



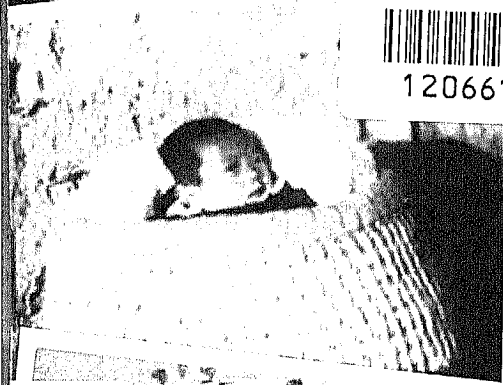
# Wisdom of the Livelihood Improvement (KAIZEN) in Post-War Japan

-Lessons Learnt from the First Developing Country-

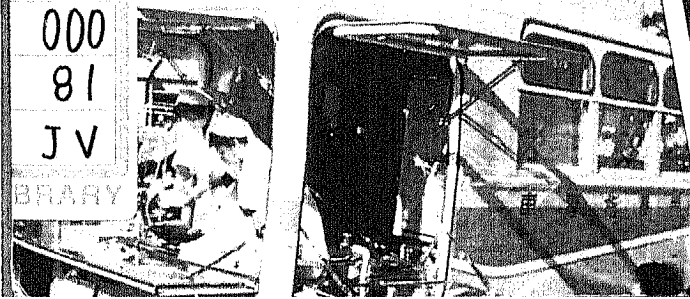
JICA LIBRARY



1206616 [3]



JICA  
000  
81  
JV  
BRARY



# Wisdom of the Livelihood Improvement (KAIZEN) in Post-War Japan

-Lessons Learnt from the First Developing Country-

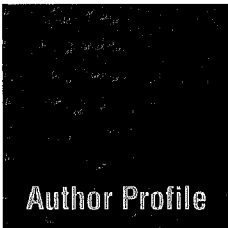
## CONTENTS

- 03 | **Author Profile**
- 04 | **The wisdom of KAIZEN applied totoday's developing countries**
- 06 | **The 'Wisdom of Japan' that development workers can use in the field.**
- 08 | **Keywords of KAIZEN in Post-War Japan**
- 09 | **Chapter 1.  
KAIZEN devices for community development**
- 29 | **Chapter 2.  
Facilitator and rural community**
- 53 | **Chapter 3.  
Unprecedented practices are needed**
- 77 | **Chapter 4.  
Background philosophy of KAIZEN**
- 99 | **Case study of JICA volunteer using KAIZEN  
Information corner**

Produced in the 'Crossroad' editing room, under the editorship of Sato Kan Hiroshi

**R100**  
石版印刷100%再生紙を使用

 **PRINTED WITH  
SOY INK**  
この雑誌は大豆油インキで  
印刷しています



Author Profile



**Sato Kan Hiroshi**

Dean of Institute of Developing Economies Advanced School (IDEAS). A sociologist who has researched 'the social impacts of aid projects'. While his field of study is mainly in developing countries (especially Yemen), recently he has been conducting interviews with elderly people in rural Japan to uncover 'the forgotten Japanese social development experience'



**Masami Mizuno**

Professor at the College of Bioresource Sciences, Nihon University. Born in 1949. Passionate about fieldwork while an undergraduate. After joining the Ministry of Agriculture, Forestry and Fisheries, embarked on research into developing country rural development at the National Research Institute of Agricultural Economics. In 1982 studied at the University of Reading and the University of Kent at Canterbury in the UK as a JICA overseas long term trainee. In office since 2004. Also serves as the chairperson of the Institute for Himalayan Conservation incorporated nonprofit organisation.



**Miho Ota**

Assistant Professor at the College of Humanities, Tamagawa University. She engaged in rural development in Ghana as a JICA volunteer, also known as Japan Overseas Cooperation Volunteers (JOCV), during 1996-1998 and other countries in Africa and Asia. Research into the Livelihood Improvement is her life's work. Her JICA Visiting Research Fellow report 'Learning for a Facilitator from Livelihood Improvement Extension workers: Lessons from Experience in Post-War Japan' is available (only in Japanese) on the JICA homepage.



**Kazuko Oguni**

Associate Professor at the college of International Welfare Development, Japan Welfare University (2008 - ). Former JICA Volunteer engaged in rural development in eastern Indonesia during 1994-1996. Worked in agricultural development in Cambodia (2003-2006). Her specialism is development anthropology. Works include 'Who is Rural Development Support for?' (Akashi-Shoten 2003) and, as joint author, 'Fieldwork within Support' (Sekaishisosha Co. 2011), etc.



**Yoko Fujikake**

Associate Professor at Tokyo Kasei Gakuin University Graduate School. Mita' Foundation Representative. Former JICA volunteer (Paraguay/home economics/Dispatched in 1992 Fiscal Year). Her specialties include Cultural Anthropology, 'Gender and Development', Paraguay area study, Qualitative Evaluation. In recent years she has undertaken the revitalization of projects in the region relating to / focusing on gender perspectives, Published works include Kaihatusenzyo to Zinruigaku (Development and Anthropology) (Co-ed)The International Handbook of Gender and Poverty. Concepts, Research, Policy (Co-published, Edward Elgar) etc.

# The wisdom of KAIZEN applied to today's developing countries

While the title of this book is 'Wisdom of the Livelihood Improvement (KAIZEN) in Post-War Japan', we focus on time when Japan was a developing country. What kind of 'wisdom' can we obtain from it? Sato Kan Hiroshi introduces the background of 'The Wisdom of Livelihood Improvement (KAIZEN)' and the contemporary meanings.

This volume is a compilation of 'The Wisdom of Japan as a Developing Country' which was published serially in Crossroad magazine for seven years. The Livelihood Improvement (KAIZEN in Japanese) Movement evolved soon after the end of the Second World War in rural areas of Japan. KAIZEN is famous as Toyota's philosophy for its car factory management. Livelihood improvement is KAIZEN in everyday life. KAIZEN in factories and KAIZEN in farm houses have common features, namely utilising existing resources, accumulating small innovations, collaboration among the people, synergetic effect of top-down and bottom-up systems and participatory working style.

The word 'movement' indicates that many people participated both individually and collectively in efforts to improve the modest standard of living. The lead roles in this movement were played by young housewives in rural areas. In this volume, we bring you various examples which were carried out in a spirit of cooperation and with ingenuity by the young wives in the most difficult circumstances in these rural areas, while they received both practical and spiritual support from a facilitator, a 'Livelihood Improvement programme Extension worker' (LIP worker).

## Life in Tokyo in the 1950s and 1960s

I was born on the outskirts of Tokyo in 1957. It was just at the beginning of the period of magnificent economic growth. While tap water was beginning to be supplied, water wells with hand pumps were still in active service in the neighbourhood. Low cost public housing schemes laid rows of one-storied semi-detached tenement houses; what was known as housing for low income workers who had immigrated into Tokyo from countryside. Toilets were of the Japanese-style pit latrine, and flushing toilets had not even been seen. I have memories of lighting candles in the darkness during blackouts when a typhoon came

and storm shutters were nailed into place. It wasn't unusual to see houses with buckets prepared because rainwater would leak in. There were more than 50 pupils in one class at elementary schools, and because the school facilities could not keep up with the number of children, up until the previous year of enrolment, teaching was carried out in two shifts in the morning and afternoon.

