



JCIE



Getting International Disaster Philanthropy Right: Lessons from Japan's 2011 Tsunami

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Japan Center for International Exchange

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The Japan Center for International Exchange (JCIE) is an independent, nonprofit, and nonpartisan policy institute that works to encourage deeper international cooperation in responding to regional and global challenges. Operating with offices in Tokyo and New York, JCIE sponsors policy research and dialogue on cutting-edge issues in international relations, leadership exchanges, and initiatives to strengthen the contributions of civil society to domestic and international governance.

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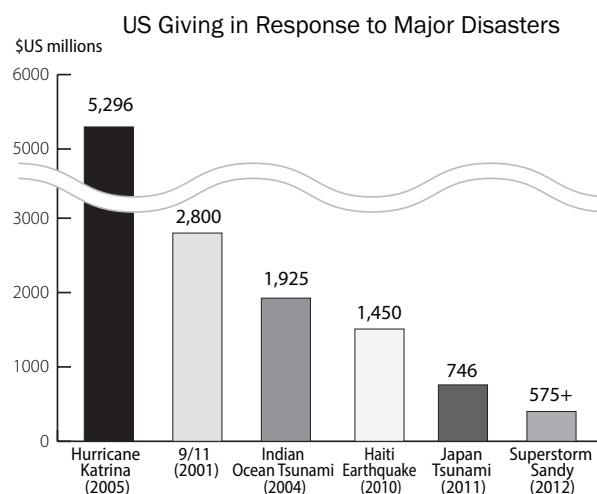
AMERICA'S PHILANTHROPIC RESPONSE TO 3/11

THE MASSIVE earthquake and tsunami that struck Japan on March 11, 2011, precipitating the Fukushima nuclear meltdown, killed more than 18,000 people and displaced nearly half a million residents. This triggered one of the largest outpourings of charitable giving that the world has ever seen, as tens of thousands of groups around the globe rushed to help people in the disaster zone. A wide range of organizations in the United States mobilized to raise money for Japan, but their response differed significantly from what had been seen with other large-scale overseas disasters in recent years, largely because the crisis occurred in a rich, developed nation rather than a developing country. Looking back at what happened, it is clear that there are many lessons to be drawn from the successes and failures of this philanthropic response, lessons that can help us respond more effectively the next time a large-scale disaster strikes overseas, and especially if it occurs in another developed country.

Background

In the five years since March 11, 2011, groups and individuals in the United States have donated more than \$746.1 million to support relief and recovery efforts.¹ As a result, the philanthropic response to “3/11” stands out as one of the greatest outpourings of private American giving for any disaster—domestic or overseas—and the largest charitable response in US history to a disaster in another developed country.

This philanthropic response is important not just as a reflection of the goodwill that the people in one country harbored toward those in another, but also as an indication of the importance of disaster philanthropy and the growing clout of the non-governmental sector. While the public perception is that national governments and UN agencies dominate the international response to large-scale international disasters, the role of private donors and nongovernmental organizations (NGOs) has been expanding for some time. This trend was already apparent after the 2004 Indian Ocean tsunami, when almost 40 percent of the \$14 billion in pledged overseas aid



Note: The figure for Superstorm Sandy is from the New York State Attorney General's Office and should be considered a rough estimate. Other figures, excluding that for Japan, are from the University of Indiana's Center on Philanthropy.

came from private donations.² Similarly, nearly 40 percent of all overseas pledges after the Haiti earthquake were from private donors, although this likely undercounts total private giving for the disaster.³

But the role of private giving became even more pronounced in the overseas response to 3/11. At nearly \$750 million, private-sector donations from the United States alone outpaced the roughly \$740 million contributed to Japan by all of the governments around the world.⁴

Who Responded?

A surprisingly broad and diverse group of organizations raised funds for the 3/11 response. A 2016 JCIE survey found that at least 480 US-based nonprofit organizations and fundraising campaigns channeled funds directly to Japanese organizations or individuals, with thousands more collecting funds that were then handed off to these groups to send to Japan. At least 136 of these groups raised more than \$100,000 each, and 48 of them collected at least \$1 million apiece.

