Corporate Social Responsibility and Social Capital in Local Disaster Management

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Research Problem: “How to build local disaster management schemes?”

Natural disasters have been occurring more often all over the world due to global environmental changes. To diminish the scale of effect on daily life and damage to the economy, we should prepare for disasters through daily activities. However, the problem is that this system has been just an idea and does not function well, and even Japan has been damaged by large earthquakes, heavy rains, and typhoons. The origin of this problem is that disasters happen, but not so often.

In addition, the scale of the disasters is tending to be larger according to the records, and professional skills and equipment have been seriously required in many cases. Originally, it was thought that governments and citizens should play the biggest roles. Several important developments appeared, and one of them was an upgrade to the Regional Disaster Prevention Plan. A big achievement of this change is to encourage corporations to participate in disaster preparedness and relief activities.

Corporations weren’t given active roles in disaster relief in the 20th century. Most local municipalities still do not have agreements with corporations, even though to sharing roles with the corporations are drawing attentions. In sum, this paper aims to understand how municipal governments enlist corporate forces in order to establish local disaster management schemes.

Research questions: “What motives or incentives could make corporations participate in the functions?”

The Research questions are about the behavior of corporations regarding disaster relief and daily activities for disaster response in local area. Which corporations tend to provision their human resources, equipment or charitable contributions in a time of disaster? Also, which corporations are likely provision their efforts toward the daily activities for disaster relief? In other words, what motives or incentives could make corporations participate in these functions?

Theories and concepts: “Corporate Social Responsibilities and Social Capital as factors to participate in disaster relief and preparedness of local area”

This analysis defines a hypothesis that the awareness of the Corporate Social Responsibility (CSR) that corporations hold affects themselves to participate in local disaster preparedness and activities as well as in compliance programs.
In parallel, this paper considers the concept of social capital (Lin 2001), such as between corporations and community, as well as corporations and government. Koh and Cadigan (2008) discuss on public health and disasters preparedness using a view of social capital. Regarding disaster activities, Pelling (2003) describes details in recent catastrophes and actions from the field research. Especially, in regards to disaster relief by corporations, Nagamatsu (2008) analyzed how firms in a local economy might cooperate to provide food services voluntarily in Japan. It identifies the network between chief executives and how trust could boost it up in the time of Niigata Earthquake disaster.

Methodology: Empirical Analysis using econometric models

This paper examines the theories and concepts regarding the Corporate Social Responsibilities and Social Capital in local disaster management by estimating econometric models using survey data from 412 corporations in a medium scale city in Japan where experienced flood disaster in 2004. The survey was carried out by mailing in 2007 with local government cooperation. The questionnaire asked about awareness and activities of the corporations regarding local disaster activities, also motives and incentives for future events of disaster. 70 percent of respondents received damages to their business in the time of the disaster and 30 percent did not, so that we can compare and find out what their differences are.

Findings:

The corporations are becoming more relied on as an actor other than the government or community since natural disasters are expected to be larger due to global warming and natural fluctuation. It raises awareness of what factors, such as industrial categories, histories, motives, incentives, and social capital in communities, would drive firms to act. Identifying the factors will give us a policy implication how to build local disaster management schemes.

References:


