralized within JA. However, while the heterogeneity inside members is deepened, the independence and autonomy in a sectional meeting tend to fall. Cooperative activity in sectional meetings has been stagnating and a management tendency led by employees has been getting stronger.

Based on the above awareness of the issues, this paper takes up the apple sectional meeting in Kita Shishu Miyuki Agricultural Cooperative (abbreviated to JA Miyuki in the following). And the actual conditions of activity and management in case sectional meetings are clarified. Based on this, the situation of co-operation among members and the situation of collaboration between a member and the employee are considered.

## 2. Apple Production-Distribution System in JA Miyuki

### *(1) Reorganization progress of apple shipment organizations*

JA Miyuki is located in the northernmost tip of Nagano Prefecture. There are Iiyama city, Kijimadaira village, Nozawaonsen village, Toyoda village, and Sakae village in the territory under their charge. It is a broader-based merger JA to which 13,246 members belong. Marketing business quantity (2003 fiscal year) was about 13 billion yen, and fruit alone was about 500 million yen.

Although Nagano Prefecture is a prosperous zone of fruit agriculture, the status is not necessarily high in JA Miyuki. It is because JA Miyuki is located in the northern limit of Nagano fruit growing and the cultivation area is partly restricted. However, the apple cultivation in Toyoda village has continued since Meiji Era. Apple cultivation area reached 300 ha and it has developed as one of the main industries in the village. The apple sales which reached 1,200 million yen around the 80's has fallen to about 700 million yen now because of aging or increase in abandoned cultivated lands. However, about 300 cultivating farmhouses still exist and there are about 200 ha of cultivated area even now.

The center of apple sectional meeting was established in JA Miyuki. There are three branches, Kamiimai, Toyoda, and Iiyama. The members of Kamiimai and Iiyama ship to the Kamiimai grading

house, and the members in Toyoda ship to the Kaesa grading house. Thus, apple marketing in JA Miyuki is performed for every grading house. So, the brand is not unified as JA Miyuki.

From the first, apple production in Toyoda village was prosperous in three areas, Kamiimai, Kaesa, and Nagata. In these three areas, the horticulture association was organized respectively, and marketing has been developed separately. However, the horticulture association in Kaesa and Nagata merged with JA Toyoda Village in 80's, and became an apple sectional meeting in JA, respectively<sup>3)</sup>. After that, both sectional meetings unified their marketing in 1997, and constitute the Toyoda branch now.

On the other hand, although the Kamiimai horticulture association which had a firm organization had developed business uniquely as specialized agricultural cooperative, it was pressed for the necessity of easing officer's burden with aging, unified with JA in 1998, and constitutes the Kamiimai branch now. Furthermore, from 2000, marketing is unified with the Iiyama branch.

### *(2) System of apple business in JA*

Thus, since there are two marketing systems, a farm adviser and a marketing employee are disposed to correspond to each grading house by JA Miyuki. The farm adviser is engaged in various work. For example, connection and the production of data of a meeting as a sectional meeting secretariat, the technical guidance about cultivation or shipment, instruction for the part-timer in the grading house, and so on.

The marketing employees have made decisions on long-term marketing plans, the timing about first shipment, etc. under deliberations with a sectional meeting. Especially, the employees have made decisions on important matters like the destination or a selling unit price in which farmhouses are concerned. Apples in JA Miyuki located in a cultural northern limit is excellent in flavor. However, the shipment season is late and the color which is a consumer's purchase criterion is also inferior to other production districts. So, the market can be enlarged by making the flavor into a selling point.

For example, in the case of the Toyoda branch, 90 % is shipped to the wholesale markets, such as Kago-shima and Hiroshima, and 10 % is shipped to the catalog sales in Zennoh Pearl Rice Kanagawa, and JA's outlet in Tokyo, Fukui, Yokkaichi, etc. as direct marketing. The market is enlarged through a tie-up between cooperatives, and the risk about payment collection which causes a problem in direct marketing is lessened.