Most of these groups fall into one of three distinct categories. One set consists of the professional **humanitarian assistance organizations** that are accustomed to mobilizing rapidly to deliver aid for crises around the world, usually by dispatching staff and providing direct assistance. These include groups such as the American Red Cross, Save the Children, World Vision, and Mercy Corps. Thanks in part to their strong name recognition, reputation for knowing how to respond to disasters, and institutional ability to quickly fundraise for crises, they collected the bulk of the funds donated by Americans for 3/11, accounting for more than \$500 million of the total. Of this, \$312 million went through the American Red Cross to a fund established by the Japan Red Cross Society; another half dozen humanitarian groups raised more than \$10 million and nearly 20 more collected at least \$1 million apiece.

A second, smaller set is made up of **philanthropic intermediaries**, organizations that specialize in collecting donations and regranting them. This encompasses more traditional groups like United Way, as well as some new, tech-savvy organizations such as GlobalGiving that facilitate online giving. These groups channeled more than \$27 million to Japan for the response.

The third set, meanwhile, consists of **Japan-related organizations** in the United States, including Japan-America societies, Japanese expatriate communities' chambers of commerce, Japanese-American associations, and even several policy institutes that focus on US-Japan relations. These country-specific groups played a more substantial role than their equivalents had in previous disaster responses, such as the efforts following the Indian Ocean tsunami or the Haiti Earthquake. Overall, more than 75 US-Japan groups launched their own relief funds, together collecting more than \$51 million to distribute in Japan. Twelve of the 48 groups that raised over \$1 million each were from these country-specific groups.

Other types of organizations that were prominent in the response included religious organizations and grassroots exchange groups. While many faith-based organizations, such as Catholic Relief Services and the United Methodist Committee on Relief, carried out activities that are best categorized with the work of general humanitarian groups, a subset of US religious groups focused more on missionary work and assistance for church rebuilding with only a limited humanitarian component. Also, nearly 100 municipalities that have sister cities in Japan launched fundraising campaigns after 3/11, collecting more than \$2.4 million in disaster funds that were then channeled through their sister cities in Japan.

Notable Characteristics of the Response

The US outpouring of support for 3/11 differed from previous disaster responses in a number of ways. To some extent, this was because of factors unique to the US-Japan relationship, but it was also because the practices and technologies that propel disaster philanthropy have evolved considerably in recent years.

1. Unlike previous incidents of overseas disaster philanthropy, this time it was triggered by a disaster in a developed country. This helped in some ways and hurt in others.

Almost all of the previous large outpourings of American giving for overseas disasters had been directed at developing countries, but this time support was for another advanced economy with a strong societal infrastructure. This had three important implications.

First, the dense web of ties that have developed between American and Japanese societies in recent decades seems to have driven the philanthropic response, making it larger and more intense. Strong business connections; people-to-people ties; and institutional linkages between groups dedicated to bilateral exchange, ethnic ties, and cultural activities seem to have motivated much of the giving.

Second, most donations took the form of cash rather than in-kind goods. JCIE's survey found that the latter accounted for just 2.3 percent of total US giving. In the early days, there was a scramble among some American organizations to ship food, medical supplies, gasoline, and even socks to Japan. However, many of these efforts were aborted when donors realized that the problem was not a domestic shortage of supplies but rather the destruction of the local transportation infrastructure and distribution networks.

Third, one critical difference was that the traditional humanitarian structures that are seen in developing countries accustomed to receiving outside assistance were not in place in the case of Japan. When humanitarian NGOs respond to a disaster in a developing country, they often have representative offices that provide local expertise to guide their grant-making and they can repurpose pre-existing arrangements such as the country-level "cluster system" for donor coordination. Also, the national and local governments on the receiving side tend to have procedures in place for accepting outside support. However, these structures were naturally lacking in Japan, meaning that those trying to help had to devise systems for distributing aid and coordinate their efforts on the fly.

2. Funds took a long time to reach Japan . . . which was a good thing.

Funds tended to go through a long, winding path to reach Japan. Around the United States, tens of thousands of community groups, churches, schools, and individuals launched fundraising drives without knowing how donations would ultimately be used, and then they handed these funds off to larger groups that they felt would be better equipped to get them to the disaster zone. In many cases, these funds then passed through a chain of organizations before eventually making it to Japan—in contrast to previous disasters, where a larger proportion of funds tended to flow to a small group of well-known organizations.