One day a black telephone arrived in our house. My father bought a decent telephone stand with bookshelves from the second-hand furniture store. I think that may have been our first step into household modernity. On summer days, ants made long lines to the rat-proof cupboards in which leftover food was stored, but all too soon refrigerators had appeared, and we were sat in the living room watching the Tokyo Olympic Games (1964) on the black and white television. Of the 'three sacred treasures' (TV, Refrigerator and rice cooker), the electric rice cooker did not make an appearance in our house until much later. The two-hob gas cooker was enough. My mother gave birth to me at home, but two years later my younger brother was born in hospital. Even in this respect the times had changed demonstrably. Without exaggeration, we may say the old traditions were being replaced with the new.

My parents were the first generation who had come to Tokyo after marrying in a rural area, and even if they did not compare unfavourably with other young couples, they were not wealthy. They were ordinary. And ordinary meant 'a bit poor'. My mother was a full-time housewife, and went up to the edge of a high street once a week to pick up skirt hooks in order to do a part time job fixing hooks on skirts at home, carrying my younger brother on her back and holding my hand. There were no supermarkets, and so there were no part-time jobs on the cash registers. Every summer holiday, we returned to Ehime prefecture where my parents came from. It's said that at this time there was a ten-year time difference between Tokyo and rural areas. Due to there being slow traffic and com-

## Details of the functions and activities of Livelihood Improvement Extension Workers

Function	Guidance Area	Details of Main Guidance Activities
Educational Functions	Knowledge and technical guidance related to livelihood improvement for rural homes. Guidance to nurture voluntary behaviour to resolve problems scientifically.	-Guidance for well-balanced livelihood improvement and household management for agriculture, forestry and fisheries. -Individual guidance for project activities. -Group guidance for common issue projects and common activity projects.
Technological Development Functions in the Field	In the field technical development, demonstration, tradition.	-Exposure, application, extension, handing down of traditional technology. -Development and demonstrations of innovations in the field. -Assembly of individual technologies.
Organisational Functions	Gathering together of citizens to implement livelihood improvement by group thinking.	-Cultivation of groups to implement the functions for livelihood improvement. -Cultivate young housewives and elderly people groups. -Coordinated support with women's groups
Counselling Functions	Counselling for troubles related to life in rural areas.	-Livelihood counselling for farmers, guest workers, non-agricultural households. -Family Relationship Improvements. -Securement and nurturing of successors.
Consulting Functions	Guidance for diagnoses related to household management in rural areas.	-Household Management Diagnoses (Light diagnosis of domestic accounts) -Guidance for lifetime planning.
Technical Review Functions	Technical reviews for financing and aid incentive operations.	-Technical cooperation for rural development project aid operations and livelihood improvement funding (rural households) etc. funding operations.
Rural Area Society Revitalisation Functions	Support for the formation of a sound rural area society.	-Promotion of measures for rural livelihood environments. -Facilitate social participation for women -Consensus building for local residents with farming households at the core
Rural Area and Agricultural Policy Livelihood Related Administration Intermediary Functions	Information communication between administration and rural areas.	-Reflect the wishes of rural households in agricultural policy and livelihood related administration. -Communication of information for agricultural policy and livelihood related administration.

Production: Miho Ota

Reference Data: Rural Livelihood Issue Research Society 'Rural Livelihood Handbook: In Search of Basic Points for a Better Life'. (Sozoh-Shobou, 1986)

munications, fashions and lifestyle were transmitted only gradually. The open pit toilets in the countryside were scary for a city kid like myself, and the first time I was given goats milk to drink I couldn't stand it. Twenty years later I first visited Yemen where the scenery of the fruit trees planted in the narrow terraced fields, the dilapidated bus winding along the unpaved shoulder of the road along the cliff, almost running off the edge were in my view.

### An accumulation of small innovations by ordinary people

Yes, until a mere two generations ago, Japan was a developing country. And it was among the first batch of developing countries starting to catch up Western countries. As of often the case with developing county, the people were poor. There was not a great difference with the rural areas of developing countries today, whether in terms of infrastructure, the livelihood of ordinary people or the balance of household income and expenditure. However, though they were poor, people created various innovations in order to live. These accumulations of innovations

became 'improvements (KAIZEN)', and were connected to the development of the whole society. The things needed in developing countries today might be such an 'accumulation of small innovations by ordinary people'.

The collection of these small innovations is a treasure trove for people engaged in rural development, nutrition improvement, environmental education, and various types of community development. That is why we should lend an ear to the 'Wisdom of Japan as the first Developing Country'.



Agricultural Extension workers and Livelihood Improvement Extension workers  
Slide 'Agricultural and Rural Development and Population' (Asian Population and Development Association)



Taking to the field in Japanese-style pantaloons with a green bicycle! (Toshiko Fujino, Livelihood Improvement Extension worker in Fukuoka Prefecture, 1955)

Masami Mizuno's view

‘How to put together development in the field’

Even if extensive accounts have been given of the effectiveness of improvement, there have not been sufficient accounts of why it was effective. Reflecting on this, I'll take the opportunity to state the rationale behind it. In the development project implementation districts, the target subjects continue to carry out their daily activities, day and night. The aid workers begin improvement activities. In general development, replacing a former part of daily life with a new, but different component is equivalent to the problem of adding power to accomplish an objective without stopping the movement of the thing that is moving.

Let me give you an example. Let's say that the performance of a laptop computer is bad. I'd like you to visualise

that by replacing a hardware part without switching off the power and ceasing the operation, it is technically not possible to increase the performance to the desired standard. However, because we have to challenge the difficulty somehow, the supporter and the subject must go forward at the same pace (a state where there is comparatively no change), working through and fine-tuning the conflicts one by one, not touching on anything else. This is the process of improvement, neither more nor less. Set up special economic zones, taking care that completely foreign new production methods can be set up to produce in a short period, and checking that they are conclusively different. However, if the issue of development is to be interested in making beneficial changes to the everyday livelihood of people, the improvement approach can realise effectiveness in all the development fields.

device

## The ‘Wisdom of Japan’ that development workers can use in the field

Miho Ota's view

‘Your one innovation comes to life’

My two years engaging rural development projects in a small village of Ghana flew by. As I threw myself into the activities, the people in the village were very kind. While my intention was to serve to the best of my ability, inwardly I felt very insecure. Could I really be useful in the village? Was it not only my self-satisfaction? Would the village be a happier place if someone else instead of me had come? There were nights spent staring up at the stars, frustrated by my own feelings of inadequacy.

After returning home, I had the opportunity to learn about the Japanese Livelihood Improvement experience, which inspired me in various ways. ‘If only I'd known that approach’, I thought. ‘There are many alternative ways of thinking about things’. The stories of the LIP workers came straight into my heart.

This series is written for the person I was at that time spending sleepless nights in the field and as a message of support for the people throwing themselves for the better life.

As a matter of course, this isn't an activity manual that can be used anywhere as it is. It is necessary to draw lessons in your own way, being sensitive to the troubles of the people there and understanding the innovation processes with sympathy. For example, as in the ‘Mum in bed by 9pm’ (refer to page 74) and the ‘avoid 3U expenditures’ movements (refer to page 32), memorable and interesting catchwords were given. JOCV member Sara Shinkai, worked out the meaning of the catchwords in Panama. She promoted undergarments making activity by giving it the catchy nickname ‘Women's Secret Project,’ (Refer to Page 99). It was a secret, of course, that everyone knew. This is one of her successful innovation applied from the LIP lessons.

I wonder how, in your hands, the wisdom of Japan as a developing country will be used in the world. It's my dream to document your practical applications of this series worldwide in the near future.

Kazuko Oguni's view

### 'Towards sources of courage that look to the long-term'

What can we learn from past experience of livelihood improvement in Japan that will facilitate international cooperation today? We do not intend to say that past activities can provide the same answers for global, present-day rural development. Rather, it is hoped that this past experience will provide others with the courage to press ahead in seeking long-term, local and original practices, in cooperation with the people around them.

