What We Have Learned from the Great East Japan Earthquake*

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<Abstract> This paper was originally read as a Presidential Address to the Second World Congress of the Public Choice Societies, in Miami, on March 11, 2012. In this address, I tried to point out the necessity for rethinking the conventional scope of public choice theory, in view of recent debates over social capital and of the course of events that had taken place in Japan since the Great Earthquake of March 11, 2011. The Great Earthquake left greater public awareness and perhaps even a new understanding of the bonds and ties along with volunteerism. It might be said that there was a transformation of bonding social capital into bridging social capital. This newly blossomed bridging social capital differs from market doctrines based on profits and losses in that it derives from mutual sympathy. Thus, I argue, a reaffirmation of Adam Smith’s concept of ‘sympathy’ in his Theory of Moral Sentiments (1759) might be a key in rethinking public choice theory in relation to social capital studies.

Keywords: public choice theory, Great East Japan Earthquake, bridging social capital, volunteerism, mutual sympathy

I am deeply honored to be given the opportunity to address this Second World Congress of the Public Choice Societies. I would like to share with you today my thoughts on some implications of public choice theory and what they mean in terms of coming to an understanding and dealing with the aftermath of the Great East Japan Earthquake, which occurred exactly one year ago today.

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**Events of the earthquake**

A video clip, entitled "Pray for Japan: Japan We are with You", was widely viewed throughout Japan when it appeared on the Internet in the days immediately following the earthquake. It's about six minutes long and you still can see it on YouTube. Indeed, when I first saw it myself, all the emotions that had been welling up inside of me for several days were suddenly released all at once. I think that even those Japanese who were not actually affected by the earthquake but—for many reasons—felt strong ties with those in the afflicted areas. These people were also caught in the dilemma of wanting very badly to help but not knowing what to do. Seeing these images and hearing this music helped them understand that people all over the world were dealing with those same feelings, and that we weren't facing this disaster on our own.

Exactly one year has passed since that day, and I must say that I am rather amazed at the coincidence of being here and giving this speech as part of the final day of this Second World Congress on what is the first anniversary of those events.

**After the earthquake**

At the time of the earthquake, I was attending a meeting on the Senshu University campus in Kawasaki, just south of Tokyo. The building we were in was a steel-frame and mortar construction and looked to be one of the less-resilient structures on campus, but it withstood the shock surprisingly well. In fact, there was only one building on campus—a six-story, steel-framed concrete structure close to forty years old—that was declared unusable and torn down last summer. Actually, my own home, which is in a city called Tsuchiura in Ibaraki Prefecture, was at the southern end of the disaster area, and suffered considerable damage. It's a wooden structure that was built by my family one hundred and thirty years ago, and we've only just started repair work this past January. The repair work will ultimately cost at least as much as it would to build a new house, so you can imagine what a headache the whole thing has been for me and my family.

Be that as it may, at Senshu University, we were able to continue the academic year after just a two-week delay. And as many of you no doubt realize, although communities that suffered just earthquake damage were able to restore vital services and begin to rebuild relatively quickly, the tsunami was an entirely different story. Many of the cities that suffered a direct hit have yet even to finish cleaning up the rubble.

And in addition to damage from the earthquake and tsunami, the daily lives of ordinary Japanese in an even wider area were impacted by the Fukushima Daiichi nuclear disaster and subsequent issues such as shortages of electrical power, leakage of radioactivity, and other issues for which permanent solutions have yet to be found.

It would appear that the situation both at the disabled nuclear power plants and with radioactive contamination of surrounding areas has been stabilized and is of manageable proportions, which I suppose means that the situation is under control. In fact, on December sixteenth of last year, Japanese Prime Minister Yoshihiko Noda announced that the reactors at
Fukushima Daiichi had reached a state of cold shutdown.

As the fourth president of the Japan Public Choice Society, it falls to me to continue to grapple with issues related to last year's disaster until the end of my term in June of two-thousand twelve. This coincides with similar responsibilities I have as chair of the Senshu University Center for Social Capital Studies, a position I will hold until March of two-thousand fourteen. On a personal note, some of you may remember Professor Kazuyoshi Kurokawa of Hosei University, who served as the second president of the Japan Public Choice Society and who sadly passed away on February second of last year at sixty-four years old. Professor Kurokawa’s death also provides me with much motivation in this regard.

