

Donation Culture Becoming Established in Japan through *Kizuna* after 3.11 Earthquake

By Kan Takeuchi



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Innumerable people in Japan fell victim to the Great East Japan Earthquake in March last year. Nations around the world have kindly helped the regions seriously damaged by the disaster and the people who suffered through their humanitarian aid. Within Japan as well, many Japanese volunteered to go to the damaged areas to help the residents there rebuild their lives, and also large sums in donations were provided to those regions.

The tax law on donations was fundamentally revised in 2011 and as a result of this reform it became possible in many cases to get a tax credit covering 40% of the amount donated. I sincerely hope this legal reform will encourage further donations and that donating will become permanently established in the culture of Japan.



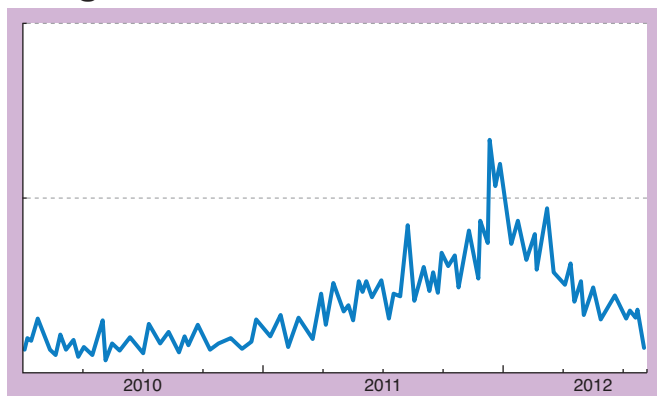
Kizuna - Ties that Bind the Japanese Together

In the wake of the earthquake last year, the word *kizuna*, meaning solidarity or bonds, was often mentioned on news programs and in other media as one expressing a human sympathy with the people and regions seriously affected by the disaster. Google Trends showed the increasing frequency of the word in the media in Japan (*Chart 1*).

This keyword *kizuna* increasingly appeared in the news on the Internet in 2011 and its frequency peaked at the end of the year. The Japanese character for the word was also chosen as the annual “Kanji of the Year” for 2011, selected by the Japanese Proficiency Society since 1995. It encapsulated the sympathy people all over the country felt for the residents of the disaster-hit areas whom they had never met and would not meet in the future, and their donations were one way of expressing their feelings.

CHART 1

News reference volume of *kizuna* in Google Trends



Source: Google Trends

However, *kizuna* has now ceased to be a keyword in the news. How much of this *kizuna* that was sensed and shared by the whole nation in 2011 still remains?

We often only give to others in difficulty if we feel close to them or if our donation is absolutely necessary. In *A Christmas Carol* by Charles Dickens, Ebenezer Scrooge paid no attention to any charity at Christmas, saying it was not his business no matter how poor or miserable the people around him might be. We may not be as extreme as Scrooge, but perhaps we subconsciously think in a similar way at times. We might not be willing to help everybody in difficulty, even though we feel it would be best to do so. Our excuse is that someone else should help or rescue such people. Whom would we rescue or not rescue? In other words, what would be the distinction between a benevolent person and a “Scrooge”? I would like to present my ideas on these questions.

CHART 2

The threshold model. Whom are you actually helping?



Source: Compiled by author

Mother Teresa or Ebenezer Scrooge

Let us draw a graph by taking these two elements mentioned - namely, social distance and the urgency or importance of the need - and plotting them respectively on the horizontal axis and the vertical axis (*Chart 2*). We ourselves are at the zero point on the horizontal axis and our children or families are right next to us; then our colleagues or schoolfriends are a little further away, and further still, depending upon the person, there may be our compatriots or people of the same cultural background. At the extreme right are people little related to us, such as those living on the other side of the world. On the vertical axis, the urgency or importance of the need is measured.

