

**Shibusawa Eiichi's Wide-ranging Involvement
in Relief Efforts Following the Great Kanto Earthquake:
The Need for Speed and the Power of the Private Sector¹**

Atsushi MORIYA

First of all, I would like to extend my deepest condolences to the victims of the Tohoku Earthquake and my sympathy to families who have lost loved ones.

My father is from the town of Kesenuma, the scene of such great damage, and is a tourism ambassador to the city. Naturally I have many relatives there and I myself spent my summer vacations there as a child. In fact only two months ago I went to Kesenuma to give a speech and spoke with the mayor and others.

On the evening of the 11th, when I saw images of Kesenuma covered in fires, I was unable to contain my emotions. Miraculously I have been able to confirm the safety of all of my relatives. I feel a deep gratitude for those who, even now, beset by cold weather and continuing aftershocks, work tirelessly in relief work in the area.

I hope this special look at the actions of Shibusawa Eiichi following the Great Kanto Earthquake will offer suggestions for Japan in moving forward from the recent disaster.

Eiichi Narrowly Escapes Danger

On September 1, 1923, when Japan was hit by the Great Kanto Earthquake, Eiichi was at work at the Shibusawa office in Kabuto-cho. He was 83 years old.

His office building had been designed by Tatsuno Kingo, famous for designing such buildings as Tokyo Station. Despite Kingo's reputation, however, the earthquake was so strong that the building was damaged both outside and in – particularly the chandelier, mirrors, and rain gutters. Eiichi was saved by an assistant in the nick of time and took refuge temporarily in the Dai-ichi Bank next door. He then made his way through what is now Jimbocho and Hongo, then Komagome, and finally reached his home in Oji.

Eiichi would later regret that he had not realized the danger of fires springing up after the earthquake. His office had held 3000 valuable documents related to Tokugawa Yoshinobu, 228 versions of *The Analects of Confucius*, letters exchanged between Eiichi and the elder statesmen of the Meiji period (1868-1912), and other important documents but all were reduced to ashes in the fires that followed the earthquake.

Having reached home, Eiichi was urged to evacuate temporarily to his hometown of Fukaya because of his advanced age of 83 years and the worries of aftershocks and fires. Eiichi responded by saying: “helping at a time like this can give an old man like me a reason to live.”

I hope that when I myself am 80 I too will have the strength of conviction to say something similar. The versatile Eiichi used these words as a starting point for his actions. Receiving a request for cooperation from the Home Minister Goto Shinpei, Eiichi became involved in relief and reconstruction work from within the private sector through the *Kyochokai* (Harmony Society) and the *Daishinsai Zengokai* (Great Earthquake Disaster Rehabilitation Association).

Harnessing the Power of the Private Sector

First let us take a look at the relief work of the *Kyochokai*, which was already in existence at the time of the earthquake. The *Kyochokai* was established in 1919 to create harmony between laborers and capitalists, who were in deep opposition at the time. Eiichi was vice president and management of the organization was based on the central ideal of the collaboration of capital and labor. Goto Shinpei felt that this type of organization, representing both capitalists and laborers, could be effectively used for relief work.

Eiichi believed that “people should not die waiting while treatment is discussed” and decided to take action himself. He became involved in a wide variety of activities such as providing housing for victims, distributing emergency rice rations, establishing disaster information desks, erecting notice boards, and creating temporary hospitals.

To elaborate on their beliefs, Shinpei and Eiichi felt that the success of disaster relief attempts depended on speed. As such, they thought that the private sector, being relatively free of hierarchical networks, could be utilized effectively. In addition, since consulting others would waste time, they decided that Eiichi should take responsibility and act on his own judgment.

Eiichi was firmly against the idea of *okami-tanomi* (relying on one's superiors). For example, he did not believe that government should take first action, or that these matters were the responsibility of bureaucrats, or that he should wait for direction from the government on how to act. He believed that he should do whatever he could to help. Recognizing, however, that without some sort of systematization, efforts to help could end up actually hindering relief attempts, Eiichi systematized his efforts, first using systems already in place. I will investigate this in more depth later but first I want to give a clear picture of Eiichi's drive to draw on the independence of the public sector.

In addition to his other projects, Eiichi gathered with volunteers from the private sector on September 9 and formed the *Daishinsai Zengokai*. The *Zengokai* investigated funding needs and gathered donations accordingly. Projects they funded included the construction of orphanages and nurseries and the provision of assistance to foreigners affected by the disaster.

Eiichi believed in using all resources available to him to gather funds for reconstruction. He used his strong connections in foreign countries, particularly the United States. Making free use of the personal connections built during his three visits to the US, he sent telegrams requesting aid to a large number of people. Recipients of his requests included:

businessmen from large corporations (Gary, Wanamaker, Heinz), men from financial circles (Clark, Lamont, Strong, Vanderlip), Chamber of Commerce officials (Alexander, Lynch), and other prominent figures in the business world as well as important figures from church organizations (Gulick, Mott). They were likely chosen as they could mobilize groups appropriate to the collection of aid.²

As soon as Eiichi's acquaintances received his telegram they began to send money and goods, such as Gary who immediately sent ten thousand dollars.

Eiichi must have been surprised by the eventual outcome - American donations did not simply meet Japanese expectations but vastly exceeded them on an unimaginable scale.

