Development of Agricultural Co-operatives in Japan (II)  
Revision of the Agricultural Co-operative Law in 1996

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Abstract

In Germany, the principles of self-administration and self-management were abandoned as a legal requirement in 1973 in order to give co-operative management the same degree of flexibility as their commercial competitors. Also in Japan, the tenth Agricultural Co-operative Law of 1992 introduced the rule of a singular representative director to reinforce the power and responsibilities of the board of directors, and the eleventh Agricultural Co-operative Law of 1996 instituted the dualist system, with a separation of the supervisory committee and the board of director. In this paper, we attempt to examine the aims and contents of the Agricultural Co-operative Law of 1996, and to introduce positive and negative opinions of persons concerned with agricultural co-operatives, and then to discuss some issues relating to the future legislative revisions and new procedures required for effectively organizing members into large co-operatives. The main conclusion is that the dualist system will be helpful in making the executive body strong, but it will be harmful in making the control body weak. Further revision in 2002 is also referred to.

Key Words: corporate governance of co-operative, the Agricultural Co-operative Law

Japanese Agricultural Co-operative as a Follower

The revised German Co-operative Law of 1973 reinforced the power and responsibilities of the board of directors or the directorates of co-operatives. At the same time, it also enlarged the extent of self-choice regarding the enactment of by-laws. Based on this idea, the rule of a singular representative director of the directorates and plural voting were introduced; consequently, the concept of partnership became more important than that of association in co-operatives. This revision contributed to a rise in the position of co-operatives in industrial society in the modern age, though it also started down the road of deviating from the principles of classical co-operative societies.

In Japan, agricultural co-operatives also stand at the crossroads, where they can either become co-operative firms with a close relationship to commercial enterprises, or remain as classical co-operative societies. However, the direction that they should take seems to already be determined. Liberalization policies not only for farm produce but also for bankers have forced the co-operatives to become co-operative firms.

Based on this idea, the tenth Agricultural Co-operative Law was enacted in 1992. In this revision, the
power and responsibilities of the board were reinforced by an introduction of the rule of a singular representative director of the directorates. Along with this revision, the eleventh Agricultural Co-operative Law of 1996 instituted a dualist system, with a separation of the supervisory committee (in Japan we call it the management committee) and the board of directors, instead of the traditional monist system. Although the primary co-operatives are allowed to make their own choice regarding an introduction of this dualist system, larger societies at the prefectural and national level are now required to introduce this change with administrative guidance. Furthermore, it is said that MAFF has already begun to examine an introduction of plural voting and the investment of outsiders in the primary co-operatives. Although it will take a little more time to institute this new legislation, we have to say that the Japanese Agricultural Co-operative Law follows after the German Co-operative Law.

In this paper, the aims and contents of the revised Agricultural Co-operative Law of 1996 will be examined. Next, various opinions, both positive and negative, of persons concerned with the matter of the management committee, will be introduced. Finally, some issues relating to the future legislative revisions and new procedures required for organizing members into large co-operatives will come up for discussion. In addition, further revision in 2001 will be referred to.

**The Aims and Contents of the Revised Law 1996**

**Aims of the Revised Law**

The basic character of co-operatives is a double standard that refers not only to the association of members but also to the enterprise of partnership. The difficulties experienced by co-operatives have primarily been brought about due to attempts to harmonize this double standard. As business organizations operating in the market, co-operatives must comply with general provisions protecting creditors and the public. As user-driven organizations, however, special provisions are required to ensure that the users' interests are taken into account by the management of co-operative and that members' interests are promoted.

The principles of self-administration and self-management were introduced at a time when co-operatives and their business interests were relatively small and simple and the membership group was small and homogeneous. However, radical change regarding the size and complexity of co-operatives, the size and heterogeneity of co-operative groups, and the economic environment in which co-operatives work have brought about changes in the management structure.

In Germany for example, the principles of self-administration and self-management were abandoned as a legal requirement in 1973 in order to give co-operative management the same degree of flexibility as their commercial competitors. To survive in the market place, a co-operative enterprise needs a strong and qualified professional management. One method of achieving this is an introduction of the dualist system described above. There are advantages in the dualist system, with the responsibilities for business policy and management on the one hand and assessment of performance and control of management on the other hand being clearly separated.