The measures that each US organization in the chain took to screen the groups to which they were handing off their donations delayed the disbursement of these funds to Japanese groups by months or even years. This, however, proved to be fortuitous in the end. While many of the US organizations that raised funds originally intended to support immediate relief activities, there were already sufficient government and private sector resources in Japan for that purpose. The delay meant that the vast majority of US donations ended up being used for long-term recovery initiatives by Japan-based nonprofit organizations, where the needs were far greater.

Incidentally, the 3/11 response was also notable in the sense that there was very little fraud or misuse of charitable funds. While a number of fraudulent fundraising websites were launched on the US side immediately after the disaster, there were no major nonprofit scandals in Japan involving international donors, no Japanese NGO executives were caught lining their pockets, and few major misuses of charitable funds have come to light.

3. US donations ended up playing a crucial role in supporting Japan's nonprofit sector.

Compared with funds coming from domestic Japanese donors, US contributions tended to focus heavily on supporting nonprofit activities. Japanese citizens gave more for this disaster than ever in history, but nearly 85 percent of domestic contributions in the initial two years were made to government agencies or the country's traditional *gienkin* funds, quasigovernmental undertakings that give cash payments directly to survivors.⁵ In contrast, more than 90 percent of contributions from the United States were used for nonprofit activities.⁶

While it is difficult to get a clear picture of the overall size of the pool of donations available to Japanese nonprofit organizations working on the response, a rough estimate is that, at least for the initial two years, US donors ended up accounting for as much as one-quarter to one-third of total private giving to support the Japanese nonprofit sector's response to the disaster—a remarkable share by any measure.⁷ Considering the key role that Japanese NGOs have played, it seems clear that American contributions helped to fill an important gap.

CHALLENGES & ISSUES IN THE RESPONSE

THE EXTRAORDINARY philanthropic response to 3/11 demonstrated just how important overseas disaster philanthropy has become and how much of an impact it can have in helping communities recover. All the same, US groups and their Japanese partners confronted a number of major challenges that hindered their efficacy and required them to invest more time and energy than they anticipated. These issues may have loomed larger than normal in the Japan response, but most are not unique to 3/11. In fact, they are likely to recur when Americans and others respond to the next large-scale overseas disaster, particularly if it takes place in another developed country. Therefore, it is important that organizations likely to mobilize for future disasters and humanitarian crises learn from these challenges.

1. While each of the three sets of US donors brought particular strengths to the table, each also lacked important expertise in at least one area.

As one foundation executive declared in a seminar convened in connection to this report, “Everybody is an amateur when it comes to disaster philanthropy.” This was illustrated by the steep learning curve that faced each of the three main sets of US groups collecting donations for the 3/11 response.

The professional humanitarian assistance organizations that mobilized in the United States had a deep understanding of what was required to respond at the different stages of disasters and what the international standards were for doing so. However, most of these groups had limited knowledge of Japan and few connections to the Japanese government agencies and NGOs that were taking the lead in the response. Equally important, they tended to lack extensive grant-making experience, which proved crucial since overseas support for the disaster response in a developed country like Japan was bound to become more of a philanthropic effort than an exercise in direct humanitarian assistance.

Meanwhile, the second set of organizations—the philanthropic intermediaries—had a strong grasp of what was required to raise funds that could be re-granted to overseas organizations and how to do this in a deliberate and sustainable manner. They also had a good understanding of the art of grant-making, meaning that they recognized the importance of working in a collaborative manner with funding recipients to encourage them to formulate viable project plans. In addition, they were aware of the need to structure the funding process in a way that did not test the limits of already overstretched Japanese groups and insisted on injecting appropriate accountability and transparency requirements into funding proposals and grant agreements. However, they had a much weaker comprehension of the practices commonplace in Japan’s nonprofit sector, which was far less professionalized than in other developed countries, and they tended to have limited networks in Japan

and thus found it difficult to identify grantees. Also, they tended to be less familiar with the special needs of disaster response and community recovery than the professional humanitarian assistance NGOs.