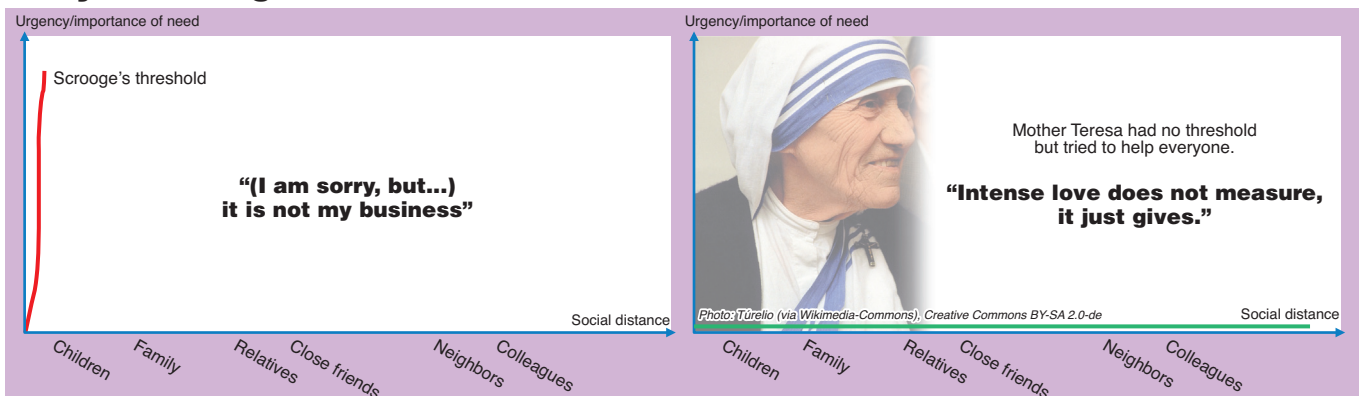
In this xy-plane, where would be the point at which people feel it is not their “business” to get involved? This corresponds to people assumed to be in a little difficulty whom we have never met. They exist on the lower right dimension of the plane. We would not necessarily feel like helping such people. By contrast, we would always try to help our families by any means. These people exist on the left side of the chart.

The threshold is the line running from lower left to upper right. Therefore, we feel “I must help them” toward the people above the threshold, but even though we may feel it would be better to help the people below the threshold we tend to apologize to them by saying “I am sorry, but ...” In other words, someone should help them, but not us.

Scrooge, who would never try to help anybody, would respond to anyone suffering from whatever difficulty by saying “It is not my business.” For people like him, the threshold would be a vertical line at the extreme left of the plane. By contrast, people like Mother Teresa would try to help anybody regardless of a threshold, and therefore her threshold must correspond to the horizontal axis (*Chart 3*).

CHART 3

Locate your own threshold. Are you Scrooge or Mother Teresa?



Source: Compiled by author

We would not necessarily be quite as greedy and selfish as Scrooge was, but we would probably not be as benevolent as Mother Teresa either. Therefore, the threshold for most of us would be a right upward line just as is described in *Chart 2*.

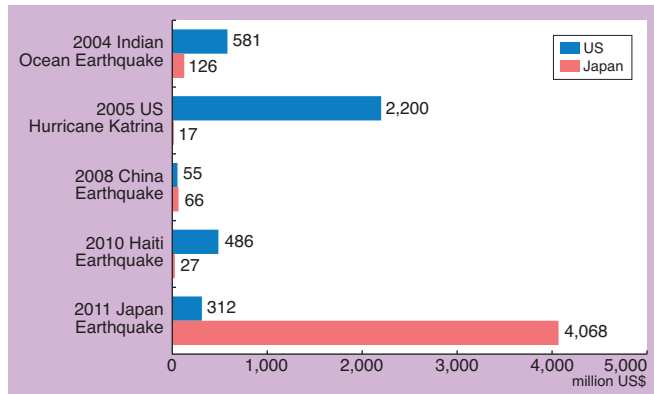
Effects of Kizuna

The earthquake and tsunami last year in the eastern part of Japan produced an outpouring of donations. The Japanese Red Cross Society has received more than 319 billion yen (\$4.07 billion) in cash donations, as of Aug. 1, 2012. This calamity that caused nearly 20,000 deaths was so great, and the pictures of the victims and the vast destruction so troubling, that Japanese people could not ignore such extreme suffering. In other words, in this case, if the degree of suffering of the residents in the disaster-hit areas were measured on the vertical axis, it would be far above the threshold.

But the scale of a disaster and the number of victims are not the only factors that are taken into account. For example, if we compare this disaster with the Indian Ocean Earthquake of December 2004, the difference becomes clear. That M9.2 earthquake and subsequent tsunami claimed more than 230,000 lives, but donations to the Japanese Red Cross Society at that time came to only 9.87 billion yen (\$126 million). The number of victims was 10 times that of the 2011 disaster in Japan, but the total amount of cash donations from the Japanese was less than one 10th of the amount donated after the 2011 tragedy. To state it another way, in per victim terms, cash donations after 2004 to the Japanese Red Cross Society were less than 1% of the amount donated after 2011.

CHART 4

Cash contributions to Red Cross Society



Source: Compiled by author

So even if the scale of damage is similar, the amount of donations differs depending upon the social distance between donors and victims. Unfortunately for the Indonesian people, who suffered most from the 2004 disaster, many Japanese did not consider them to be so close.

