

# Now Is the Time to Reclaim Rural Japan: Toward Societal Renewal

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By Uchihashi Katsuto

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### Recognize the Crises That Threaten Cooperatives

Our times demand an unerring grasp of the conditions that affect agricultural cooperatives.

First, it is wrong to translate “globalism” as world-ization (*sekaikō*) or internationalization (*kokusaikō*). They say 300 trillion dollars are currently linked to the IT industry. Globalization means creating a sanctioned hunting preserve so that big money, made when profit produces profit, can circle the world. Under the Koizumi administration, this system has been thoroughly accommodated.

Now, Koizumi’s “structural reform” is generating the next set of “structural reform problems.”

#### *Growth in the Number of Working Poor*

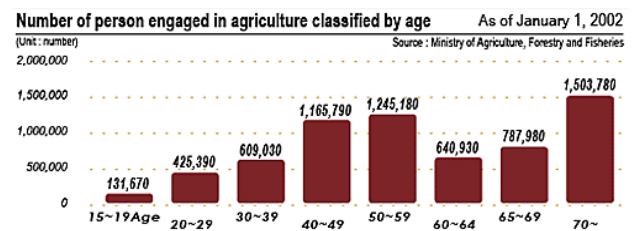
The first problem is an increase in the number of working poor, thanks to the dismantling of labor.

We now have laborers whose wages regularly fall short of supporting a basic standard of living, no matter how much they work. In the modern era, maintaining a basic standard of living is fundamental to upholding the human right to a peaceful existence. No matter how desperate the circumstances, the nation must guarantee workers' livelihood. Under Koizumi, however, the Worker Dispatch Law has been revised, making it possible for temporary workers to be hired even in the manufacturing sector. This "structural reform" virtually completes the disempowerment of workers.

There are currently four groups of workers active in Japan. The first group is regular, permanent workers. The second group is temporary and part-time workers. The third group is the employees of contractors, who may move their charges around three times in a day, loading them into a microbus, having them work the morning here and the afternoon there. Finally, the fourth group of workers is made up of the pseudo-independent self-employed. So, besides having regular workers, we have three types of irregular workers, and remuneration for the latter is not only unequal but languishing somewhere around 40 percent of full salary. Remuneration for irregular workers also routinely fails to include social insurance. In every sense, this is cheap labor power. Japanese companies are treating Japanese workers as disposable goods.

### *The Collapse of Agriculture*

The second problem created by "structural reform" is the collapse of agriculture. 53 percent of the land in our country is experiencing serious depopulation. Land is being laid waste at a breathtaking rate. In the past, we routinely referred to "balanced development of the land," but public investment now focuses entirely on the cities, while rural areas are being abandoned.



### *The aging agricultural population*



### *The Transfer of Assets from Households to Companies*

The third problem is the systematic transfer of wealth from households to financial institutions, and further to corporations. This means shrinking household budgets and fattening business sectors. In 2003, the average rate of profit for companies listed on the Tokyo Stock Exchange increased some 79 percent over the previous year, but what about sales? They rose

just 1.3 percent. How did corporate profits increase so dramatically while sales languished in the 1-percent bracket? One answer is corporate layoffs. Another is the transfer of income from households. The Koizumi administration claims that financial institutions have done away with bad debt, but the capital to accomplish that came from households. Since the early 1990s, I have been saying that the lowering of interest rates and the official discount rate amounts to diversion of household income. Recently this view became mainstream, and not long ago, the president of the Bank of Japan acknowledged to the Diet that 154 trillion yen in household income has been transferred to the corporate sector. It was not prudent fiscal management that put an end to bad debt—it was money from Japanese households.

These three are the new “structural reform problems” that the Koizumi administration has created.

### **Craft a Message That Reunifies Society**

Japan currently bears close resemblance to England at the time when the Rochdale cooperative was formed in the 1840s. Unemployment was then spreading like the plague, and in the absence of labor regulation, child labor was rampant.

Agricultural land was also being enclosed, and

landed farmers driven out, in the wake of the Industrial Revolution. This was the enclosure movement, in which capital bought out family farms and dispersed households. The number of orphans increased, and these children were put to work in the textile mills.

If you look at the records of this period, you find that the number of beds supplied was just one third of the number of children. In other words, they were making children work in three shifts. Children who finished their work would wake up sleeping children so they would have a place to sleep. Supported by this kind of child labor, England’s textile industry grew.

In response, a movement formed calling for prohibition of child labor and establishment of the so-called Factory Acts. The Rochdale Society of Equitable Pioneers formed at this time. The Rochdale Pioneers declared that if there were no jobs, people could create them, and if there was no food, people could produce it. In a country that has lost societal unity, they asked, who will restore unity but cooperatives? That was how the Rochdale cooperative got its start.

If you want to know why the Koizumi administration and the business world see cooperatives as the enemy, you have only to study this history to find out.

The role of the cooperative is clear: it has to put

the brakes on “progress” and continue to declare that “structural reforms” may be creating new structural problems.

The other side is arming itself with theories to defend creation of the limitless hunting preserve, as in calling for dismantling of Zen-noh (the National Federation of Agricultural Co-operative Associations). The other side rejects coexistence with cooperatives, let alone a mutually beneficial relationship. Zen-noh may have problems, but the important thing is to make necessary corrections in full awareness of the pressures of the times. A true crisis will ensue if this cannot be achieved. The first step is accurate recognition of current conditions.



Zen-no Grain Corporation

The policy of spreading widespread ignorance—of grooming a citizenry oblivious to problems, dividing people into camps, and stimulating infighting—is enabling policymakers to grow the market and spark continuous competition. Competition is the fundamental principle of the competitive sector, and all of Japan is being dyed to match its color.

It is essential to have a tide of thought that counters this current. This is precisely the task of the cooperative sector, which is based on the principles of participation, solidarity, and cooperation. Cooperatives must think of strengthening themselves.

### Create New Agricultural Values

As part of this process, agricultural cooperatives must strengthen their communication with the nonagricultural domain: secondary and tertiary industries, the Japanese citizenry, and consumers. Cooperatives have to send a message that is tailored to these groups.

In the first place, culture is something that comes from the land. Culture is cognate with cultivation. I stress new agricultural values, but bearers of culture are those who communicate closely with the earth, or with nature itself. In that sense, those engaged in agriculture are closest to culture.



Issues of food and agriculture constitute our present challenge, but we should also highlight connections with environmental issues. Importing agricultural products involves not

only import volumes but also a waste of energy, as foods are shipped longer distances. Agriculture is closely linked to environmental issues. This makes us realize the importance of self-sufficiency.

How shall we create a “socially conscious agriculture” that takes these ideas into account? How do we bring back the person-to-person connections that strengthen society? We cannot forget that we are working to reclaim Japan for the people.

The times call for a message that champions

rejuvenation of society in terms that ordinary people can understand. We need the ability both to notice problems and to see through them. I call upon people in agriculture, especially the leaders of JA cooperatives, to nurture these essential abilities.

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