Furthermore, the unit price exceeding the distribution through a wholesale market is set up in direct marketing. That is because differentiation of goods is realized. For example, in the case of direct marketing to Zennoh Pearl Rice Kanagawa, goods are limited to "Hatorazu apple". This apple is very excellent in flavor. It is because the leaf which should be taken essentially is left on the tree and harvest time is delayed. However, there is a risk of harvest reduction by snow. Therefore, it is difficult for all the members to tackle such a thing. So, after the farmhouses who can tackle it are specified by a farm adviser, technical guidance according to character of goods is given to these farmhouses. The organic link between the marketing employee and the farm adviser supports direct marketing.

Now, there are never many objections and requests in marketing side from a member to JA. That will be because business which can meet the expectation from the member is carried out.

### 3. Concentration Power in a Producer Sectional Meeting and Its Regulation Factor

#### *(1) Organization structure of a sectional meeting*

As mentioned above, JA Miyuki bears the marketing business generally now. The officer centering on the president bore these business at the Kamiimai branch which was specialized agricultural cooperative till recently, and their labor burden was very large. Although the burden is eased now, they are still engaged in organization business. So, let us look at the present officer system in the Kamiimai branch.

There are 13 officers: one president, one vice-president, two shipment division managers (chief and vice), two labor charge (chief and vice), two materials charge (chief and vice), two production parts (chief and vice), and three general officers. These 13 officers form a meeting of officers and elect a president, a vice-president, a chief shipment division manager as three key officers by mutual election. After discussion at the meeting by three key officers, important matters in connection with the management is referred to the meeting of officers, and made decisions there. Based on such decision-making, every officer will be engaged in the organization business according to function.

Officers are elected at general meetings. The selection committee selects officers. The selection committee consists of 17 group leaders and the president (who elects the next president, and is solved from the duties). In every branch, the group is fixed for every

about 6-7 neighboring farmhouses, and a role of the connection system in a sectional meeting is played. For the intention reflection from the whole area, a group leader acts as a member of the selection committee, and for the continuity of the sectional meeting management, the president acts as a member of the selection committee.

The organization structure in such a Kamiimai branch is the same as that of the Toyoda branch, except for there being no production part. However, the concentration power to a sectional meeting differs greatly at both branches. Next, let us see the actual condition of the difference.

#### *(2) A difference of the concentration power to a sectional meeting*

Now, 93 members belong to the Kamiimai branch, and 193 members belong to the Toyoda branch. Shipment scales are about 110,000 cases at the Kamiimai branch, and about 70,000 cases at the Toyoda branch. The shipment scale per member which belongs to the Toyoda branch is relatively small. This is considered to be because aging and increase of a part-time farmer have progressed more, or size of management scale are small at the Toyoda branch. It is an individual selling which must be considered as a problem.

It cannot be overemphasized that the size of a lot is an important dealings element in wholesale market. JA Miyuki presumes the rate of cooperative selling to be about 50 % at the Toyoda branch, about 70 % at the Kamiimai branch. The formation-of-price power in the Toyoda branch cannot help becoming weak relatively. The more serious problem in the Toyoda branch is that high quality apples are distributed by individual selling and many apples of lower quality have gathered to the grading house.

As an example, the shipment ratio classified by grade in 2003 is shown below. At the Kamiimai branch, Tokushu (the most excellent grade) is 25.0 %, Shu (the second excellent grade) is 44.0 %, Akashu (the third excellent grade) is 22.8 %, and Nami (the last excellent grade) is 8.2 %, and about 70 % of shipment is formed by two higher grades. At the Toyoda branch, Tokushu is 8.9 %, Shu is 31.2 %, Akashu is 50.3 %, and Nami is 9.6 %, and the ratio of two higher grades is only about 40 %.

Thus, since a lot and quality had a difference, the average case unit price of the Sanfuji in the Kamiimai branch was higher than the Toyoda branch about 200 yen in 2003. What is the factor which has brought about the difference of such concentration power? Two factors are pointed out in the following.