Donating less after a disaster in a foreign country is not limited to Japan, of course. As *Chart 4* shows, for example, the amount of cash donations to the US Red Cross Society after Hurricane Katrina in 2005 was far greater than for any other natural disaster that occurred outside the United States.

Unlike in 2004, in 2011 we Japanese were constantly exposed in the daily news to the seriousness of the situation in the disaster-hit areas, and felt the sufferings of the victims were those of our neighbors or colleagues and not of strangers. This sympathy created *kizuna*, and the outcome can be seen in *Chart 5*.

In other words, *kizuna* united the Japanese by shortening the sense of social distance from the inhabitants of the disaster-hit areas. Even if its effects prove temporary, *kizuna* caused many people to visit the disaster areas as volunteers and to donate cash. It is because the sufferings of the residents had become “my business” even for people living far away that cash donations were more than 10 times greater than for victims of the Indian Ocean Earthquake.

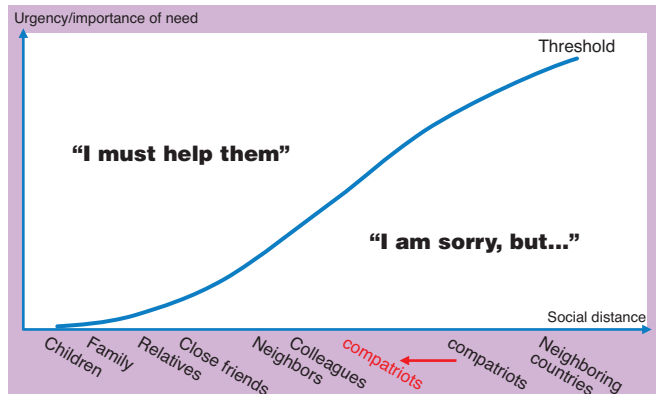
But if *kizuna* was not generated by the Indian Ocean tragedy, does it mean we were Scrooges then? On what occasions would we not be Scrooges and would *kizuna* be born?

How Can We Create *Kizuna* Effectively?

The importance of an individual charitable donation does not increase

CHART 5

The effect of *kizuna*



Source: Compiled by author

simply because of a disaster; it is important for any aspect of social activity. The public finances of Japan are nearly bankrupt. Although Japan could still increase its consumption tax rate by 15% or more and raise it to around 20%, comparable with the level of high-welfare European states, the future burden for social welfare will be heavy. Regrettably, the Japanese government is no longer well equipped with fiscal resources to support people in need of help or socially valuable activities.

In this light, how can we promote the charitable activity of donating? I would like to think about this question on the basis of a study of experimental economics.

The study of experimental economics mainly identifies two elements as a motivation for voluntary charitable contributions - altruism and reciprocity. Altruism literally means a concern for the others, while reciprocity implies an incentive to contribute precisely because others have contributed.

Which incentive is stronger will often make a difference in the sum of money donated. If charity is driven by altruism, each individual's donation is not dependent upon the amount of other people's donations. We would write the sum we believe appropriate on a check or type it in the correct space in an online form. But if

we know that others have donated sufficient sums, we might undervalue the need for our own donation and lower the amount we give. On the other hand, in terms of reciprocity, people tend to think that they should donate if others donate as well. Therefore, the amount of each individual donation is positively correlated to the amount of others' donations. In other words, if others donate more, any individual is likely to donate more as well.

Numerous research results show that a person's motivation to donate is generally consistent with reciprocity. It is commonly observed that a person will donate if others donate, and this is

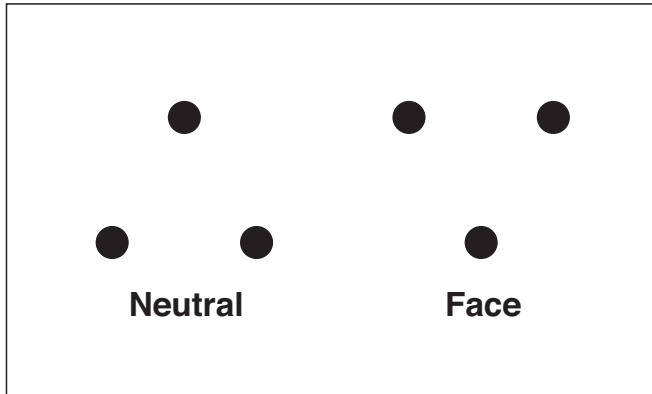
Photo: Marley's ghost, from Charles Dickens: A Christmas Carol. Illustrations by John Leech.