The third set of groups, the Japan-related organizations, tended to have deep understanding of the dynamics of Japanese society, strong in-country networks, and staff and supporters with a personal commitment to working with Japan. Their language skills enabled them to go beyond English-speaking circles to access a much broader range of information and people. Yet, their knowledge of Japanese society did not necessarily extend to a deep understanding of how Japan's nonprofit sector operates. Moreover, with a few exceptions, they had little experience with international grant-making, and were forced to spend valuable time on basic steps such as discussing how to create application forms that would elicit crucial information from potential grantees but avoid overburdening them, learning about the US tax requirements and post-9/11 antiterrorism mandates governing international giving, and creating orderly processes to evaluate potential funding recipients. They also had to learn the basics of disaster response on the fly.

2. Donor coordination on the US side proved particularly challenging, especially between the different categories of groups.

Donor coordination is always difficult. But it proved even more challenging in the 3/11 response, in part because the disaster struck a developed country. When disasters occur in developing countries, the response is usually dominated by the types of professional humanitarian assistance organizations that are already running development programs in those countries. They have established mechanisms to facilitate information-sharing with one another. However, after 3/11, many groups that were not normally involved in disaster responses—and that did not know about one another—stepped up to play a role. In fact, nearly one-third of the 100 US organizations that raised the most funds for Japan had little or no previous experience with disaster philanthropy. The prominence of such groups, as well as the absence of the coordination mechanisms that would be common in developing countries, made the normal patterns of donor coordination insufficient.

Ultimately, the coordination that ended up emerging tended to take place within the three distinct types of groups and not between them. As they normally do for disasters in developing countries, USAID, the lead government agency for overseas humanitarian crises, and InterAction, the Washington DC–based umbrella organization for internationally oriented American humanitarian assistance and disaster relief NGOs, quickly began sharing information with each other as well as with the US Chamber of Commerce Business Civic Leadership Center. These three institutions formed a hub that relayed information among the US government, big business, and many of the major humanitarian assistance groups. However, there was no effort to reach out to the US-Japan organizations—at least not to those outside of the Washington DC area—nor to most of the philanthropic intermediaries.

Simultaneously, there were multiple efforts to share information among US-Japan exchange organizations, Asian-American groups, and a handful of organizations for Japanese expatriates. These included initiatives spearheaded in the first week after the disaster by JCIE, the Japan Society of New York, and the U.S.-Japan Council to convene meetings and disseminate information online for NGOs involved in the philanthropic response, as well as local initiatives in Seattle, New Orleans, and elsewhere. Even though some of these efforts grew to be quite extensive, involving dozens of organizations, they tended to operate in an ad hoc manner and depended heavily on personal connections.

Indeed, thanks to fortuitous personal connections, some of the major philanthropic intermediaries, namely Give2Asia and Global Giving, were eventually brought into the Japan-related organizations' coordination efforts. However, there was never any systematic exchange of information between the country-specific groups and the circle of humanitarian assistance NGOs that were playing such an important role in the 3/11 response. The lack of communication between the circles of humanitarian assistance organizations and the Japan-related groups was not because either side wanted to exclude the other, but simply because each was hardly aware of what the other was doing.

3. Existing networks between US donors and potential partners in Japan were lacking.

Another major challenge arose because most of the American organizations carrying out initiatives in Japan knew very little about who was who in Japan's nonprofit sector and they were surprised at how difficult it was to find appropriate grantees in Japan who were willing and able to submit funding requests. This was due, in large part, to a paucity of ties among American and Japanese NGOs, particularly those in the field of humanitarian assistance. As a result, many US groups felt most comfortable re-granting their funds to other American groups, or to affiliates of overseas organizations that were operating in Japan.

4. It was difficult for US groups and other overseas donors to get involved in Japan-side coordination efforts.

When disasters occur in developing countries, the UN-led "cluster system" is mobilized to promote coordination among overseas humanitarian groups, UN agencies, the host government, and domestic civil society. This builds on pre-existing coordination among key actors that are implementing development assistance programs, bringing together clusters of actors that specialize in such specific issues as health, nutrition, or shelter. Each cluster is led by predetermined organizations, and they have regular meetings to share information and to consult on how to avoid overlap between the groups' programs. While the cluster approach has problems of its own, at least it provides a coordination mechanism that can be activated as soon as a disaster strikes and a contact point for new actors that get involved in the response.

