

# Applying the Seikatsu Concept in the USA\*

by Richard Evanoff

The Seikatsu Clubs are part of an expanding cooperative movement in Japan, whose members now number over 15 million – about 10% of Japan's entire population. Seikatsu bases itself on the Rochdale principles (*Editors' note: see GEO #11, p. 13*), but also draws inspiration from Japan's agricultural past when villagers customarily exchanged labor during planting and harvesting seasons. It thus retains an appreciation for community involvement, while repudiating the hierarchical and coercive feudal context in which these values arose. Americans are less centered on harmony and cooperation than they are on the rhetoric of rights and democracy, but despite such cultural differences I think the principles underlying Seikatsu could be successfully applied in the United States.\*

Seikatsu's basic infrastructure, which should not be difficult to duplicate, can best be seen as creating a total system linking producers and consumers. The principle of *sanchoku* – “direct from the producer” – eliminates the need for stores, for inventory, for middle distributors, and for advertising. The cooperative collects orders from the *han*, or neighborhood household groups, collates them, places orders with producers, receives goods from producers, and transports them directly back to the *han*. The result is considerably less overhead than in store-based distribution systems and this yields lower prices for consumers. Costs are further reduced because local *han* members participate in the distribution process. Seikatsu estimates that its prices are 4-8% lower than those in ordinary retail outlets.

In the usual market system, the goods of producers must be marketed to consumers who need to be convinced to purchase them. But Seikatsu, in contrast, is consumer-driven: consumers tell producers what they want to buy, sometimes far in advance – e.g., how much rice a family will consume in a year. Producers thus know beforehand what and how much to produce: this yields stability and no waste. Further, Seikatsu sells only one type of each product in a single size with reusable packaging. Eliminating superficial “variety” (in the form of brand names and package sizes) enables the cooperative to achieve a competitive economy of scale. Seikatsu orders relatively large quantities of single products from single producers. Bulk ordering makes Seikatsu an important customer from a producer's point of view, and lowers prices for co-op members.

The Seikatsu system thus presents attractive opportunities to both producers and consumers. Smaller-scale producers, such as local farmers, family-owned businesses, cooperatives, and self-employed individuals, can find consistent customers, without worrying about the vagaries of the ordinary market. They obtain stable employment with a reasonable income, while consumers receive a reliable

source of products at a fair price. Moreover, Seikatsu is not only concerned with the quality and healthfulness of products, but has advocated in support of the health, safety, and overall working conditions of those who make them.

In these and other ways, Seikatsu sees itself as building an “associative sphere” in the economy, based on interconnected producer and consumer cooperatives, on cooperative financial institutions, and on cooperative forms of welfare. They estimate that an average member household spends about one-third of its total food budget on cooperative products, while some, perhaps one-fourth, spend about 70% on such products. They are constructing their associative sphere step-by-step, in a gradual way that provides security for both producers and consumers making the transition from the competitive to a cooperative economy. The last issue of *GEO* documents how far they have come from their initial origins in 1965 as a small group seeking to buy quality milk at a reasonable price.

## A Strong Potential to Replicate Seikatsu?

The potential for a Seikatsu-like movement developing in the USA is undoubtedly strong.\* It could provide alternative markets for family farms threatened by agri-business, and stable employment (in producer co-ops like those Seikatsu has given rise to) for displaced or under-employed workers. Consumers who want wholesome food at affordable prices and safe products that are genuinely eco-friendly should also be attracted to the idea. Probably, the biggest problem in the USA is simply how to get the project off the ground. The group-orientation of Japanese culture may make it easier to start cooperatives and to build an associative sphere in that country than in the more individualistic USA, where people may find the idea of collectively generated responsibilities unattractive. (*Editors Note: on making a cooperative start, see pp. 9-10.*)

Women have been major catalysts for social change in Japan and are the driving force within Seikatsu. While Japanese society is still fairly traditional in terms of gender relations, with males going off to work and females staying at home, women in Japan have been turning this to their advantage.

Precisely because they are not caught up in the market economy, Japanese housewives (together with retirees) can be more politically active and outspoken – hence the relatively high percentage of women in active roles within Seikatsu's organization and who participate in its *Seikatsu-sha*, or political wing (in 1991, there were 33 local political groups composed of some 2,500 women). Since the trend in the USA has seen an increase in households where both men and women are working, the catalysts for building an associative sphere in the USA will most likely be those

marginalized by the present economy and/or those genuinely committed to finding workable cooperative alternatives.

\*- *Editors' Note: The case Richard Evanoff makes, it seems to us, applies not only to the USA, but to any Western or industrialized country.*

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## Building On and Towards Seikatsu: Some Suggestions for Beginning A Cooperative Journey

Recall the letter sent to *GEO* by (formerly lapsed) subscriber **Judy S.** (p. 1). It asked in essence, “All this on Seikatsu is well and good, but how do we get started on building cooperative enterprises?” The dramatic success of Seikatsu and of other cooperative models can at the same time be both hopeful and intimidating. The responses of *GEO* subscribers on pp. 4-8, however, begin to address this key concern; they give us some clear suggestions as to manageable first steps, e.g.,

- start a **skills or labor exchange**: there are many throughout this country and elsewhere; contact: **Edgar Cahn, Time Dollar, PO Box 19405; Washington, DC 20038; Paul Glover, Ithaca Money, 607-273-8025; or the Member Organized Resource Exchange of Grace Hill Neighborhood Services, 2600 Hadley, St. Louis, MO 63106; 314-241-2200.**
- utilize or start your own **community credit union**: contact the **National Federation of Community Development Credit Unions** for assistance and information on nearby up and running credit unions: **59 Johns St., 8th floor, NY, NY 10038; 212-513-7191.**
- Put together, or join an existing, **workers or consumers cooperative**: directories and assistance on the former are available from several organizations (see issue #11, p. 3); for consumer co-ops, contact **Kris Olsen, Co-op Directory Services (CDS), 919 21st Ave., Minneapolis, MN 55404** (see ad for CDS, next page).

To these we would add the following:

- **organize a community- or region-wide Conference** which brings together a wide range of grass-roots groups concerned to create their own forms of economic enterprise. This approach was recently used, with good results, by groups in both New Hampshire and Massachusetts. Both Conferences brought together labor, community, environmental, social justice, and worker cooperative activists; both have begun to lead to a more deeply participatory process in the initiation of economic initiatives and policies. On these, contact: **Judy Elliot, RFD 8, Box 311, Concord, NH 03301; and the American Friends Service Committee, 3 Langworthy Rd., Northampton, MA 01060; 413-584-8975.**
- examine the option of starting a **cooperative “odd jobs” or “temp agency”**: this is the strategy adopted by a number of welfare recipients and their teacher, **Germai Medhanie** (of *GEO*), at **Springfield College's School of Human Services** (Manchester, New Hampshire). Citing the demise of “traditional full time jobs with solid benefits,” their aim is to “set up a temporary service agency in order to secure independence,” while “comparing their performance with other similar services.” Ownership will be diverse and “shared among welfare recipients, professionals, local businesses, and the school.” The range of services to be offered spans from home health care to accounting and from editing to computer consulting. **You can reach Germai, who invites comments and feedback on this initiative, at: 603-485-3230.**
- consider using, distributing, helping manufacture what is called **“Low Temperature Phase Change Technology.”** This renewable energy option relies on a super-efficient heat pump that is claimed to