Similar conditions to those found in Germany have led the MAFF in Japan to pass the legislation for a dualist system. This legislation was designed to foster a harmonization of institutional efficiency and member-oriented effectiveness in the primary co-operatives. In relation to the institutional efficiency, in order to carry out more professional and more rapid decision-making, a larger extent of the power and
responsibility for business policy and management was endowed to the board of directors, which consists of a small number of members. With regard to the member-oriented effectiveness, in order to secure users' interests and to promote members' interests, the functions for assessing performance and controlling management were endowed to the management committee, which consists of a relatively large number of members. The main difference of the Japanese legislation and the German Co-operative Law is that the representatives of staff and outsiders such as professional auditors cannot participate in the management committee. The committee consists of only full members.

The Content of the Revised Law

The eleventh Agricultural Co-operative Law of 1996 underwent a significant revision in recent years. From a legal perspective, new law has become quite similar to the Commercial Law in terms of the governance of services and management. The main revisions are as follows.

Increases in the power of the business management

a) Prohibition of sideline and side-businesses of full-time directors (Article 31-2)

In order to survive on the market, it is necessary for agricultural co-operatives to increase the abilities of management. In this respect, in the case of the multi-purpose co-operatives dealing with credit services, full-time directors are prohibited from taking on sideline and side-business as in other co-operative banks, for example the Shinkin Bank and the Community Bank (the Shinyo Kumiiai Bank) under the governance of the Ministry of Finance. It is, of course, possible for them to take a job on their family farms, or to take full-time jobs in the prefectural or national federations if the other representative director of the directorates is secured.

b) Selective introduction of the management committee (Article 30-2, Article 32-2)

It is desirable for larger agricultural co-operatives to separate the management committee from the board of directors. On the one hand, the board of directors is assigned to execute co-operative business as professional managers; on the other hand, the management committee is assigned to supervise the board of directors as representatives of the co-operative members. Here, the management committee has the power and responsibility to decide important matters of the co-operative, that is convening general meetings, electing board members, approving certain kinds of board decisions, and so on. Details will be discussed later.

Increase of the owned capital and the reserve capital

a) Legislation for a minimum level of share capital (Article 10-2)

Share capital is essential for accumulating owned capital. However, the legislation regarding the minimum of share capital has not yet been applied to the primary co-operatives. Their share capital is too small (Table 1). With this revision, one hundred million Yen, the same amount as other co-operative banks, is set as a minimum by the legislation. However, this legislation will not be enforced until 1 April 2001, as approximately 20% of the multi-purpose co-operatives do not yet satisfy this standard.

b) Improvement of saving standards for legal reserve (Clause 1 and 2, Article 51)

So far, the Agricultural Co-operative Law has required that the primary co-operatives should save 1/10 or more of current surplus every year as a legal reserve, within the range of 50% at minimum, to 200% at
Table 1  Comparison of Capital Formation between Agricultural Co-operatives and other
Financial Institutions; Per Co-operative, As of 31 March 1995
(Unit: hundred million Yen)

<table>
<thead>
<tr>
<th></th>
<th>Agricultural Co-operatives</th>
<th>Co-operative Banks</th>
<th>Commercial Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary Co-operatives</td>
<td>Prefectural</td>
<td>Shinyo Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Credit Central</td>
<td>Shinkin Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Co-operative</td>
<td>Bank</td>
</tr>
<tr>
<td>Share Capital</td>
<td>5</td>
<td>140</td>
<td>1,250</td>
</tr>
<tr>
<td>Legal Reserve</td>
<td>3</td>
<td>66</td>
<td>996</td>
</tr>
<tr>
<td>Other Reserves</td>
<td>6</td>
<td>117</td>
<td>1,438</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
<td>323</td>
<td>3,684</td>
</tr>
</tbody>
</table>


maximum of the share capital. However, the actual level of legal reserve was only about 60% of the share capital as of the end of the business year 1994, 31 March 1995. In this revision, the primary co-operatives are allowed to save 1/5 or more of current surplus every year as a legal reserve.

c) Introduction of a flexible standard on the disposal of current surplus (Article 11-2)

It is insufficient to set up minimum amount of share capital and savings standards for legal reserves, in order to increase the owned capital or the reserve capital in the short term. In order to meet the radically changing economic environment, it is necessary for MAFF to adopt flexible standards regarding the disposal of current surplus. It can be easily imagined that, in some cases, the multi-purpose co-operatives will encounter an urgent situation in which they must give first priority to saving the current surplus rather than distributing this surplus to members. Therefore, when legislating for this article, the government obtains the powers to make the multi-purpose co-operatives accumulate owned capital or dissolve co-operative associations, or to amalgamate with other co-operatives.