However, developed countries are not accustomed to receiving overseas aid and thus, as was the case in Japan, tend not to have any established system for having overseas humanitarian groups and donors coordinate with domestic responders. In the case of 3/11, the normal difficulties that any developed country would have in receiving assistance from overseas NGOs were amplified by the fact that Japan's domestic nonprofit sector lacked a strong system for domestic disaster coordination. There were almost no established mechanisms at the national level to help independent nonprofit groups coordinate their responses with one another.

Moreover, the nonprofit organizations in Japan with the strongest professional capacity to respond to massive disasters tended to be internationally oriented humanitarian groups with little or no experience operating domestically. When they shifted their focus to respond to a crisis in their own country and looked for coordinating mechanisms, the most familiar and capable institutions they could turn to were those designed to support Japanese groups when they worked outside of the country in the developing world—organizations like the Japan NGO Center for International Cooperation (JANIC) and the Japan Platform initiative that channels overseas development assistance through Japanese NGOs. Naturally, these were not well-suited for domestic coordination. And they had enough difficulty just reorienting themselves to work domestically without having to take on the extra burden of trying to integrate overseas groups into their coordination efforts.

5. The weakness of Japan's nonprofit sector made it harder to respond.

US donors quickly learned that the institutional capacity of Japan's nonprofit sector is considerably weaker than what they are accustomed to at home and in other developed countries. This made it much harder to give away their money and track how it was used. It is always difficult for nonprofit groups affected by major disasters to quickly pull together strong funding requests, but this was made even more challenging by the lack of staff and professional expertise that bedevils most Japanese nonprofit organizations. Japanese nonprofits also tend to lack large accounting departments and usually do not have staff who specialize just in communications or program monitoring, making it much more challenging for them to regularly report to US donors on the progress of their programs.

6. Donor and grantee expectations often diverged significantly.

American and Japanese organizations were challenged by wide expectation gaps, vastly differing communication styles, cultural misunderstandings, and Japanese NGOs' lack of institutional capacity. This compelled many of the US organizations attempting to distribute funding for the disaster response to give up on their

initial plans to channel money through Japanese intermediaries or disburse it solely to one organization, and instead to carve out a more active role in identifying and evaluating grantees.

7. US donors faced time pressures to end their grant-making even while recovery needs persisted.

Recoveries from major disasters tend to take a long time. Full recovery from the 1995 Kobe Earthquake took 15 years; New Orleans is still dealing with the aftermath of Hurricane Katrina, which struck in 2005; and five years after 3/11, in early 2016, nearly 100,000 Japanese were still living in temporary housing. This makes it crucial for donors to put aside funds for the long-term recovery, not just spend everything down for initial relief efforts. Yet US funders still focus overwhelmingly on the initial response effort—in 2013, for instance, 42.4 percent of all US foundation funding for disasters went for immediate response and relief efforts while just 18.7 percent was directed toward reconstruction and recovery.⁸

To their credit, many of the large US donors involved in the 3/11 response allocated their funds for multiple years. However, by the end of the second year, in early 2013, almost all US groups who created Japan funds were facing pressure from their boards, donors, and other stakeholders to finalize the allocation of their funds and prepare to exit the scene. This was especially true for the organizations that had strayed from their core missions in operating relief funds for Japan, which includes virtually every major American group involved in the 3/11 response. Most of the large Japan programs run by US groups were wound down by the end of the third year, and almost all closed by the fifth anniversary. Japanese corporations and individuals also decreased their disaster giving year after year, helping to create a “five-year cliff” for nonprofit organizations in 2016, when most of their multiyear grants cycled out and new resources proved hard to find.