The primary reason I began to study historic 'Livelihood Improvement' in Japan was that I wanted to deepen my understanding of how rural communities were then. However, I found various hints in the stories of 'Livelihood Improvement Extension' workers that answered my own

contemporary questions, such as 'What is the role of a facilitator in indigenous development?' and 'What is success?' I was encouraged by this, and subsequently took a leaf from their book and took a post in Cambodia. One of the challenges we faced was the concept of 'Entry Activities' in Cambodia. There were no prompt decisions when planning activity details. We tried simply to bring about a venue where villagers were able to gather to realise their own potential, and plan various activities using their own ideas. It took a lot of time to make the social arrangements, but we were able to maintain a long-term perspective thanks to the efforts and experiences of the pioneers of 'Livelihood Improvement'. The 'Wisdom of Japan as a Developing Country' is not an instruction manual, but rather a kind of reference tool, which can facilitate the reader in having the courage to seek out our own original practices in each field.

\*... Details in 'Group power & group barriers' p.47, or refer to Kazuko Oguni's 'Empowerment and Learning Process of Outsiders in Rural Development' (IDE-JETRO, 2005).

There are many things that could be learnt by overseas volunteers working in developing countries from the techniques and ideas of the "Livelihood Improvement Programme" (LIP) that took place in rural areas of Japan after the war. In these essays, we introduce some of these viewpoints, and offer advice on how to use the wisdom of Livelihood Improvement Extension workers.

Yoko Fujikake's view

### 'Deriving answers by listening to the voices of the local people'

During my time as a JOCV member, I was assigned at the Paraguay Ministry of Agriculture and Livestock, and carried out activities in rural areas. I had little knowledge about the activities of Livelihood Improvement Extension (LIP) workers, though they could be recognized in the various approaches and philosophies that are the basis of international cooperation. Looking back, it seems such a waste.

At the time that I was a JOCV member, not having read the previous work on livelihood improvement, I had to believe in my own philosophy, and find my own voice through trial and error in the field, and was able to draw on my responses from these. I had many failures, and countless times my tears flowed onto the terra rossa (red clay). But even then, by continuing to listen to the voices of people living in the target community, I was able in some way

to gain an understanding of the context of their lives and sense of values. During my activities, I had a chance to support the construction of a nursery school in the village. A product of this was that I decided to take on a small supporting role, and I return to Paraguay almost every year as a representative of the Mita'i Foundation(\*).

Though the period of JOCV activity, or volunteer work, ends in two or three years, the lives of the people who have been touched by them will continue. Because of this, it is necessary for volunteers or field workers to relate with the people living in the community in a way which makes them improve their own lives. Each volunteer or field worker has a different personality and different concerns. Intimes of worry or frustration, referring to the implementation philosophies and approaches of the LIP worker is helpful. I hope you can go forward with your own set of values and with sincerity in your own beliefs.

\*... 'mita'i' means 'boys' and 'mitakuña' means 'girls' in Guarani, the language of the indigenous people of Paraguay. However, rural people use mita'i to mean children. The Mita'i foundation was established in 1995 to support the completion of compulsory education of children in rural areas of Paraguay, particularly girls and disabled children. <http://www.yk.rim.or.jp/~yoquita/>

# Keywords of KAIZEN in Post-War Japan

Before continuing to read about the 'Wisdom of the Livelihood Improvement (KAIZEN) in Post-War Japan', explained here are the 'Livelihood Improvement' related keywords that you need to know

## Nutrition improvement

The improvement of nutrition was an urgent matter in post-war Japan, since so many people suffered from malnutrition. It was particularly necessary to disseminate basic information about nutrition and ways to have a more nutritious diet and prepare more nutritious meals. Nutrition improvement activities included efforts for promoting awareness of nutrition, such as making slogans to promote, providing lectures on nutrition and hands-on cooking lessons, and 'Kitchen Car activities' (Refer to Page. 13). Thus, the Nutrition Improvement Programme became a popular movement that spread rapidly throughout Japan.

## Improved cooking stoves

Generally, the packed-earth kamado (cooking stove) was used for cooking rice up until the post-war period in Japan. With its placement in the gloomy kitchen, this traditional type of cooking stove presented health problems due to the need to squat down when using it, the low thermal efficiency of the firewood, and the fact that smoke from it caused eye diseases. What was then devised was an 'improved cooking stove that was placed at waist height, with a chimney attached to it. The advantages of this cooking stove were that it was fuel efficient, that it could cook rice more quickly, and it reduced eye diseases, and so it spread quickly throughout the country.

## Participatory development

This is a concept that concerns community residents' participation in development. The positive and active participation of community residents is very important for ensuring and heightening the actual effects and sustainability of projects. Some projects cannot be sustained because donors do not understand well the situation and needs of the community, or the community's residents do not strongly identify with their projects. Moreover, the government's administrative ability may be limited due to financial or personnel restrictions, and administrators therefore have to depend on community residents.

Participation means not only action but also the sharing of information between aid workers and civilians, residents expressing their opinions on and suggestions for projects, civil participation in decision-making and the contribution of labour.

One difficulty is how to secure community residents' access to projects. This process includes support for increasing residents' awareness and enhancing their organisations so that they can gain more practical participation in project activities. Such an approach is now in the mainstream of capacity development.

## Livelihood improvement ( Seikatsu KAIZEN)

Livelihood improvement means the 'betterment of daily life'. Living a fulfilling life is to live by considering one's environment and taking action when necessary for the improvement of life, while adapting these measures to the conditions of society. Therefore, livelihood improvement is referred to as enhancing the environments of lifestyle, society, occupation, education and so on, and improving the condition of people both physically and mentally. The farmer's life is very much determined by the climate and the exigencies of farm management, and is also dependent on self-sufficiency capacities and bound by traditional customs. Therefore these characteristics of farmers' lives must be understood when considering appropriate solutions and measures for livelihood improvement in the development aid field.

## Livelihood improvement practice (LIP) groups

These organisations were made up of groups of rural women (mainly young wives) who held regular meetings, in order for Livelihood Improvement Extension Workers to encourage extension activities. People say that rural communities were able to accept livelihood improvement activities because of the organised extension activities by these groups.

## Livelihood improvement programme extension workers (LIP workers)

The Livelihood Improvement Programme was started in 1949 in response to the enforcement of the Agricultural Improvement Promotion Law of 1948, under the jurisdiction of the department of agriculture of each prefectural government in partnership with the Ministry of Agriculture and Forestry. At that time, Livelihood Improvement Extension workers (all women, during a certain period after the war), were hired as fiscal assistant officers to initiate the popularisation of the concept of Livelihood Improvement in rural areas. Livelihood Improvement Extension workers resided in extension districts established by the prefectural government to communicate with farmers directly. The aim was to promote the extension and utilisation of techniques and also scientific and practical knowledge for farmers.

## Agricultural extension workers/farm advisors

Agricultural Extension workers (mainly men, during a certain period after the war) were assigned to extension offices to offer guidance on agricultural techniques and production to farmers. They worked in central-and-prefectural-government Cooperative Agricultural Extension Programmes together with Livelihood Improvement Extension workers, and five or six Agricultural Extension workers were stationed at an extension office. However, there was only one Livelihood Improvement Extension Worker.



# Chapter 1

## KAIZEN devices for community development

Beginning with the 'LIP workers,' systems such as 'group examinations' 'mutual aid', 'school anthems', 'Koshien', 'premiums', etc. In this first chapter, we introduce the numerous tools and devices that produced results for livelihood improvement that were born in Japan.