Reinforcement of audit system

a) Compulsory establishment of professional and outside auditors (Clause 11 and 13, Article 30)

This legislation is set up in order to equalize the multi-purpose co-operatives with other commercial banks, which are under the same directives in the Commercial Law.

b) Reinforcement of audit by the Central Unions of Agricultural Co-operatives (Article 37-2 and 73-21)

The purpose of this measure is the same as that described above. They are required to be audited more frequently and more precisely (Table 2). With this revision, it becomes necessary for the multi-purpose co-operatives whose savings exceed one hundred billion Yen to be audited every business year by the Prefectural Central Union of Agricultural Co-operatives. In this context, the Prefectural Central Unions also must employ certified public accountants (CPA) when they audit the primary co-operatives.

Full disclosure of the financial condition of each business (Article 37)

Liberalization policy for bankers requires the multi-purpose co-operatives to introduce this accounting system assuming full disclosure of their financial condition (Table 3).
So far, agricultural co-operatives have disclosed their financial condition by submitting a statement of profit and loss to the general meeting, without particulars regarding specific services according to Article 36 of the previous Law. In obeying to this Article, however, the co-operatives made it impossible for members to know the financial condition for each service area, as they were all summed together. Indeed, it is difficult for the multi-purpose co-operatives to calculate the costs related to a single service because a staff member often works in two or more service areas.

However, several advanced co-operatives have already introduced statements of profit and loss for each service area from the perspective of their management strategies. Therefore, it is hopeful that it will become possible to convert purchasing and marketing services to operating in the black and to amalgamate small branches into larger one, as more financial information becomes available to members.

Deregulation of fund operations
a) Deregulation of loans and discounts to outsiders (Clause 21, Article 10)

Until now, agricultural co-operatives have been allowed to extend loans and discounts to outsiders up to 15% of the total fund amount. At this time, this rule has changed to an allowance of 20% of total funds in order to establish stronger business connections and to allow the co-operatives to maintain their places as

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**Table 2** The Number of Primary Multi-purpose Co-operatives Audited by Prefectural Central Union

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Primary Co-operatives</th>
<th>Audited Co-operatives</th>
<th>Rate of Enforcement (2)/(1) × 100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>3,574</td>
<td>1,237</td>
<td>34.6</td>
</tr>
<tr>
<td>1991</td>
<td>3,373</td>
<td>1,208</td>
<td>35.8</td>
</tr>
<tr>
<td>1992</td>
<td>3,073</td>
<td>1,146</td>
<td>37.3</td>
</tr>
<tr>
<td>1993</td>
<td>2,836</td>
<td>1,014</td>
<td>35.8</td>
</tr>
<tr>
<td>1994</td>
<td>2,635</td>
<td>952</td>
<td>36.1</td>
</tr>
</tbody>
</table>


**Table 3** Statements of Profit and Loss for each Service Area in Selected Co-operatives; Per Co-operative (Unit: million Yen)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Credit</th>
<th>Mutual Insurance</th>
<th>Purchasing</th>
<th>Marketing</th>
<th>Guidance</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>135</td>
<td>98</td>
<td>-18</td>
<td>-5</td>
<td>-70</td>
<td>-23</td>
<td>117</td>
</tr>
<tr>
<td>1992</td>
<td>114</td>
<td>102</td>
<td>-18</td>
<td>-5</td>
<td>-73</td>
<td>-23</td>
<td>97</td>
</tr>
<tr>
<td>1993</td>
<td>63</td>
<td>123</td>
<td>-13</td>
<td>-1</td>
<td>-74</td>
<td>-28</td>
<td>70</td>
</tr>
</tbody>
</table>

Footnote: Guidance activity includes ones for farming and better living.
local co-operative banks.

b) Abolition of the limitation on the term of redemption for loans to local administrations (Clause 23, Article 10)

Six hundred and ninety local administrations now recognize the multi-purpose co-operatives as authorized banks. Many co-operatives have been establishing close relationships with local administrations. However, the term of redemption for loans to the administrations has been limited to fifteen years. At this time, the restriction has been abolished because local administrations are thought to be the best borrowers.