8. Overseas giving was overly concentrated in some sectors, with other areas left underfunded.

A large amount of funding, both from the United States and from Japan, went for activities that were easy to comprehend and had sentimental appeal, even when

there was greater need in other areas. For instance, JCIE’s survey found that more than three times as many grants were given to support children and childcare in the disaster zone as to help senior citizens, even though the Tohoku region is characterized by a rapidly aging population with more than twice as many senior citizens than children.⁹ Similarly, it was difficult for Japanese nonprofit organizations to find funding for capacity building and efforts that would help them respond more effectively, although US donors proved considerably more willing to provide this type of strategic funding than Japanese donors.

9. There was a need for flexibility in grant-making to accommodate a rapidly evolving situation.

The weakness of Japan’s nonprofit sector, the unprecedented magnitude of the disaster, and the fact that many of the challenges that arose in the disaster response involved interconnected, “blended issues”—i.e., cases where interventions in one issue area, say psychosocial care, require consideration of a wide range of other related issues, such as economic revitalization, the aging of the population, etc.—made it extremely important for donors to be flexible in their giving.

Fortunately, Japanese NGO leaders report that the US donors they worked with on the 3/11 response stood out for being particularly understanding of the need for flexibility and willing to trust the judgment of the Japanese groups to allocate funds and adjust programs to meet changing needs on the ground.¹⁰

In some cases, however, Japanese organizations did not take full advantage of this flexibility due to preconceived notions that US funders were stricter than they are. For instance, many Japanese groups limited the amount that they requested for personnel or overhead expenses in keeping with customary Japanese nonprofit budgetary practices, which often do not adequately cover actual operating costs even under normal circumstances. All too often, US donors failed to recognize that this was happening and therefore did not press their Japanese partners to take sufficient funding to cover their indirect expenses. In addition, in many other cases US donors insisted on imposing international standards for accountability and governance on the Japanese partners, despite the limited institutional capacity of those nonprofits to live up to these standards.

RECOMMENDATIONS: LESSONS FROM 3/11

THE EXPERIENCES of international donors in the aftermath of 3/11 yield many lessons that will come in handy when responding to future large-scale disasters overseas, particularly those that occur in developed countries that, like Japan, are ill-equipped to accept outside help. The following 12 recommendations build upon those lessons.

Identifying partners and coordinating effectively

1. Build up and maintain ties between likely responders

The presence or lack of pre-existing ties between US donors and Japanese grantees made a big difference in the efficacy of funding. There are a number of strategies that organizations likely to respond to future disasters can take to build and maintain these types of ties with potential overseas partners before the next disaster strikes. For instance, US humanitarian groups that mobilized for the 3/11 response can maintain their relations with Japanese partners by devising ways to implement small-scale joint projects together in developing countries to maintain institutional ties and build patterns of cooperation. Similarly, they can continue the momentum that started with 3/11 by partnering with Japanese organizations on disaster risk reduction initiatives in Japan or elsewhere.

2. Invest in laying the groundwork for donor coordination on developed country disasters

Donor coordination is always difficult, especially during crises, but those involved in disaster philanthropy should be aware that some aspects are likely to be even more challenging for disasters in developed countries. This makes it particularly important for the domestic umbrella associations that normally facilitate coordination for overseas responses—for instance, in the case of humanitarian groups, InterAction on the US side and JANIC (and, increasingly, Japan Platform) in Japan—to maintain regular ties with one another. Accordingly, a modest amount of funding to allow humanitarian organizations, philanthropy support centers, and others to maintain global nongovernmental networks can go a long way.

3. Be more aware of who is likely to respond to large-scale disasters in developed countries.

The 3/11 experience demonstrated that, since developed countries tend to have extensive economic, nonprofit, and people-to-people linkages with one another, a broader and more diverse array of organizations are likely respond when massive disasters

strike rich nations. This has been amplified in recent years, as the growth of online donations and social media has made disaster fundraising easier. Therefore, in the future, it would be helpful if the US government agencies like USAID and the major humanitarian organizations, which already engage in information sharing with one another, were more aware of the important role played by the other kinds of US groups that are likely to raise funds for developed country disasters—especially country-specific groups and philanthropic intermediaries. Also, it may help for a center or institute that studies disaster philanthropy to take on the role of more systematically tracking the wide range of actors responding to the disaster and serve as a central clearinghouse in sharing information online that can support their responses and enable collaboration.