- [Episode 1] The development worker of half a century ago
- [Episode 2] 'Dirty your hands' ethics of LIP workers
- [Episode 3] The power of the private sector
- [Episode 4] Kitchen cars
- [Episode 5] Dedicated health screening
- [Episode 6] Secret family planning
- [Episode 7] Competitions as links to society
- [Episode 8] Mujin, Tanomoshi, Moai: International Microcredit Year 2005
- [Episode 9] Financial institutions on the move
- [Episode 10] Income generation from side occupations
- [Episode 11] The large-room system
- [Episode 12] DDT spraying
- [Episode 13] The effects of school anthems
- [Episode 14] Radio calisthenics: one, two, three
- [Episode 15] Sights set on the Koshien stadium
- [Episode 16] Democracy in farming communities
- [Episode 17] Incense water
- [Episode 18] The formidable attractions of premiums
- [Episode 19] Activities of team members based on the example of long-distance road relay races (ekiden)

### Pictures from Japan as a developing country

At first, look at the photograph below. When and where was this? Who are the people in it? What are they doing? This photograph is from Japan around 60 years ago (maybe in 1949 or 1950) and shows a Livelihood Improvement Extension worker (hereafter, we call them LIP workers) discussing livelihood improvement with housewives on the veranda of a farming household. At that time, rural areas in Japan were poverty stricken, and people were struggling hard to recover from the devastation of the war defeat. Now, is there anything in common

with this photo and today's rural areas in developing countries? I assume there are a lot.

Presently, rural development is extremely popular topic among the many young Japanese people who want to dive into international cooperation activities in developing countries. Certainly, these types of occupations are 'new' glamorous jobs especially in the 'poverty alleviation' and 'social development' boom nowadays.

Suppose, that the average age of these rural development volunteers is twenty-five, and that their mothers gave birth to them when they were

[Episode 1]

## The Development Worker of half a century ago

Text by Sato Kan Hiroshi

twenty-five, and their grandmothers gave birth to their mothers when they were twenty-five, those grandmothers would have been thirty years old sixty years ago. The women in the picture are around that age. In short, those women in the photograph are the grandmothers of today's development volunteers.

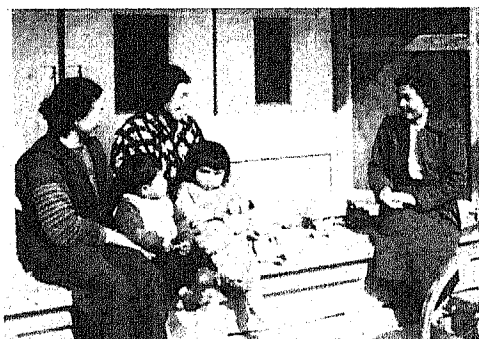
### LIP workers and agricultural extension workers

Now, 'Livelihood Improvement Extension workers' (LIP workers) were instituted in 1948, and from 1949 these LIP workers worked tirelessly in rural areas for democratisation and modernisation, sharing the burdens of the farmers, seeing things from their perspective in order to promote livelihood improvement, empowerment of housewives, self-reliant farmers, and an escape from poverty. They were development workers.

LIP workers cut a dashing figure riding their bicycles (one can be seen on the far right of the photograph), turned out in Western-style clothes, (note that the housewives of the farming household in the left-hand side of the picture are in Japanese-style clothing), and it was one of the jobs that the young women of rural areas aspired to. If referring to this photograph using contemporary terminology, the development worker carried out social analysis in order to grasp the livelihood conditions of the village people, and build relationships of mutual trust for future activities.

LIP workers were stationed along with their male colleagues (Agricultural Extension workers) at the

same extension office, but the content of the activities that were carried out was very different. Agricultural Extension workers had technology to talk about and pass on, but LIP workers did not have anything at all. While it can be considered that farmers wanted to learn about farm technology in order for increases in production and earnings, housewives had no such motivation because they were bound by the traditional ways of life. Promoting the ideas of 'awakening', 'solidarity', and 'making changes on our own' for these women, especially young wives, was the main mission of LIP workers. Several generations later, using this photograph of those days, we will find lessons for developing countries today from the footsteps of the Japanese development workers.



A day in the life of a Livelihood Improvement Extension Worker.

### The elite and manual labour

Let's introduce an anecdote of an intervention by the GHQ (General Headquarters/Supreme Commander for Occupied Japan) in the healthcare system of Japan after the Second World War. One morning in a specified GHQ model healthcare centre, Suginami Health Centre, Tokyo, the public health nurses and nurses were wiping the desks at the start of the day as usual, when along came an American nursing instructor who flew into a temper and shouted 'Stop that! This is not a nurse's job!' The context of this anecdote tells us that from then onwards nurses did not have to bear the burden of cleaning desks and were able to concentrate on the acquisition of specialist scientific knowledge, and what is celebrated here is the division of job duties and the American-style modern concept of occupational ethos.

Now, I would like you to look at the photograph. It is of a former LIP worker (born in 1925) in Yamaguchi Prefecture, who is cheerfully undergoing training in using a plane so that she can set up an improved cooking stove by herself. It may be a scene from her freshman training when she became an LIP worker in 1955.

After the Second World War, many of the people who transferred to become LIP workers were teachers, midwives and nutritionists, and in the rural areas these people were the 'elite'. The subject of the photograph was also a graduate of Hagi Girls High School, which only a select handful could attend at the time. But regardless of her educational background, in her work the LIP worker is carrying out manual

labour such as using a plane. Also, in the film 'The Green Bicycle,' which introduces the extension system and was produced by the Ministry of Agriculture and Forestry, there is a scene in which a young and pretty LIP worker assists with plastering work herself in order to set up an improved cooking stove in a farming household. While the extension system was transplanted from America after the Second World War, in the place of origin it probably wasn't considered that this kind of carpentry would be part of the LIP worker's job.

### Development strategies of Japanese origin

Now, what does this mean? Not to mention the elite of developing countries, in cases where there were many people assigned as public health nurses and extension workers, field visits were not relished. Reasons for this included the shortages of means of transportation for field visits and budget for fuel, the fact that overtime was not paid, the hindrance of working a second job from the evening, etc., but the main reason may have been that they did not want to enter farming fields and rural households.

In South Asia, jobs dependent on hierarchy were rigorously protected and in such places as the Middle East, cultures exist in which manual jobs are looked on with scorn. This is not necessarily due to the American-style modern divisions of labour concept, but is based on indigenous cultures. Now, in these circumstances, can Japanese LIP worker working ethics be understood? Not infrequently, when Japanese experts wipe their desks, there are many instances when

[Episode 2]

## 'Dirty your hands' ethics of LIP workers

Text by Sato Kan Hiroshi

nearby colleagues tell them 'Stop that, or you'll lose respect.'

In Japan when it was a developing country, using one's own strength was certainly not vulgar behaviour; rather, it was seen as something that should be admired. If this view was not shared by the majority of society, maintenance and reproduction of these work ethics would not be possible. These



LIP worker being trained to use a plane  
Yamaguchi Prefecture, Courtesy of Mrs. Akiko Honma, around 1955.

work ethics can be considered to be a kind of social capital. Japan when it was a developing country was poor in terms of physical capital, but it used this social capital to achieve an escape from hunger, and this experience can be applied to developing countries. Many elites of developing countries study development studies and development plans in Western countries. These development studies are based on Western experiences, systems and work ethics. On the other hand, the targets of these development plans are people who break their backs every day and may have their own work ethics for manual labour, but may not be afforded the opportunity to use them. How about creating a development strategy that respects manual labour?

It may not always be possible to apply the Japanese experience and strategy to developing countries, but it is worth challenging the possibility.