The Management Committee

Outlines of the Management Committee

Changes in the management structure after the introduction of a management committee are summarized as follows (Figure 1).

Quorum

A quorum of the management committee is legislated to be five full members or more, which is equal to a quorum of the preceding board of directors. After setting up this committee, the agricultural co-operatives must change the quorum for the board of directors to three persons or more, whom this committee has the power to assign.

Qualifications and method of election

The members of the management committee are elected or assigned from full members of the co-operatives, the same as with the preceding board of directors. In the preceding board of directors, less than one third of the directors were allowed to be non-members acting as qualified professional managers. In this revision, this measure was abolished because all of these managers should be included as board members.

Power

As mentioned below, the powers of the management committee can be divided into two parts.

a) The powers legislated for in the Agricultural Co-operative Law.
   • Convening the general meeting (Article 47).
   • Assignment of directors (Clause 4, Article 30-2).
   • Claim for the suspension of directors (Clause 5, Article 32-2).
   • Approval of contracts between directors and co-operative societies (Article 34).
   • Approval of the statement of accounts (Clause 1, Article 36).
   • Approval of the statement of profit and loss with particulars of services (Clause 2, Article 37).
   • Approval of the method of the property disposal at the liquidation of co-operative societies (Clause 2, Article 72).
   • Approval of the statement of accounts at the end of the liquidation (Clause 2, Article 72-2).

b) The powers to be enacted in the by-laws.
   • Matters for basic business policy.
The maximum debt.
The maximum credit extension for a single person.
Matters relating to the approval of acquisition or the disposal of fixed assets greater than a given amount of money.

Some features of the management committee

Although the management committee is similar to the supervisory committee in Germany, it differs in that this committee does not have the power to suspend board members. This measure is adopted in order to prevent members of this committee from misusing the power of suspension, because the power belongs in general with the general meeting.

Another difference from the German supervisory committee is that the Japanese agricultural co-operatives
must introduce professional and outside auditors into their internal control bodies, known as supervisors, in addition to the management committee. It may be reasonable to integrate these two bodies into one committee, following the form of the German Co-operative Law. However, the Commercial Law in Japan also requires an introduction of professional and outside auditors to commercial banks including co-operative banks; therefore it is in practice impossible to amalgamate these two bodies into one committee.

Generally speaking, the management committee is expected to consist of laymen such as aged farmers. Therefore, the information and qualification gaps between the management committee and the professional or outside auditors are extremely large. These two bodies should not be mixed. This is the primary reason why we use the term “management committee” instead of “supervisory committee”.

Separation of Owners and Managers

According to general theory regarding the separation of owners and managers, a primary factor promoting this separation is the achievement of sustainable growth in the size of the business. As a business grows, the internal body needs qualified professional directors in order to make the executive more efficient; at the same time, owners or shareholders begin to disperse and to make themselves passive. This separation process can be divided into four phases, summarized as follows.

- Direct control by shareholders (the first phase).
- Decomposition of shareholders (the second phase).
- Indirect control by shareholders (the third phase).
- Substantial domination by professional directors (the fourth phase).

Agricultural co-operatives in Japan, which have become larger and larger through continuous amalgamations, are thought to have already reached the third phase, namely the indirect control by shareholders. This conclusion is based on the following observations of many multi-purpose co-operatives.

- Shareholders are dispersed and become heterogeneous and passive.
- The reserve capital exceeds the share capital to a large extent.
- Senior staff members accept appointments as qualified professional directors and become a representative director of the directorates.

In this phase, it is inevitable that powers and responsibilities for business policy and management, in addition to decision-making relating to ordinary business management, are transferred from the shareholders to the internal control body.

Basic Conditions for Assigning Qualified Professional Directors

Generally speaking, in order to secure or maintain candidates for qualified professional directors who will have the power and responsibility for undertakings in the near future, several conditions as listed below have to be satisfied.

First, the conditions that must be met for persons to be assigned as qualified professional directors are as follows.

- The pool of candidates must be large.
- The opportunity to promote candidates must be offered.
- There must be competition among the candidates.

Second, the conditions that must be met for persons to assign qualified professional directors are as follows.
Calling these persons governors,

- Governors should intend to rule and control an entire organization.
- Governors should have sufficient information and knowledge relating to candidates and the whole organization.
- Governors should intend to voluntarily compensate for a loss originating from their own errors.
- Governors should consider the interests of other groups over their own interests.