4. Create a clearinghouse of basic educational resources on disaster philanthropy

In the case of 3/11, many organizations that had little experience with international grant-making raised substantial funds and then struggled to figure out how to distribute them. This was particularly true for country-specific groups such as US-Japan exchange organizations, Japanese-American groups, and business associations for the Japanese expatriate community in the United States. This pattern is likely to continue in the future, especially when large-scale disasters strike developed countries. It is easy to envision a wide range of US-German groups launching disaster funds for a large-scale tragedy in Munich, or US-Korea groups stepping up if a massive earthquake strikes Seoul. Therefore, it would be helpful to have a reliable online resource center that distributes basic information on what organizations should consider before launching disaster funds, guides on how to effectively engage in disaster philanthropy, information on the legal issues related to overseas grant-making, and templates for the basic documents that are needed to comply with regulations governing overseas giving.

5. Consider investing through local intermediaries

Local philanthropic intermediaries, such as community foundations, play a crucial role when disasters strike in developed countries. They are often able to make grant-making more effective and meaningful when overseas donors lack the cultural knowledge and on-the-ground networks needed to operate in a disaster

zone. This means it is important to support international networking among community foundations and other philanthropic intermediaries during “peacetime.” It would be particularly helpful if these networking initiatives included a focus on best practices for disaster philanthropy in this international networking.

Being better donors

6. Remember to respect partners’ wisdom and autonomy

Many overseas organizations responding to 3/11 acted with admirable restraint. Yet a common refrain from donors and funding recipients alike has been that donors need to make even greater efforts to respect the judgment of their partners, as well as their independence. This means that in order to avoid pushing donations and supplies on groups that really do not want them, donors must listen carefully to groups that may be hesitant to say “no” to them. Even more critically, it is important to be careful not to pressure grantees to accept volunteers, which can easily divert time and energy away from their mission of providing professional interventions.

7. Be more strategic in allocating funds

Donors who were active in the 3/11 response stress the need to be strategic in giving for future disasters. For one, this entails focusing on the long term by putting more funding into recovery initiatives and disaster risk reduction than into immediate relief efforts, especially when responding in developed countries that have the governmental and private resources to handle relief needs. This also requires relying more on needs assessments than emotional appeal in order to direct funding to areas where it can be most effective. For instance, more strategic approaches in Japan would have shifted funding from programs targeting children to those involving senior citizens.

Taking a strategic approach also entails thinking deeply about the size and number of grants to make. Many 3/11 funders decided to make a large number of small-scale grants. In some cases this was because they concluded that large sums of money would overwhelm the institutional capacity of the relatively small groups they were trying to support. But in other cases it was because being involved with a diverse group of projects in many fields was likely to look more impressive

to their board or their donors, or because it would allow them to hedge their bets so that having one project fail would not mean that a substantial portion of their grant portfolio appeared unsuccessful. In contrast, other groups found that giving large, multiyear donations to only a handful of key partners allowed them to be more careful in screening and monitoring their investments, and it also gave them the opportunity to share more of their unique technical expertise with their partners.

8. Invest more in collecting and utilizing data

Having better data can bring much-needed discipline to disaster philanthropy. Donors involved in 3/11 and other recent disasters felt that accurate data on what the broader community of funders was doing would have been a useful tool for identifying those areas and issues receiving too little funding and for understanding where too much funding was going. This underscores how important it is for foundations and others to regularly invest in data-collection initiatives focused on disaster philanthropy and to encourage them to extend their analysis beyond the easily identifiable “usual suspects” that can be expected to be active in most overseas disasters to also include the new types of actors that played a role in the 3/11 response.

Taking better care of grantees . . . and of grant-makers

9. Make it easier for grantees to apply

It is important for donors to consider how they can ease the burden on grantees, especially when operating in a crisis situation in which the staff of grantee organizations are overstretched and exhausted. One step that might have been helpful in the early stages of the 3/11 response would have been to have a single, short application form that many of the major funders would be willing to accept as a funding request. The possibility of a uniform one-page application was explored in the months after 3/11 but it never advanced because of the difficulties in formulating one that was culturally appropriate and that a wide range of donors would be willing to switch to after they had already begun their grant-making. However, it would be useful to explore the development of a uniform application form in advance of the next major disaster so it could be adopted by donors before they launch their disaster funds.