After the 2004 Indian Ocean tsunami, were we like Scrooge, not hearing Jacob Marley's advice?

CHART 6

Letterhead experiment



Source: Compiled by author

probably based on an estimate that other people’s donations would be about the “right amount”.

Attention to Reciprocity Instead of Tax

Donating is not necessarily based on pure altruism but on a desire for mutual help in social relations. In order to encourage donating, it is not enough to take advantage of an individual’s altruism; people must be made conscious of the social context and that donating is a “cool” act and the right thing to do.

In another experiment result supporting this, “human eyes” were used as a key to attracting donations. Three dots were arranged at the top of the letters used in fundraising campaigns in two different forms - one in the shape of a pyramid, termed “neutral”, and the other in a reverse-shape triangle, termed “face”, since it could evoke a human face. Amazingly, even though all other conditions were equal, the average amount of donations from the group of people who received letters with the “face” letterhead was higher than from those who receiving the “neutral” letterhead. The “face” letterhead may convey a sense of being seen by someone else, which in itself may encourage a person to donate (Chart 6).

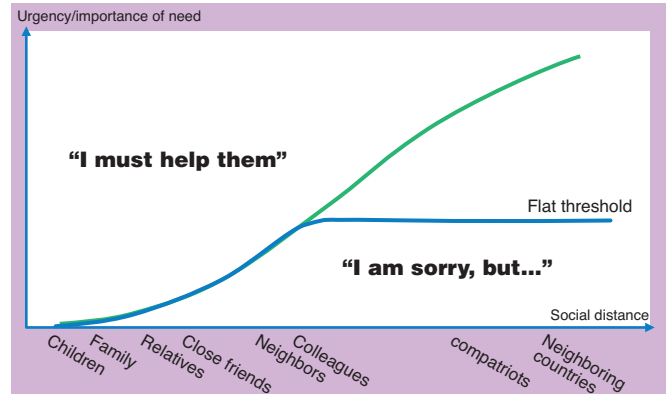
It is often pointed out that the tax system should be more favorable to people donating in order to realize a donation culture in Japan. But I do not share this view. I think tax exemption for donations is important but will not by itself directly lead to the establishment of a donation culture.

In fact, there was a tax reform in 2011 and a tax credit for 40% of donation amounts was created. But in spite of this, the total amount of tax credit came to only 5 billion yen (\$63.6 million). According to the statistics for tax returns in 2011 issued by the National Tax Agency, income tax deductions for charitable contributions totaled 126 billion yen (\$1.61 billion) and corresponded to only 0.37% of the reported total revenue of 33.7 trillion yen (\$428 billion). In 2010 before the earthquake, these tax deductions were even smaller and totaled only 62.4 billion yen (\$794 million).

Although donating is generally based upon an individual’s own altruism, the social context is also very important and therefore a mere tax reform would not immediately lead to an increase in donations. This is because the perception that charity is socially the right thing to

CHART 7

The flat threshold of mature society



Source: Compiled by author

do has not taken firm root yet in Japan. It remains necessary to make this perception more common while continuing to engage in creating a tax regime more favorable to the concept of charity.

Kizuna Independent of Social Distance

Let me go back to the story of *kizuna* seen in the wake of the earthquake. Did this mark the beginning of a donation culture? I regret to say it did not. It seems to me that the donations spurred by temporary solidarity were only a means of helping in-group members in a Japanese context. People decided to help the inhabitants of the disaster-hit areas only because they felt through this sense of *kizuna* as if those residents were in-group members, such as neighbors and colleagues. Their actions might have resulted from a kind of temporary illusion.

Why is an in-group stable? It is because there is mutual surveillance or long-term relations among its members. Therefore, it is impossible to attract the whole of society into our own in-group. As the sense of *kizuna* fades and the suffering people return to an out-group, donations will decline or stop. The mindset of pursuing “assurance within the group” is deeply rooted in Japanese mentality.

What is necessary, then, is to change this mindset and start trusting out-group members without hesitation. This would help us to achieve a more mature insight into society that would enable us Japanese to treat all others equally, eliminating the distinction between in-group and out-group. If altruism were added to this new insight into society, the threshold between helping and not helping people would become flat at a certain point on the plane, as seen in Chart 7. In other words, people would try to help others regardless of the social distance from themselves.

Without actually shortening real social distances, a mindset of sympathy for all people in trouble can be created. Then Japan would be reborn as a more mature society.

(The honorarium for this article will be donated to charities supporting children in the disaster-hit areas.)

JS

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