**Current Condition of Internal Control Bodies**

Unfortunately, it is rather clear that agricultural co-operatives in Japan, compared with commercial enterprises, do not satisfy the above conditions. However, many co-operatives in European nations have also experienced serious problems that threaten the framework and substance of the co-operative system. The primary problems include management failure, financial scandals, weak supervisory committees, democratic failure, and unbalanced relations between qualified professional directors and laymen of the supervisory committee.3

Here it is noteworthy that these problems have been brought about not only in the monist system but also in the dualist system. In other words, these failures are almost free from management structure.

In Japan, as of the end of 2001, with the exception of some ultra-large associations such as the Kagawa Prefecture Agricultural Co-operative, no primary agricultural co-operatives have introduced a dualist system. They instead remain operating under a monist system. In the context of governors, and especially part-time directors in such co-operatives, several problems should be emphasized.

- Persons who do not participate in farm work are often elected as part-time directors.
- These directors are not elected, but nominated.
- Leaders in a village are sequentially nominated as part-time directors according to the tacit village rule.
- Part-time directorships are thought to be honorary posts, following city, town, and village assemblies.
- The part-time directors are in general myopic, because the term of office is short (three years) and reappointment is exceptional.

The above illustrates that agricultural co-operatives in Japan are vague in terms of principles of co-operative associations. Here, vagueness means that they are neither user-driven organizations nor investor-driven enterprise.

**Some Problems with the Management Committee**

It can be pointed out that the management committee legislated for in the revised Agricultural Co-operative Law of 1996 has several deficits at the practical level. These deficits should be modified in the near future in order for the agricultural co-operatives to introduce a dualist system.

- The committee does not have the power to directly elect the representative director of the directorates.
- The process of decision-making becomes more complex due to the introduction of the management committee.
- Limits of the responsibility of this committee for management failure are legally ambiguous.
- No qualifications for board members contradict the idea of establishing a strong executive body.
- The position and function of the auditors are ambiguous. More precisely, it is difficult to distinguish between the function of current inside auditors and the management committee. Here, the existing inside
auditors consists of full-time professional auditors and laymen who are co-operative members.

- It is not clear who can become a board member of a prefectural or national federation, a representative for the directorates or a representative for the committee?

Frankly speaking, it is too early for primary agricultural co-operatives to introduce the dualist system because they are used to the monist system. They are fundamentally conservative. It remains desirable, however, that whenever the smaller co-operatives are amalgamated into a larger body, the dualist system should be proposed by the Prefectural Central Union.

Furthermore, for the sake of the qualification of board members, it is important to introduce an education and training system that is socially authorized, similar to the German Academy. If no one without a certificate from this “academy” could become a board member, the executive bodies of the co-operatives would be strengthened.

Opinions of the Persons Concerned

The issue of a management committee causes much controversy among the persons concerned. Examples of frequently voiced opinions are as follows.

Negative opinion

I am a senior managing director, having the power and responsibility for the management as a whole. We have never discussed the dualist system at the primary level. I think that this is a gift from MAFF. This system would be harmful to the autonomy of co-operatives. I am not in favor of implementing this rule because I think a co-operative association does not require two types of representatives, representatives for the directorates and for the management committee.

Positive opinion

I am a managing director, having the power and responsibility for credit and mutual insurance services. I am in favor of implementing the dualist system. We need qualified professional directors. I am not satisfied with qualifications of current board members. It takes a long time to make management decisions. I think the institution of a management committee would promote the interests of members. Much more still remain to be done for the sake of interest groups. Management should not be confused with member promotion.

Opinion of an informed person

I am a former secretary of the Prefectural Central Union. It is impossible for co-operative staff members to participate in the management committee. In German co-operatives, it is possible for them to participate in the supervisory committee. This difference is crucial. Furthermore, associate members cannot participate in the committee.

It is also important to establish a new rule specifying whom the recommendation committee can elect or nominate as a management committee member, as well as how this process should be carried out. The change would not occur if a system based on village custom continues to be implemented. Detailed qualifications for management committee members are required.

In this context, it is also essential that the recommendation committee can be organized by region, by
service, and by homogeneous interest groups. The growing member heterogeneity requires new organizational procedures on member wants and needs. Without instituting these procedures, the performance of the dualist system will not differ from that of the monist system.