### **(3) The regulation factor of concentration power**

Firstly, it is an officer's leadership based on conviction by a general member. At the Kamiimai branch, the officer had borne management, such as negotiation with a customer, and employment management of the part-timer in the grading house, till some years ago. Since marketing business was entrusted with the task to the JA, the officer burden is eased, but various roles, such as "*shutsueki*" (which means offering the labor to cooperative work) to the grading house in every five days during the shipment and business about sectional meeting management, are borne. For example, the present president is obliged to about 20 a of cultivation abandonment in his apple orchards. Although he earns 90,000 yen from the sectional meeting as remuneration every month, this is not necessarily sufficient.

Secondly, it is existence of the mutual surveillance and mutual regulation function among members. At the Kamiimai branch, not only the officers but the general members have had "*shutsueki*" to the grading house. The present frequency is once a week generally. There is also the phenomenon of member who do not turn up. However, it has led to the upsurge of a sense of belonging by being engaged in a commercialization process. Also the member has compared his apple with other members' there. That is, the members have had "*shutsueki*" in public. As a result, low quality apples are excluded autonomously.

At the Toyoda branch, JA bore the responsibility for marketing business, grading house management, etc. for many years, and the sectional meeting has been managed under JA's leadership. The officers were connector, and not decision-maker. Further, the labor in the grading house was done by the part-timers. So, there were no "*shutsueki*".

As mentioned above, the conviction to officers, mutual surveillance and mutual regulation functions, and these strength and weakness could call it the regulation factor about the concentration power in both branches.

### **(4) The integration plan for the grading house**

Now, JA Miyuki is planning the introduction of a new grading house equipped with an optical sensor sorter. Disuse of two grading houses and unification of cooperative selling are being discussed. They have been argued since the 80s'. But at the Kamiimai branch which was following on independent path as a specialized agricultural cooperative, the opposite posture was strong. Now, the Kamiimai branch is also positive. That is because aging and increase of a part-time farmer have progressed here too and the

sectional meeting management by officers has become difficult.

Further, integration of grading houses is desired also for improvement of the formation-of-price power in the place of production, increases in the efficiency of JA's business, etc. But there is much concern.

Firstly, we are anxious about the economic effects on farm management. Increase in the grading cost is not avoidable in connection with introducing a new grading house. On the other hand, using an optical sensor only for judgment of the color is planned. Since the flavor is a selling point at this place of production, the influence on a market unit price is not necessarily expectable.

Secondly, we are anxious about expansion of individual selling, and the fall of the concentration power to a sectional meeting. "*Shutsueki*" is due to be abolished after introduction of a new grading house. Also the members of the Kamiimai branch are worried about expansion of action based on principle of opportunity.

Next, the following paragraph examines the reorganization direction of the sectional meeting on condition of integration of the grading house, and unification of cooperative selling.

## **4. The Reorganization Direction of Producer Sectional Meetings**

### **(1) The special feature of the Kamiimai branch based on social capital theory**

The special feature which the Kamiimai branch had deserves references, when the sectional meeting after unification builds high concentration power. Then, more generally we will consider the regulation factor supporting the high concentration power in the Kamiimai branch, using social capital theory.

Social capital refers to the resources obtained from an individual network or a network of business. Information, an idea, a business opportunity, goodwill, reliance, co-operation, etc. are concrete resources. As the word "capital" shows, it has productivity like human capital or financial capital. By utilizing social capital, a valuable thing is created, and it becomes possible to attain a target. However, those resources cannot be recognized, if a fully-built network does not exist, or if the network is not managed exactly. Moreover, investment in social capital is investing to the circulation which is passed from one to another by helping others and comes back to itself, respecting the soul of mutual support. There, a voluntary attitude is required.

If based on the fundamental view about such social



capital theory<sup>4)</sup>, the special feature which should be observed in the Kamiimai branch will emerge.

