How Did Social Finance Effect On Revitalization Of The 3.11 Tsunami Disaster In Japan? : A Study Of Social Investment Fund And The Outcome.

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Since the Great East Japan Earthquake was occurred in northern area, Tohoku district in March 11th 2011, citizen’s participants on the philanthropy became extremely active. In particular, the situation of social finance has changed obviously in Japan. Because the variety of opportunities which citizens support the Tohoku area had been provided, many citizens could choose not only just donation to the Red Cross but also purchase something with cause related marketing. In addition, it is significant that the attention of social finance has grown rapidly, although it has not been diffused so far. Although the average amount of donation per a household returned to previous years from around 6000 yen to around 3000 yen in 2012 according to the national statistic, several social fund programs has continued and even new social fund has started.

The purpose of the paper is to consider that how social finance is effective and efficient to revitalize the afflicted regions at this stage. In addition, it is important to discuss what support system can evolve the social finance and whether it can be replicated to promote economic recovery at the rural area.

It focuses on the social investment which purpose is to invigorate the economy and to create social businesses. Because one of the most serious problems is job loss, the outflow of the young generation was so rapidly after the disaster. Although Nonprofits have supported the social services generously, the younger family must go out the home town to seek the jobs. Therefore, it is significant to survey whether the social finance can impact the local industry.

It is defined here that social investment is as follows. The money is to invest the social business. If the business can make a profit, it must be reimburse to the investment fund. And the beneficiary of the fund is again used to cultivate the different social business in the same area. Therefore the money will be circulated in the local area.

Firstly, it is overviewed the public policy and the budget that and the Reconstruction Agency of the government introduced. The huge budget was allocated in the afflicted regions as a grant which nonprofits can use. In particular, the cabinet office has supported to set up the social enterprises in Tohoku area. Furthermore, the ministry of economy and industry (METI) promoted to replicate social business model in Tohoku area. It shows the outcome evaluation of the social business.

Secondly, it is categorized what kind of funds were provided because the fund was set up by government, private companies, industry associations, private foundations, public benefit organizations, cooperatives, nonprofits, and finance institutions. It is described each features. The data were collected though the web-site of intermediary organizations and the local and national government.

Thirdly, it is described how the social investments defined the outcome, economic and socially impact, and the index of the growth of social business. In addition, the trend of civic participation and human resource are examined through the interview of some institutions. One of the case studies is Tohoku Public Benefit Fund which seed money is donation from individual, Nonprofits and Corporations. The other is The Mitsubishi Corporation Disaster Relief Foundation which established by the Mitsubishi Corporation. Its aim is to contribute to industry recovery and job creation in order to help achieve a stronger recovery for the afflicted regions.

Finally, it shows that problem and challenge of social investment. One of the most challenges was that not only financial capital but also human resources are necessary to address the local issues. Because stakeholders were so complicated in the disaster area, there were conflicted there. It was not easy to sustain the social business and scale up. It is find out the process of social innovation through the field study in Fukushima which purpose is to promote understanding the natural energy and education for the pupils through the experience learning. Moreover, it is
summarized possibility of social finance for the resilience from disasters.

References
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