[Episode 3]

## The power of the private pector

Text by Sato Kan Hiroshi

### Miyako cooking stoves made by an aircraft engineer

It was not only women who were struggling for livelihood improvement in Japan after the Second World War. In a mountain village in Ehime Prefecture, Miyako, agricultural clubs made up of youth association members played a central role in the livelihood improvement movement. In the 1950s, when a boom for improved cooking stoves was spreading nationwide, there was a dexterous young man in the village. His name was Mr. Ninomiya.

Mr. Ninomiya was a former aircraft maintenance soldier who was in Java, Indonesia at the end of the Second World War. After returning to Japan in 1949, using his own ingenuity he produced things such as a grain threshing machine and a flour milling machine. On one particular occasion, by way of a trial he manufactured an improved cooking stove in an agricultural experiment office in Matsuyama city, and due to the word of mouth of extension workers interested in its good performance, orders began to come in from women's associations in neighbouring farming communities. With the inexpensive and high-performance Miyako cooking stove in high demand, not only Mr. Ninomiya, but also the other members of Miyako agricultural club travelled on business to make the cooking stoves, being paid for their labour.

Because it was also covered by the nationwide radio service, NHK, there was a constant flow of people from inside and outside of Ehime prefecture coming to see it. We can discover various names in his business card book, including extension workers, supervisors of social education, village mayors, government administrators, newspaper publishers, viewers from the Ministry of Agriculture in Tokyo, and cooking stove traders from faraway prefectures. As shown in this example, the improved cooking stoves were spread not solely by the LIP worker., Instead, there were many people participating in the production and sales of the cooking stoves commercially nationwide, so one cannot ignore the fact that it was spread by their marketing efforts. In Hiroshima prefecture, it's said that through the wide dissemina-



Mr. Ninomiya who produced the 'Miyako Cooking Stove,' and the 'Ninomiya Grain Threshing Machine' he produced in 1945 (Photographed in 2002).

tion of a 'Kenzan cooking stove' that was designed in Tokushima and commercialised in nearby Hyogo prefecture, LIP workers subtly advertised these to the people, and sometimes the traders invited them for brief excursions in appreciation.

### Public private partnership

While these types of privately improved cooking stoves were endorsed by the Ministry of International Trade and Industry and the Ministry of Agriculture and Forestry, it's said that there were many hundreds of types nationwide, with unique innovations in respective regions. In this regard, even in rural areas, there existed 'inventors' and 'dexterous persons', and the private sector had the flexibility to break into the market when it saw the business opportunity. That can be pointed out as one of the characteristics of Japanese rural development.

Additionally, an LIP worker in Yamanashi prefecture made popular an improved cooking stove with a bread baking oven (baker), and because at the beginning there was not sufficient know-how in the locality, materials were transported from the adjoining prefecture, Gunma.

The LIP worker reported, 'From this beginning, the spread of cooking stoves increased in waves, like water flowing. And in the hamlet in which I first introduced them, kitchen observers came to crowd round them continuously. With the spread of the cooking stoves, equipment for ovens came to arrive frequently to Hinohara Station (Yamanashi prefecture). But, with the requests from rural households becoming greater, it was troublesome to send away to Maebashi for it on a case-by-case basis. Consequently, at the time an evacuated factory of Mitsubishi Heavy Industries was carrying on business in a pine forest in neighbouring Hakushu-machi, and so we visited the manager of the factory and requested that equipment for the oven cooking stoves be produced there. Thus along with facilitating the easier acquisition of the equipment, the oven was remodelled several times, and by a gradual process it became easier to use. We managed to handle the demand from the extension offices in the prefecture exclusively from here.' (Extension Service Anniversary Edition, p.34-35, 'Testimony from the times').

This is a good example that shows the coordination function of the extension workers and that a cooperative relationship existed between the private sector and the extension workers who belonged to the administrative arm of the government. In this fashion, the approach that was characteristic of Japanese rural development was that with dexterous people in the village and local factories, local resources were uncovered and innovations built up with maximum application, and improvements achieved with a minimum of capital. It's thought that this has a variety of suggestions for rural development projects in developing countries today.

### Mobile cooking classes in rural areas

In rural communities in Japan after the Second World War, nutrition improvement was a major issue because of the large number of diseases due to malnutrition and of children with poor physiques. However, improving diets and changing dietary habits was the most difficult intervention. It wasn't easy to communicate messages to the rural housewives who made meals on a daily basis, and in addition this had to accompany such a repetitive practice as cooking. In the 1940s and 1950s, there were no television cooking programmes or magazines aimed at housewives that could convey such information. Then, how could new cooking methods and menus with high nutritional values be communicated to rural housewives?

[Episode 4]

## Kitchen cars

Text by Sato Kan Hiroshi

a month at a time in each prefecture (at the end of each month it would be delivered to the next prefecture), and would be relayed from one public health centre to another for days at a time within that prefecture.

In the five years leading up to 1960 the total distance travelled was 575,000 km, and the number of cooking classes held exceeded 20,000. The visiting schedule was drawn up for each public health centre taking into account the circumstances of the prefectures, and a system was set up for circulating information via gatherings of housewives in town halls, women's associations and Livelihood improvement practice (LIP) groups. This was a good example of how the synergetic relationship between the administrative mechanisms and community organisations bore effective results, and how Japanese rural development strategies can be ascertained.

The menus taught in the workshop included dishes using flour and oil and dishes with a high nutritional value such as meat and eggs, either of which involved modern and fresh knowledge for the housewives. It's said that on the days the kitchen cars came, everyone cooked the same food using the same ingredients at the same time, and so there were requests from local stores to 'tell us in advance the menu for the day that the kitchen car comes, so that we can prepare a greater amount of stock.'

### A smart aid acceptance strategy

Support for the buses came from money reserved by the Japanese government in Japanese yen from the sale of American wheat imported as food aid. The U.S. National Association of Wheat Growers offered this on the part of the US. The sub-governmental organisation, the Japan Nutrition Association, received kitchen cars. According to the chairperson of the same association, Mitsuko Matsutani (born in 1927), the cost of the activities was split, with the US side bearing the burden for the gasoline costs and the Japanese

What was conceived was a 'Kitchen Car' (Nutrition Improvement Guidance Car), a bus that was modified to carry cooking equipment in the rear, which took nutritionists from public health centres to the countryside.

### 20,000 workshops in 5 years

The Kitchen Cars would park in the grounds of shrines and temples or community centres, and when the rear hatch was opened cooking was possible, and demonstrations and food tasting sessions could be carried out right in front of rural people. At the beginning in 1956 there were eight buses but this subsequently increased to twelve. Each respective bus had a name, such as 'Seagull' and 'Canary,' and they made tours for

side bearing the burden for the cost of materials and salary of nutritionists. Curiously, the participation of the housewives was also accounted for under the Japanese share of the burden. It is interesting that there is something that overlapped with the figure of the development worker who puzzled how to account for increasing the share of people's obligation under the principle of participatory development. The housewives, of course, participated with little idea of these calculations.

Meanwhile, behind the kitchen car aid, the reality was that the US Department of Agriculture wished to expand the Japanese market for US produced wheat grain. Nevertheless, the US side largely did not intervene with the activity details, the only condition set was that there would be at least one thing on the menu containing wheat grain (later, because the American Soybean Association also participated, soybean dishes were also brought in), according to Mrs. Matsutani.

It can be said that Japan, while in the middle of a funding shortage and wanting to secure a means to improve nutrition, possessed a smart aid acceptance strategy and acquired necessary money while ensuring her independence. It is thought that this could also give pointers to present-day developing countries who are prone to becoming addicted to aid.