Firstly, it is “*shutsueki*” to the grading house as an opportunity of network construction. It can be said that it was the opportunity of a “*human moment*” (which means a moment of humane contact while turning cautions mutually based on sharing of time and a place). It is thought that continuous communication and the exclusion of low quality apples built confidential relations among members.

Secondly, it is investment in the social capital by sectional meeting officers. The officers have been devotedly engaged in sectional meeting business. It can be said that this was assistance to general members without sufficient collateral. This is considered to have become the driving force which pulls out mutual co-operation from the network among members.

That is, it can be said that the high concentration power in the Kamiimai branch was based on construction and practical use of social capital.

## **(2) Reconstruction of co-operation**

If based on the above, we will be anxious about rupture of the network among members accompanying integration of grading houses. As a result, social capital is spoiled and it is considered that it becomes impossible to control an action based on principle of opportunity. The alternative opportunity for building a network must be created within a sectional meeting.

Activity of the production part in the Kamiimai branch is considered as a pioneering measure. The production part is promoting environment-friendly agriculture through the introduction of prevention technology using sexual pheromone agents. As a result, the members of the Kamiimai branch have received an eco-farmer's accreditation from the prefecture. Moreover, saplings are produced, and distributed to the members by the production part.

These tackles are creating the opportunity of a “*human moment*”. Continuation of activity there will contribute to network construction. The activity which focused on such a specific field should be positively incorporated within the sectional meeting from now on. Moreover, the present production manager has described the role of the production part after unifying sectional meetings as follows. “In order to raise a motivation of members' farming, we want to advance the exchange among them. So, we want to take out a few representatives from each district as a production part. And, if a member asks the officer who is taking charge of his area, we will want to build a system which can solve any problem.”

First of all, a similar sense of values or a similar attitude do not bring about similarity of action. In many cases, the nearness between men creates a network, sharing of information progresses, and the similarity of action is born. Then, indication of the above-mentioned by present production manager is to the point. He is going to advance the mutual exchange of the whole sectional meeting members through a production part, and form common consciousness. That is, he is going to create the network from the absolute nearness of a residential district. Of course, such a system is not limited to a production part. It is important to exchange the nearness of a residential district into the common consciousness.

Thus, although some germs of new network construction are seen, self-sacrifice of officers must be asked for the driving force which pulls out mutual co-operation from the network like the present. What the incentive to assistance without sufficient collateral commits is the full-time farmer who receives big loss from the fall of concentration power, and a young farmer who needs a sectional meeting in the long run. They should become an officer and introduce various activities so that a sectional meeting can progress in the direction which is desirable for them. When it leads to the positive feedback which encourages mutual co-operation among members, it can be said that reconstruction of co-operation was made. And if it sees in the long run, an officer's income and outgo will also be able to be balanced.

## **(3) Construction of collaboration between a sectional meeting member and an employee**

By the way, the positive feedback has driven at the Kamiimai branch where the officers led management, have not driven at the Toyoda branch where the JA led management. This suggests the fact that the employees specializing in a sectional meeting cannot become the driving force of mutual co-operation. Here, co-operation and collaboration are defined as follows. Co-operation is that a member with a similar interest background works toward the common purpose, and collaboration is that a member with a different interest background works toward the common purpose. Thus, if a definition is given, it can be said that co-operation is not concluded even if collaboration is concluded between sectional meeting members and the employees.

The mission of the employee will be maintaining and developing the co-operation in a sectional meeting. However, the co-operation for a sectional meeting member is a means for maintenance and development of farm management. In JA, the employee will not

necessarily be evaluated, even if the farm management of members develops, if not accompanied with development of the co-operation activity in sectional meetings. Moreover, the meaning of decision-making also differs among sectional meeting members and employees. Decision-making about sectional meeting management strongly influences the interest among members. That a sectional meeting officer performs the decision-making, means determining its own interest. On the other hand, that the employees make decisions on sectional meeting management, cannot help turning into decision-making which is not related to its own interest directly.