**New Organization Procedure Required**

With the distance between co-operative associations and their members widening, it becomes more important for co-operatives to secure and to assist in the corporate governance of members. For example, for co-operatives to meet the crises of collapse, they must have members who are willing to share the crises among themselves. To achieve the above, co-operatives should not allow there to be an information gap between the directorates and the management committee. The importance of management transparencies and outside audit should be also emphasized in this context.

Agricultural co-operatives in Japan have not made themselves familiar with ways in which to improve the corporate governance of members. They are essentially united organizations of rural communities, where the autonomy of a group to maintain principles of equality is considered superior to the autonomy of individual.

Furthermore, only the head of a family has full membership in an agricultural co-operative, even if the role of his wife or his sons and daughters is quite large in the household economy. Patriarchy or seniority rule remains not in the family but in the co-operatives themselves. Therefore, agricultural co-operatives fail to achieve their goals on the basis of the individual. This is a fundamental default of a user-driven organization.

It goes without saying that the wants of members are highly dispersed by sex, by age, by occupation, by title, and so on. When attempting to improve the corporate governance of members, agricultural co-operatives must first organize small membership groups in accordance with their wants, with the groups including members' families and the associate members. In this respect, members of the management committee should be elected or nominated by the recommendation committee, which consists of homogeneous membership groups in the co-operative. It is wrong for agricultural co-operatives to content themselves with a recommendation committee, which is organized based on region alone.

**Further Revision in 2002**

MAFF has already passed the next Agricultural Co-operative Law. This law, the twelfth one, will be put in force from the beginning of 2002. The main objective of this revision is to make the board of directors strong. With this revision, the dualist system is modified in some debatable points. The main modifications are as follows.

a) Strengthening the board of directors

Until now, the primary co-operatives dealing with credit services have been required to secure more than one full-time director, who is executing the credit services. In this revision, they are required to secure more than three full-time directors as a whole and more than one full-time director executing the credit services, in order to strengthen the board of directors.

b) Relaxing the restriction on qualification to be members of the management committee
Until now, the members of the management committee have been restricted to persons who are full members of the co-operative. Due to this provision, it is impossible for staff members and the associate members to participate in the management committee. In this revision, persons without full membership are allowed to participate in the committee up to one fourth. It is possible, therefore, for staff members and associate members to join the management committee.

c) Increasing the power of the management committee

Until now, the management committee has not had the power to directly elect the representative director of the directorates and to directly suspend board members. The committee only has the power to elect or assign board members, as well as to decide other central issues in executing business. In this revision, it succeeds in getting the power directly to elect the representative director of the directorates, and therefore, eventually to suspend him.

d) Compulsory introduction of the management committee for the secondary organizations

Until now, the individual co-operative societies have been allowed to make their own choice regarding an introduction of the dualist system, consisting of the management committee and the board of directors. In this revision, the secondary organizations, such as the Prefectural Credit Federations, National Federation of Agricultural Co-operative Associations (NFAC) and National Mutual Insurance Federation (NMIF), as well as the Central Co-operative Bank (CCB), are obliged to introduce the dualist system. On the other hand, the primary co-operatives remain holding the right to the selective introduction of the management committee.

This revision is thought to be in reason, because the former legislation was too hasty to reflect all the will of people. It really had many deficits. Now, many large primary co-operatives are going to introduce the dualist system. However, it is worthy to note that this system will be helpful in making the executive body strong, to the contrary it will be harmful in making the control body weak.

References

日本の農協発展（Ⅱ）1996年農協法改正

石田正昭

* 三重大学生物資源学部

ドイツでは、協同組合の経営に競争相手である民間企業と同等の伸縮性を与えるために自己管理。自己運営という伝統的原則が1973年に法的要件から抹消された。日本でも同様に1992年の第10次農協法において理事会の権限と責任を強化するために代表理事制が導入され、また1996年の第11次農協法において理事会と経営管理委員会を並立させるという二層式が制度化された。本稿では、1996年農協法の目的と内容を検討するとともに二層式に対する農協関係者の複数論を紹介し、あわせて組合員を大規模農協へ効果的に参画させるのに必要な将来的の法律改正や組合員参加の新しい方法を検討した。その主要な結論は、二層式は執行機関を強くするという点では有益であるが、監督機関を弱くするという点では有害であるということである。さらにまた2002年の農協法改正についても言及した。