Kitchen Car (Nutrition Improvement Guidance Car) Courtesy of the 'Japan Dietary Association.'

**Tuberculosis screening boat travelling to outlying islands**

Standards of health and hygiene in Japan immediately after the Second World War were inferior to those in many developing countries today. Tuberculosis was prevalent throughout Japan and most of the work of public health centres up until the early 1960s was concerned with attempts to deal with tuberculosis. Collective health screening played a major role in the context of measures to cope with tuberculosis. X-ray vehicles did the rounds of primary schools and junior high schools to perform health screening for both schoolchildren and ordinary citizens. It was women's associations and residents' associations that played the main role in connection with the health screening of ordinary citizens. People would gather around whenever the X-ray vehicles turned up, and women from rural areas who generally had no access to medical facilities thus became caught up in the web of health screening.

Places that could be easily reached by X-ray vehicles did fine, but it was no easy matter to conduct collective health screening in mountainous regions where there were no roads that even buses could run along, and outlying islands. Nagasaki Prefecture, which has more outlying islands than most Japanese prefectures, use the Hato-maru, a boat that was fitted out specifically for tuberculosis screening. It would spend half the month in the Goto islands and the other half in the Tsushima islands.

**1,200 people screened every day**

Born in 1929, Tadako Yamada was employed as a nurse at Fukue in the lower Goto islands. She recalls that Hato-maru, loaded with X-ray equipment, would be made available to her clinic for a fortnight, during which time she would sleep on the boat, provid-

ing screenings as it went to villages around the Goto islands.

Doctors, X-ray technicians, nurses and administrators would board the boat from the public health centre. Screenings would be provided for schoolchildren from primary, junior high and senior high schools and ordinary residents. Indirect photography was carried out on everyone who came along, and the images would be developed after the team had retired to their hotel. They would rest until the photographs had dried. The four members of the crew of Hato-maru would help to gather the children together to receive the screening and would assist cleaning the equipment. Once the X-ray images had been prepared, they would be analysed one by one by the doctors.

School nurses would be asked to come along early next morning along with pupils who might be thought to have shown a positive reaction. An erythrocyte sedimentation rate test and direct photography would then be carried out on the boat. The images would then be developed and analysed, and the results sent to each school before the boat departed for the next island. The reason that everything had to be completed on the same day was that, were this not to happen, notification of the results to each person would be delayed. Moreover, the public health centre would have been unable to cope if it suddenly had to deal with 15 days of work once the boat had returned to its home port.

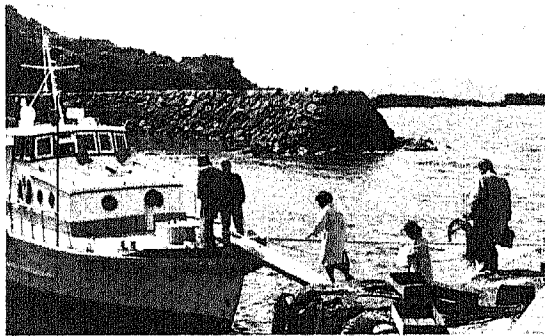
Because of the prejudice that existed in society with regard to people suffering from tuberculosis, the more likely it was that people were suffering from the disease, the less likely it was that they would actually attend the screening through fear of discovery. In order to deal with this problem, screening rate data for each of the municipalities (the Goto islands were at the time divided into one city and five towns) was presented to health officials of each city

[Episode 5]

## Dedicated health screening

Text by Sato Kan Hiroshi

and towns, who would be requested to cooperate in getting people to come along from their municipalities with low attendance rates. In areas in the upper Goto islands that took six hours to reach by boat from Fukue and where there was no hotel accommodation available, the members of the team would eat meals prepared by the crew, and in the evening would bed down in the boat surrounded by large numbers of mosquito coils. It sometimes happened that as many as 1,200 people would be screened in



Hato-maru, the tuberculosis screening boat used on outlying islands in Nagasaki. Around 1960. Photograph courtesy of Tadako Yamada of Nagasaki Prefecture.

one day. The work was so intense that some members of the team would repeat the phrase 'Breathe in, please!' for the umpteenth time in their sleep.

**A system involving assessment on the basis of gratitude**

This style of working was by no means restricted to Nagasaki alone. In various places throughout Japan, administrators on the ground working for prefectural governments and town offices were engaged in such dedicated activities on behalf of local residents, generally without receiving anything in the way of appropriate overtime benefits. Boat crews would find themselves washing the screening equipment, an activity that lay outside their specific responsibilities. But everyone nevertheless was quite content to work without adhering to formal work instruction manuals.

Why was this the case? Attributing the reason merely to the diligence associated with the Japanese temperament is not likely to offer any lessons to developing countries possessing national characteristics that differ from those of Japan. However, if one assumes that there was a system whereby assessment was based on gratitude shown by people rather than on manuals, the Japanese post-war experience can surely offer an unique lesson for the rural development in today's developing countries where Western document-based culture is not pervasive.

### Difficulties in promoting family planning

In wartime Japan, efforts were made to increase the population under the slogan 'Breed and Increase', but, in contrast, the defeat in the Second World War resulted in efforts to restrict the population through birth control. Six million people, or around a tenth of the Japanese population at the time, returned home from the Second World War zone and the former colonies, and the two immediate post-war years, 1945 and 1946, saw successive catastrophically bad harvests. This meant that there was scarcely enough food to meet the needs of people already in Japan. The return to Japan of ex-soldiers who had been serving overseas resulted in a baby boom and forecasts of further food shortages.

Assistance was received from the US government in the form of wheat, American NGOs in the form of LARA (Licensed Agencies for

Relief of Asia) materials, and UNICEF in the form of powdered milk in order to compensate for nutritional shortages among infants, but there was an absolute shortage of food, with no immediate prospects for achieving self-sufficiency. On the other hand, there were no prospects either for building sufficient educational facilities such as primary schools to cope with the growing number of baby-boomers, and, indeed, until the middle of the 1960s, even in Tokyo there were schools that had to be conducted classed into two or three separate shifts. The government thus had no alternative but to promote family planning by restricting the number of births.

Public health centres initially attempted to get women to attend family planning lectures through the medium of women's associations, but it is said that the only people who actually turned up to attend these courses were elderly women no longer able to engage

[Episode 6]

## Secret family planning

Text by Sato Kan Hiroshi

in farming work. It proved difficult to approach the young wives who were the real targets of these courses, and in many parts of the country one hears stories about young women receiving notice of the public lectures but being prevented from attending them by their mothers-in-law. In places where the heads of women's associations were sympathetic to family planning, it sometimes happened that partitions would be erected at the venues where the lectures were held, and a contraceptive pessary would be inserted into each woman's vagina behind the scenes.

During the years around 1960, fishermen from fishing villages in Sado Island had no other form of amusement apart from sexual activity and would spend their time working on the production of babies after returning home from fishing. Their wives generally felt that they did not want any more children, both through physical exhaustion and for economic reasons, but they were unable to expect their husbands to cooperate with contraception. Therefore there was little they could do when their husbands entered their beds when they were exhausted and trying to get some sleep. Indeed, most women felt that the lower half of their bodies was scarcely their own possession. LIP workers, along with public health nurses, would listen to the opinions of these wives, resulting in the formation of women's groups, and they would recommend that the women consult public health centres. This resulted in more and more women who belonged to these groups undergoing fallopian ligation operations. When each woman underwent the operation, she would leave her children with another member of the group. This was a family planning strategy selected by women who could see no alternative to such measures, considering that they themselves had no right to express their opinions and no economic power of their own, and bearing in mind also that they were unable to obtain support from their husbands or mothers-in-law. I gleaned this information in a spirit of confidentiality from Kinu Nakamura, who was born in 1920, a former LIP worker who had worked in Niigata Prefecture.