As mentioned above, sectional meeting members and employees have a different interest background. Therefore, it is difficult to build a cooperative relationship. However, if the employee makes an effort continuously so that development of co-operation activity can match development of farm management, collaboration can be built between a sectional meeting member and the employee.

Supposing the network among sectional meeting members is a horizontal network, the efforts for which the employees are asked are connecting members to a market as a vertical network. In order to support development of farm management, the employees have to return positively the market needs, which he acquired through operating activities, to members. If it is the connection which does not use JA, loss will occur in JA in the short term. The employees need to continue incorporating the market needs which were returned to members, into JA's business. If it is attained, loss becomes prior investments and development of farm management and development of co-operation activity will correspond.

## 5. Conclusion

In this paper, the apple sectional meeting in JA Miyuki was taken up as an example under an aware-

ness of the issues that the management led by officials and employees does not guarantee stable development in JA. And co-operation among members and collaboration between a sectional meeting member and the employee was discussed, using a social capital theory.

In order to reconstruct co-operation, it is necessary to create the network among members from the activity which focused on the specific field, or nearness. And it is required to lead to positive feedback which encourages mutual co-operation by making self-sacrifice of an officer into driving force. Moreover, in order to build collaboration between sectional meeting members and the employees, the employee as a connective person between a market and the sectional meeting members has to try hard continuously so that development of co-operation activity can match development of farm management.

In order to enrich social capital as resources among sectional meeting members and for a sectional meeting to develop stably, the following points are important. Firstly, the co-operation as a horizontal network and the collaboration as a vertical network must be built. Secondly, the soul of mutual support, such as to be embodied by officers at the Kamiimai branch, must be penetrated in these networks.

## References

- 1) Usui, H : Member's Organization in Agricultural Cooperatives. New Edition Cooperatives Encyclopedia (Kawano, S. et al. eds.), pp. 536-539, Ie no Hikari Kyokai (1986)
- 2) Masuda, Y. : The Business Characteristics and the Subject of Business Study in Cooperatives. The Modern Subject of Agricultural Cooperatives Movements (Yamamoto, O. et al. eds.), pp. 65-82, Zenkoku Kyodo Shuppan (1992)
- 3) Yasunobu Komatsu : The Present Condition and Subject of Apple Farm Management, The Long Design of Rural Development by Toyoda-mura Agricultural Cooperative (Toyoda-mura Agricultural Cooperative. et al. eds.), pp. 64-133 (1987)
- 4) Wayne Baker (translated by Nakajima, Y) : Social Capital, pp. 3-42, 253-261, Diamond-sha (2001)

## 生産者部会における協同と協働の展望

西井 賢悟・小松 泰信・横溝 功

(農業生産システム学講座)

今日の農協運営は、役職員主導の傾向が強い。それは、所有者・利用者・運営者の三位一体的性格に無自覚な組合員を多数生み出している。その中、農協内の分権的事業運営組織として、高い結集力を保ってきたのが部会である。ただ、部会員の異質化が進み、その自主性、主体性は低下している。そこで本論では、北信州みゆき農業協同組合管内のリンゴ部会を事例にとりあげ、生産者部会を具体的な場とする、部会員間の協同と、部会員と職員の協働の展望について、ソーシャル・キャピタル論に基づき考察した。

事例農協管内には、職員主導型と部会役員主導型の二つのリンゴ部会があり、後者の結集力が高かった。その相違を踏まえて、協同の再構築には、特定の分野に焦点を当てた活動や近接性から部会員間のネットワークを創出し、さらに役員の献身性を駆動力として、部会員が相互に協力を促すポジティブフィードバックを導くべきことを指摘した。また、協働の構築には、職員が市場と部会員の連結を遂行し、協同活動の発展と農業経営の発展が一致するよう絶えず努力すべきことを指摘した。

横のネットワークとしての協同、縦のネットワークとしての協働を構築し、それらネットワークにおいて、相互支援の考え方を貫けるならば、部会員のソーシャル・キャピタルは豊富なものとなり、部会は安定的に発展することとなろう。