In the disaster zone
I had a strong desire to see for myself the devastation left in the aftermath of the earthquake and tsunami, but it was not until approximately fifty days afterward that I was first able to do so. In preparing for this visit, I needed to correlate my plans with a number of people already in the disaster zone. Many of them were themselves victims of the disaster and although they were not seriously injured, all were exhausted. Needless to say, it was not always easy to contact people or to make satisfactory arrangements for these trips.

I’ve been to Ishinomaki in Miyagi Prefecture a number of times and am familiar with the area and the people there, largely because of the university where I teach has a campus there, called Ishinomaki Senshu University. So I am sorry to report that Ishinomaki was one of the places hit hardest by this disaster, with three-thousand eight-hundred and thirty-seven confirmed or probable deaths. Now, Japan’s National Police Agency places the region-wide death toll at close to nineteen thousand, so this is nearly twenty percent of all deaths, not to mention a full two percent of Ishinomaki’s population.

One of the largest rivers in the Tohoku region is the Kitakami River, which reaches the Pacific Ocean at Ishinomaki. Near this river was an elementary school, named Okawa Elementary. The name, appropriately enough, means big river. This school became the site of the worst human tragedy in the entire disaster, when eighty-four of approximately one-hundred and twenty students and teachers were swept away by a tsunami while evacuating the school. I visited the site last year, and found that what had been a very stylish two-story school building remained relatively intact. But the insides of the building and the equipment and facilities surrounding it had been destroyed. I was there in the early afternoon, and for some reason a small flock of sparrows chose that moment to descend upon the rubble and scamper around noisily. Sparrows can be rather noisy, as you know, and I’m not ashamed to admit that the sound of their chirping where there should have been the voices of children at play was overwhelming. I have no words to describe how I felt at the sight and sound of these creatures who were chirping away merrily, heedless of the tragedy that had taken place.

In the days following the earthquake and tsunami, the disaster area received a quite a few relief supplies and much disaster aid. Many of us in Tokyo were still pondering how to make our way to the disaster area without rail service or other means of transportation, but foreign
journalists were hitching rides on gasoline lorries headed to the disaster area. And the US Armed Forces’ Operation Tomodachi disaster relief efforts were astonishing. It was extremely moving to see relief supplies, donations, and messages of solidarity coming from people of all ages and all walks of life from Asia and around the world. More than anything, however, I have to say that I was simply grateful to the many volunteers both in Japan and overseas who took specific action to help out. If something good can be said to have come from this disaster, it is the enhanced public awareness in Japan of the efforts made not just by those who volunteered but by members of the Self-Defense Forces, local law enforcement, and local emergency service agencies.

I was also reminded of the importance of people who have the expertise to get the job done. It is often said of Japan, in reference to its remarkable economic growth after the Second World War, that it is a first-rate economy with second-rate political system. Another thing that is often said of Japanese organizations—and corporations in particular—is that the people on the ground floor are a lot more capable of thinking on their feet and responding capably to a given situation than management. Japanese managers do an excellent job of organizing and carrying out complex projects, but they have little experience or training in dealing with sudden changes in objective or direction. In contrast, the people on the ground floor of any Japanese company have specialized skills needed to carry out their regular job assignments, but in an emergency situation are also capable of action without waiting for coordinating instructions and will do whatever it takes as they coordinate with others to solve the problem at hand, even when those actions go beyond the range of their ordinary responsibilities. I myself was quite humbled when observing or interviewing people working on the front lines in the disaster area by their ability to put the needs of others above all else. I’m sure that many Japanese people, having seen on television the manner in which top officials of the Japanese government came to grips only slowly with the unfolding disaster, wished that our leaders would act as decisively as the emergency response teams.

I interviewed any number of people involved in emergency response activities in Ishinomaki. Among them were Takashi Sakata, president of Ishinomaki Senshu University, Hiroshi Kameyama, mayor of the City of Ishinomaki, and Kenji Takahashi, director of Ishinomaki Shinkin Bank. I also met with the staff of the Social Welfare Council, who were responsible for coordinating the local volunteer center. The ability of these people to make on-the-spot decisions was truly amazing. I presented the information gathered during these interviews in a presentation given on July sixteenth, two-thousand eleven at a Senshu University Center for Social Capital Studies symposium entitled The Bonds and Ties of Restoration, Reconstruction, and Recovery. One of the keynote speakers at this symposium was University of Tokyo Professor Takashi Onishi, a specialist in urban planning, president of the Japan Association for Planning Administration, a member of the government’s Reconstruction Design Council, and—as of October of last year—current president of the Science Council of Japan. It was an extremely significant event for all of us who were there, the details of which can be found in the Yearbook of the Senshu University Center for Social Capital Studies, Volume Three, 122
published in March, two-thousand twelve.