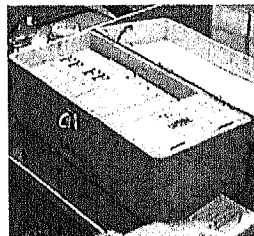
### Privacy is important

Even if cooperation could be obtained from husbands, it was by no means easy to get hold of contraceptive devices in rural areas. 'Small Boxes of Love' (contraceptive boxes) came into existence in

order to deal with this problem. Compact medicine boxes would be handed around in villages in the manner of circulars. They would contain condoms and contraceptive devices, and women who wished to make a purchase would put the required money in the box in exchange for the items they required. This meant that nobody knew what anyone else had purchased, and enabled everyone to maintain their privacy. It might be worth mentioning that contraceptive devices were purchased at this time by their beneficiaries and not distributed free like in today's developing countries.

I talked about this topic with members of the Robata-no-kai (fire-side) women's group from Fujishima-town in Yamagata Prefecture. Some women said that they had made frequent purchases from these 'Small Boxes of Love', while others said that they had hardly ever come across them. This suggests that efforts to restrict the number of births differed considerably even in neighbouring areas depending on when a woman had got married, but it made a particular impression on me that all six of the elderly women with whom I discussed this matter said that they were talking about it on this occasion for the first time after 50 years.

An important factor behind the success of efforts to reduce the number of births in Japan was thus ensuring that the next-door neighbours knew nothing of what was going on. This might well provide a useful hint when examining family planning strategy in developing countries in recent years, where public information, education and persuasion are regarded as the basis for such activities.



Small Box of Love



A public health nurse using a model to explain how to insert a pessary.

Sourced from a video produced by the Foundation for International Cooperation with Family Planning (1970, Sakura Eigasha). Photographs taken between 1945 and the 1960s.

**Creating a place for women through group activities**

The daily lives of women in rural communities in post-war Japan tended to involve farm work and housework, with women having to concentrate primarily on their roles as wives within the home. Most of their daily activities occurred actually inside the home. The improvement campaign implemented by the Livelihood Improvement Extension workers together with rural women extended over a range of areas, from housing and nutrition to family planning, but the common thread running through almost all these activities was the attempt to use them as the basis for women to be able to step outside the home, form links with other women, and to state their own opinions.

Many women felt dissatisfied at being unable to step outside their homes without a guilty conscience, and having no money that they felt free to spend as they wished. The courses and study sessions realised on the initiative of the Livelihood Improvement Extension workers provided such women with a valuable opportunity to break away temporarily from the fetters imposed by housework, and to discuss among themselves their worries and dreams for the future. For their part, the Livelihood Improvement Extension workers deliberately strove to create social networks that would give rural young wives, who had come from other villages to marry into a family and thus had no friends in the area, the chance to make new friends.

[Episode 7]

**Competitions as links to society**

Text by Kazuko Oguni

The group activities provided women with the opportunity to discuss problems that they were unable to solve on their own, and to tackle new issues by making use of the strength afforded by groups. At the same time, speaking and listening in front of others made it possible for participants to see their own lives more objectively and to take a new look at themselves. Moreover, once the membership of a group had been more or less determined, the women were able to tackle issues such as improving nutrition and making processed foods on an ongoing basis. Once engaged in such activities, interaction between groups and communication from the group to wider society raised the degree of solidarity among participants, and helped to strengthen the group itself.

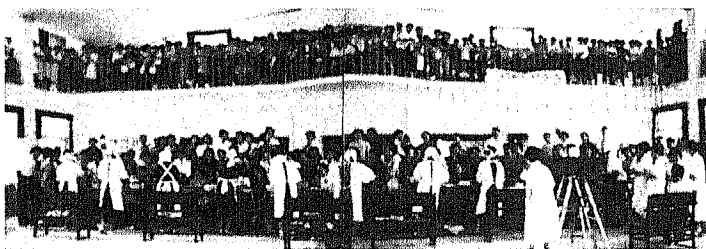
In Yamaguchi Prefecture, for example, women were able to re-examine their own processed foods through the medium of a miso-making competition, stimulating them to learn how to create fermented starters (koji). Competitions and shows were held at village festivals and other pre-existing local events, allowing the women to display the items they had produced, and test their commercial value. Such activities often provided women with genuine stimulation and encouragement.

**Networking in local communities**

The photograph shows a cooking competition, but there were many other activities designed to enhance group solidarity. These allowed women to take a fresh look at the activities of each group, and provided an opportunity for them to take a more active and wide-ranging part in their local communities. These included gatherings at which the achievements of each group could be presented, and hands-on study sessions that combined exchanges with

groups from other areas with competitions. In Miyazaki Prefecture, more than a thousand people turned up at the village hall for a show that combined a study session on farming wear with a fashion show. Such events, which were intended to show off the results of group activities, not only gave self-confidence to women in rural communities who had hitherto tended to be locked away in the home, but also had a gradual educational effect in establishing the social foundations that enabled people in hitherto male-orientated village communities to appreciate, tolerate and support the activities of women outside the home.

One of the main issues in international cooperation today is that of how to maintain and extend results achieved by pilot farms and model groups to which intensive support has been provided. The campaign of livelihood improvement aimed to establish a system of networking that extended in stages - from the individual to the group and on into the community at large - and to provide various opportunities to make this possible. By so doing, it offers us an important contemporary perspective on effective approaches to the provision of support in this field.



Cooking competition (photograph courtesy of Moto Makita, Hiroshima Prefecture)



### **Japan: international leader in the field of microfinance**

Microfinance(\*) or microcredit is rapidly expanding as a method of lending small sums of money to poor women on the basis of personal trust, and it has emerged as one of the most promising development projects in the context of realising the United Nations Millennium Development Goals, the goal of which is to alleviate poverty. However, Japan is in reality the international leader in the field of microfinance. Referred to in different parts of Japan by names such as mujin, tanomoshi and moai, Japan has a long history of ordinary people getting together to provide mutual financial support.

Under the mujin system the person who needs the money assumes the position of manager. He or she then decides on the amount that each member of the group will put into the kitty when the group meets, when and where the meeting will be held, whether or not they will meet over a meal, and how the expenses are to be borne. All the contributions provided at this first meeting are taken by the manager. On subsequent occasions, the manager will return the sum received and other members of the group will thereafter similarly receive contributions from the other members. Having received the money, they will have to pay into the kitty on each occasion until they have repaid the money they have received. Repayment by the manager will be completed when the final member of the group has taken their share.

### **Microfinance answering the needs of ordinary people**

The mujin system has functioned as a safety net for small-scale farmers who have little protection against the inroads being made by the mercantile economy. Exchange based on the idea of pooling resources in this manner is not necessarily restricted to money. Pooling of items such as rice, cattle and thatch used to be important in the agrarian economy. Pooling of money was done for a variety of reasons. According to one anthropologist, in Sue-mura, Kuma-gun in Kumamoto Prefecture in 1936, men would organise mujin of various sizes extending beyond individual village units for financial reasons, whereas women would organise mujin for socialising within the village community itself.

In the context of the post-war campaign to raise living standards in agricultural villages, women would organise mujin so that they could get hold of things such as stoves and kitchens, with each person embarking on improvements to her kitchen when her turn came round.

### **The evolution of microfinance**

The mujin system flourished to the highest degree in farming villages during the Edo Period. It developed thereafter during the Meiji and Taisho eras especially on a corporate basis. During the immediate post-war years, mujin companies evolved from their informal status to a formal status into mutual banks, and in 1989 they further developed into a modern financial institution under the name of the Second

[Episode 8]

## **Mujin, Tanomoshi, Moai: international microcredit year 2005**

Text by Masami Mizuno

Association of Regional Banks.