The US Mobilizes to “Help Japan”

Hearing the news about the Great Kanto Earthquake, President Coolidge immediately issued relief orders. Specifically, he ordered the US naval fleet in Asia and troops stationed in the Philippines to make for Japan at top speed. He cleared the schedules for a month of all steamships of companies that operated along routes in the Pacific Ocean and had them carry relief supplies instead of their usual cargo. He also called upon the American Red Cross for assistance.

Moreover, the president personally headed the appeal for donations.

An overwhelming disaster has overtaken the people of the friendly nation of Japan. While its extent has not as yet been officially reported, enough is known to justify the statement that the cities of Tokio [sic] and Yokohama, and surrounding towns and villages, have been largely if not completely destroyed by earthquake, fire and flood, with a resultant appalling loss of life and destitution and distress, requiring measures of urgent relief.³

I am prompted to appeal urgently to the American people, whose sympathies have always been so comprehensive, to contribute in aiding the unfortunate and in giving relief to the people of Japan.⁴

People across the United States, caught up in “helping Japan,” responded to appeals such as this and contributed over 10.6 million dollars. In addition to monetary donations, the US also sent significant amounts of medical supplies to Japan.

Before the earthquake, there had been 172 hospitals with 8600 beds in Tokyo and its suburbs. Of those, 5700 beds in 115 hospitals were destroyed in the earthquake. American relief groups provided materials for a total of 6000 beds and cots in 68 hospitals and tents.⁵

So why was it that the United States provided such large-scale aid to Japan? One reason is that American leadership saw it as an opportunity to be proactive and improve deteriorating Japanese-American relations. Another reason lies in a certain event of 17 years earlier, an event in which Shibusawa Eiichi had been involved.

“Payback” for San Francisco

San Francisco was struck by a large earthquake on April 18, 1906 and the city was largely destroyed in the fires that followed. At the time Japanese American relations were deteriorating as San Francisco and the rest of the West Coast grappled with opposition to Japanese immigration.

Following the earthquake, the Meiji Emperor himself donated two hundred thousand yen and Japanese financiers moved to support San Francisco. The central role in this endeavor was, of course, played by Eiichi. Not all big businessmen responded willingly with donations, however. There were those who tried to refuse using Friedman-esque reasoning such as “it is very strange that someone involved in profit-making enterprises would give money for social programs and it would be very difficult for me to withdraw such money from the bank.”

Eiichi is said to have responded forcefully with the argument “isn’t it a matter of course that business men would provide the necessary funds just as with useful projects such as public works?”

This argument is characteristic of Eiichi, the father of CSR in Japan. All of the donations gathered in Japan in this fashion amounted to over two hundred and forty six thousand dollars, a great sum that surpassed the total amount of donations from any other foreign country. Thus the enormous amount of aid from the US at the time of the Great Kanto Earthquake could be seen as a repayment. In the end, donations to Japan from the West Coast region totaled triple initial goals.

This story is happening again right now, with international organizations and countries all over the world responding to the disaster in Japan by sending messages and other

types of support and encouragement, saying that it is now the turn of the world to repay Japan for all its contributions on the international stage.

Finally, given the current situation in Japan, I would like to share a heartwarming story.

Thomas Lamont of J.P. Morgan responded to the Japan appeal and guaranteed the Japanese government three hundred million yen of foreign investment for reconstruction after the disaster. Under the leadership of J.P. Morgan, private American banks began underwriting loans to the cities of Tokyo and Yokohama. Lamont even said “I want to prove that Japan is a country worthy of our trust. For 2584 years, since the time of Emperor Jimmu, Japan has been a country that has not shirked payment of principal and interest on foreign loans.”⁶

This international trust of Japan is an asset, one that this author feels is still in evidence, even in our modern society. Reconstruction of the areas affected by the disaster and of Japan as a whole will require utilization of all the resources that Japan has cultivated and the efforts of individuals doing all they personally can.

Author’s note: Apart from the works referenced, this text is largely based on *Shibusawa Eiichi to Kanto daishinsai: fukko he no manazashi*. (Shibusawa Eiichi and the Great Kanto Earthquake: Looking Towards Reconstruction) [Shibusawa Memorial Museum, Shibusawa Eiichi Memorial Foundation]. I would like to note my debt to this work.

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² George Oshiro, “Kanto daishinsai: Kojin reberu no kokusai shinzen to yuko (The Great Kanto Earthquake: International Goodwill and Friendship on a Personal Level),” *Koeki no tsuikyusha – Shibusawa Eiichi (In Pursuit of Public Good – Shibusawa Eiichi)*, (Tokyo: Yamakawa Shuppansha, 1999) 174.

³ Quotation in Japanese from Masaru Hatano and Akiko Iimori, *Kanto daishinsai to nichibei gaiko (The Great Kanto Earthquake and Japanese-American Diplomatic Relations)*, (Tokyo: Soshisha, 1999) 138. Original English as appeared in “President Coolidge’s Appeal to Americans To Relieve Distress in Japanese Earthquake,” *The New York Times*, September 4, 1923.

⁴ Quotation in Japanese from Hatano and Iimori, 138. Original English as appeared in *The New York Times*.

⁵ Hatano and Iimori, 164.

⁶ Masato Kimura, *Shibusawa Eiichi minkan keizai gaiko no soshisha (Shibusawa Eiichi: The Founder of Private Economic Diplomacy)*, (Tokyo: Chuko shinsho, 1991) 150.