**An historical view of natural disasters in Japan**

I think it might be instructive to look briefly at earthquakes, volcanoes, tsunami, typhoons and floods, and think about how natural disasters such as these are viewed historically in Japan. Especially in light of the fact that not only do they occur with alarming regularity but also tend to recur in certain areas. It should come as no surprise, given the wide-spread existence of hot springs and volcanos throughout the Japanese archipelago, that Japan is a hotbed of geothermal activity. And these same factors also contribute to the frequency of earthquakes. Also, being situated in the temperate monsoon belt that covers the eastern parts of Eurasia, Japan has a humid climate that exhibits four distinct annual seasons and endows the land with abundant rainfall and rich forests. It is particularly suitable for agriculture, forestry, and fishery, and it's quite likely that the indigenous peoples of Japan more than two thousand years ago subsisted primarily on what they could hunt or fish. It is said that they led relatively prosperous lives, knew how to make tools and crafts for use in daily life, and lived in organized communities that provided a reasonably stable livelihood.

It was in such a society that the agricultural revolution occurred. And one major factor was the introduction of iron tools. Iron provided humans with the ability to work faster and more efficiently than ever before. It became practical to clear forests and fields, to raise crops in larger quantities, and to catch more fish. The increases were dramatic. But agricultural production is predicated on the community sharing a common livelihood, which, even more than hunting or fishing, forces individuals to take on clearly defined roles and responsibilities within their community. In other words, the freedom of the individual to undertake independent action became severely restricted, not just in the community by even in the home. The fact that some communities developed along these lines is not an indication that things were the same everywhere throughout the archipelago. As a historical trend, the agricultural revolution spread eastward from western Japan, in rough correspondence with the growing influence of the Yamato Imperial Court, which flourished in the sixth century.

In some respects, however, the organization of these communities can be seen as a means of protection against natural disaster. There is little that an individual or even individual family can do to protect themselves against the ravages of natural phenomena. It's possible that people of this era found that, as peaceful and beneficial as the natural climate in the Japanese archipelago normally is, the only way to withstand its full fury was as a community that shared a common livelihood. And perhaps this accounts for the Japanese people’s traditional conception of nature as well as their fear and veneration of a pantheon of innumerable deities.

**Hints from Japanese history**

I suspect that, irrespective of differences in time, place, and magnitude, this type of development is more or less common to all cultures worldwide. One historical aspect that Japan does not share with very many other countries, however, is its close proximity to that mightiest of nations:
China. As the crow flies, Japan and China are not so far apart. But neither are they directly connected, because they are separated by the sea. The importance of this fact cannot be overstated. Throughout history, Japan has been the recipient—either directly or indirectly—of technology, knowledge, and philosophy from China. But it also has been very eclectic in choosing what influences to accept. Avoiding blind acceptance of everything and anything that reached them from the continent, the ancient Japanese examined each and every aspect with great care before adopting any of it. After agriculture followed the Chinese writing system, and in the course of time Buddhism and Confucianism, as well. I don't think that this eclectic approach can be attributed, however, to any special powers of discernment peculiar to the Japanese people. Rather, I believe that there has always been a tension between progressive and orthodox factions within Japanese society, which means that it can take a considerable amount of time before any type of new influence is finally accepted. Or perhaps it would be more accurate to say that there is a general tendency to leave things undecided, which is often the case when people want to avoid any type of dramatic confrontation. As time goes on, opposing views gradually meld, and eventually both sides reach a position where compromise is possible.

In fact, historically speaking, we see such processes at work during the Azuchi-Momoyama period in the late sixteenth century, during the Meiji Restoration in the nineteenth century, and even after Japan's defeat at the end of the Second World War. In the latter half of the sixteenth century, for example, the Spanish, Portuguese, and Dutch came to Japan, seeking to develop international trade and spread the Christian faith. Having only recently brought political unification to Japan at the start of the seventeenth century, the Tokugawa Shogunate declared Japan closed to the European powers. In some ways, this policy was intended only to ensure Japan's sovereignty.