In Okinawa, the custom of moai remains strongly rooted today for both financial and social purposes. Go to any stationer's in Okinawa and you will find 'moai ledgers' for sale. This makes one wonder what the future holds in store for the mujin and tanomoshi systems in mainland Japan. These terms themselves are now heard only in the context of classical rakugo story-telling. But the so-called 'Tomo-no-kai' (friendship society) customers' associations run by Japanese department stores may be thought of as performing a similar function. These associations collect a fixed sum of money every month from their members for one year, after which they give each member a token for purchases equivalent to the money that the member has put away in the course of one year plus the equivalent of an extra month's contribution. Under this system, the department store can be likened to the group manager and the customers to the group members. For department stores this system serves to stimulate demand and at the same to ensure customer loyalty.

Microfinance is a mutual aid finance system that has developed in different ways in accordance with the needs and ingenuity of ordinary people, and it can be found in many parts of the world outside Western Europe.

\* The term 'microfinance' has come into general usage recently. Whereas 'microcredit' refers to small-scale funds made available for financing purposes, 'microfinance' is used as a wide-ranging concept denoting the small-scale credit system as a whole.

Reference: John F. Embree, *A Japanese Village: Suye Mura* (Nihon Keizai Hyouronsha, 1978)

[Episode 9]

## Financial institutions on the move

Text by Masami Mizuno

### Microfinance takes off

The 2006 Nobel Peace Prize was awarded to Muhammad Yunus for his contribution to improving the standards of living of poor women by opening up the path to the establishment of microfinance in farming villages in Bangladesh. The Grameen Bank that he subsequently created has developed to become one of the country's main financial institutions. Microfinance, including savings, lending and insurance aimed at poor people, is sure to gain more and more attention as a way of alleviating poverty in developing countries.

### The key to success

There are many factors that have contributed to microfinance being accepted by poor people in developing countries, but one particular factor that should not be overlooked is the adoption of a system that involves financial institutions going out to visit people in their own homes.

### Postage stamp savings: spreading postal savings

Postal savings began in Japan in 1875, but it took a long time before saving became popular among ordinary people, largely because there were so few post offices.

However, because there were many places selling postage stamps, 'postage stamp savings' were introduced in 1900. This involved sticking low-value postage stamps onto a sheet which, when it was full, could be exchanged for a savings book of the same value at a post office. This system played a role as a front-line post office institution, and had the effect of propagating the principle of saving in the context of the everyday lives of ordinary people. The system proved especially popular among children.

### Innovation based on a system of visits

In general, financial institutions in developing countries have branches only in the major cities and towns and are therefore at a far remove from ordinary people. This is even more the case if they are protected by a fearsome and off-putting security system.

The same applies in Japan, where financial institutions have devised a system based on paying visits directly to people, and have thus entered into fierce competition to obtain people's deposits and savings.

One example of this is the porcelain savings boxes created during the Meiji era. Later on, financial institutions came to distribute savings boxes based on attractive designs featuring cartoon characters to their customers free of charge. Savings boxes in Japan are thus things that one receives for nothing rather than having to purchase. On the other hand, once the box is full, people have no hesitation in handing its contents to the bank. Ordinary people therefore have no reason to feel that they are somehow being pressurised by financial institutions.

The system of registered representatives was a new form of this system of paying visits to people. Employees would get on their bicycles and make regular visits to subscribing households to obtain their deposits and instalments. This system made ordinary people more aware of the need to be diligent and frugal on a daily basis. In order for this system to function properly, it was essential for the money-collecting activities of the registered representatives to be safe, and for the representatives themselves to enjoy the full trust of the people with whom they came into contact. The registered representatives of post offices would go around on red bicycles, in imitation of which the officials responsible for making improvements in living conditions would go around on green bicycles as a manifestation of the high levels of trust that they enjoyed within the community.

During the era of high-level economic growth, 'children's savings' became popular all over the country. On the same day every week post office representatives would visit primary schools and set themselves up behind desks. The sum that each child handed over was then entered into a ledger with an official stamp, after which the child would return to the classroom. It was customary for the children to hand over 10-yen coins that they had received that morning from their parents before setting out for school.

Japanese financial institutions were enthusiastic about getting ordinary people to save, but this would not have been possible had it not been for the system of personalised visits. An important issue in connection with development is that of how best to go out and meet people rather than forcing saving upon them.

### **Improvements in living standards and the great power of side occupations**

Staunch efforts are being made to tackle income improvement programmes with the aim of eradicating poverty. In Japanese farming communities, in order to break out of the severe conditions facing farmers, whose living conditions had reached a nadir, repeated efforts were made to encourage people to take up side occupations to supplement their main work as grain producers. Various new ideas for agriculture were introduced to accompany the policy of decreasing acreage devoted to rice cultivation. Side occupations played a major role in other forms too, such as the sale of popular local produce at 'Michi-no-eki'

(roadside station) markets and direct sales outlets.

### **Types of side occupations and changes therein**

The variety of side occupations is enormous. They are often classified depending on whether they are connected with the main business of agricultural production or not, and they include all kinds of production activities that make use of the unused resources possessed by farming communities.

Looking at changes in side occupations, through the late 19th and early 20th centuries, hand-weaving of cotton and flax, oil production, wax production, and production of items such as liquor, dyes and tobacco were taken out of

[Episode 10]

## **Income generation from side occupations**

Text by Masami Mizuno

the hands of farmers and farming communities to be taken over by large factories and official products. On the other hand, activities that expanded as side occupations at around this time included work involving cocoons, mat rush, *Salix gilgiana* plants (used for making wicker baskets), straw braid (used for weaving hats), figured mats, straw crafts, chicken breeding, vegetable production, pig rearing, fruit cultivation and wool production.

Also not to be overlooked is the side occupation that was known as 'farmers' art'. This involved encouraging the production of artistic crafts products and had the effect of raising the artistry of farmers as well as providing them with additional income. Similar activities had been popular in Europe, especially in Germany, Switzerland and Austria. The precursor in this area in Japan was the Japan Farmers' Art Research Institute, which was established in Nagano Prefecture in 1919. The wood-carved dolls produced there developed to become tourist souvenirs in many parts of the country.

### **The aims of side occupations: from cultivating objects to cultivating people**

Side occupations make it possible to make use of surplus labour on farms and provide an effective work balance throughout the year. The basic idea was that farmers should create and sell items that they had made using the materials they had produced in order to stabilise their household finances and to increase their income. The background to this was a raft of social problems such as the impoverishment of farming communities, low wages, unemployment, differences in living standards between urban and agricultural areas, and cultural decline in farming areas. In order to deal with these problems, a Side Occupations Department was set up in the Agricultural Affairs Bureau of the Ministry of Agriculture and

Commerce in 1917. This department provided policy support for side occupations from the angles of technology, organisation of production, sales channels and financing of side occupations.

In this case, use was made of items produced by farmers in direct connection with their farming activities as well as raw materials easily obtained from farmers' own fields, forests and jointly owned land. Beginning with the production of items that farmers could use in their own homes, the project went on to expand towards the production of items for sale.

The types of side occupations changed in various ways, but income generation from side occupations has now become indispensable in Japanese farming villages. Once people become established in farming villages, side occupations now develop as required. Side occupations really come into their own when they are no longer just about cultivating objects, but are able to contribute to human development and thus become linked to the promotion of agricultural communities.



Women weaving a basket. Side occupations flourish in villages where grain is produced. (Muda, Malaysia, photographed by the author in December 2004)