Both the Tokugawa Shogunate and its exclusionary policies continued well into the nineteenth century. By this time, however, American and Russian whaling fleets had begun to approach Japan in search of food and supplies, but were repulsed by the Shogunate. Ultimately, in eighteen sixty-seven, disaffection among low-ranking samurai throughout Japan over this and other policies brought to an end two hundred and sixty five years of rule by the Tokugawa Shogunate. Although the defeat of Japan in August nineteen forty-five was brought about primarily by military superiority of the American Armed Forces, another contributing factor might have been the lack of a political entity capable of placating discontent within and countering the reckless ambitions of the Japanese military. Although it is often possible to take the time necessary to iron out domestic issues in a rational manner, the social costs are inevitably high once the situation is allowed to escalate into a life-or-death struggle with an implacable enemy. Hindsight is, of course, always twenty-twenty, but clearly, many of the tragedies that occurred just prior to the end of the war—including the Battle of Okinawa as well as the atomic bombings of Hiroshima and Nagasaki—might have been prevented had a more advanced political system been in place.
In the aftermath of the Great East Japan Earthquake
Once again, we see the same characteristics and patterns of behavior emerging in the aftermath of the Great East Japan Earthquake. Anyone who has experienced an earthquake of significant magnitude knows that your first concern is the safety of your family and yourself. Once you have confirmed that, however, gradually you began to look around and, realizing the full extent of the damage, begin to see that this is no time to wallow in your own misfortune. Of course, your reaction is to feel grateful just to be alive. But almost immediately thereafter comes the instinct to provide help to anyone nearby who needs it. This pattern of behavior was seen all throughout the area affected by the earthquake.

In addition, I think that many of us in Japan noticed something quite amazing. Once we had recovered the wherewithal to begin to think about what we should do or what we could do either for our families or as a member of some group, organization, or system, we realized that in the nearly seventy years since the end of the Second World War, we have yet to create legislation that establishes a system of emergency services or that implements contingency plans necessary for ensuring operation during a disaster of this scale.

Obviously, emergency services must have contingency plans covering everything from large-scale natural disasters to attacks by foreign terrorists. And in this respect, it would be inaccurate to say that Japan was entirely unprepared. But given the overall law-abiding and remarkably safe nature of Japanese society as a whole, there has also been a tendency to underestimate both potential risks and the need to develop comprehensive contingency plans.

Bearing this in mind, it seems obvious that Japan can no longer afford to remain unprepared and must devise and implement national policies for dealing with emergency situations. Without such policies in place, discussions of the legality or relevance of actions taken during emergencies become little more than empty rhetoric. On the other hand, once clarified, we can begin to identify problematic aspects of implementation and, using simulations, begin what will necessarily be a trial-and-error process of enhancement. What we cannot do, however, is continue to trust that guidelines devised to facilitate things under ordinary conditions will suffice as long as we are able to think on our feet during emergencies.

Public choice theory has until now dealt primarily with issues exploring the reasons that decision-making processes of existing political systems so often result in outcomes that are at variance with the preferences of their constituencies. But in Japan, at least, there is a real need to expand our field of view by examining from a rational perspective the historical background and processes that inform our observations and opinions about establishing authority, entitlement, and justification for the contingencies necessary to deal with an emergency situation on a scale so vast that it happens only once in one hundred years.

The natural disaster that struck Japan on March eleventh, two thousand and eleven, left in its wake not just death and destruction but greater public awareness and perhaps even a new understanding of the bonds and ties along with volunteerism. I wonder if it might even be said that there was a transformation of bonding social capital into bridging social capital. In fact, this newly blossomed bridging social capital differs from market doctrines based on profits and
losses in that it derives from mutual sympathy. In this sense, I believe it to be a reaffirmation of Adam Smith’s *Theory of Moral Sentiments* (1759).

You must forgive me for proffering so many uninformed opinions, but I very much wanted to share with you this feeling that my experiences over the past year in coming to grips with the aftermath of this most terrible natural disaster has, in fact, revealed to me my way forward. Thank you very much for listening.