10. Help build grantees' institutional capacity

The relative underdevelopment of Japan's nonprofit sector left many donors frustrated that even though Japan is a rich, developed country, local groups struggled to meet international standards of nonprofit accountability and governance. Reflecting on 3/11, Japanese NGO leaders emphasized that in such cases it is critical for overseas donors to be patient and focus on helping grantees build up their capacity rather than walking away and channeling their funds to the small subset of groups that did meet those standards. In fact, the US donors that displayed considerable patience and invested in institutional capacity building for their Japanese partners seemed to be the ones that had the greatest impact over the long run.

11. Insist on covering sufficient administrative and overhead costs

US funders that ran successful 3/11 initiatives came away feeling that it is the responsibility of donors to encourage grantees to request sufficient funding to cover overhead and other indirect expenses when they fail to do so themselves. Similarly, many noted that it is important that organizations raising funds for disasters—and especially those that are not normally involved in disaster philanthropy—take administrative fees to cover their own costs in order to ensure that they can justify dedicating the staff time needed to engage in careful grant-making.

12. Encourage grantees to undertake evaluations

Although many 3/11 grantees were initially leery of evaluations, a number of donors who ran long-term disaster programs found it particularly useful to encourage their partners to step back and engage in some sort of assessment of their activities. These proved particularly successful when donors waited until the initial crisis period had passed and then provided sufficient resources to enable their grantees to take part in retreats or other travel outside of the disaster zone that gave them an opportunity to reflect on their work and network with peers and potential partners while also recharging their batteries.

NOTES

1. JCIE, “US Giving for Japan Disaster Nears \$750 Million,” *Civil Society Monitor* (New York: JCIE, March 2016).
2. Michael Flint and Hugh Goyder, *Funding the Tsunami Response* (London, UK: Tsunami Evaluation Coalition, 2006), 15.
3. Financial Tracking Service, UN Office for the Coordination of Humanitarian Affairs (OCHA), “Haiti—Earthquakes—January 2010. Table B: Total Humanitarian Assistance per Donor,” Table ref# R24, <https://fts.unocha.org/pageloader.aspx?page=emerg-emergencyDetails&emergID=15797>. The OCHA Financial Tracking Service depends on self-reporting by donors, which is less accurate for nongovernmental donors than for the governments that are members of the UN system. In fact, more comprehensive surveys of US private giving by the University of Indiana’s Center on Philanthropy found \$1.45 billion in American private donations for Haiti, considerably more than the \$1.27 billion that OCHA estimates for all private donors worldwide.
4. The largest cash and in-kind donations from foreign governments totaled ¥60 billion, or roughly US\$740 million at the exchange rate at the time of disbursement. The Japanese Ministry of Foreign Affairs reported that there was ¥17.5 billion (US\$219 million at US\$1=¥80) in cash donations by foreign governments. In addition, there were a number of large in-kind donations, including ¥40 billion (US\$500 million) in oil donated by Kuwait and another 10,000 tons each of gasoline and diesel fuel at a market price of approximately US\$25–\$30 million that was donated by China. For further information, see Financial Tracking Service, OCHA, “Japan Emergencies for 2011: Total Humanitarian Funding per Donor in 2011,” Table ref# R24c and Ministry of Foreign Affairs of Japan, *Shogaikokura kara no bushi shien/kifukin* [In-kind and cash donations from various foreign countries], December 28, 2012.
5. This estimate is based on figures from the Japan Fundraising Association, *Kifu hakusho 2012* [Giving Japan 2012] (Tokyo, Japan: Japan Business Federation, 2012), 22.
6. JCIE, “US Giving for Japan Disaster Nears \$750 Million.”
7. Ibid.
8. *Measuring the State of Disaster Philanthropy: 2015* (New York: Foundation Center & Center for Disaster Philanthropy, 2016), 14.
9. The estimate of the number of grants is based on an internal JCIE database compiled as part of JCIE’s annual survey of US giving for Japan’s 2011 disaster response. In 2013, the population of senior citizens 65 years or older in the Tohoku region was estimated at 2.55 million while the child population—meaning 14 years of age or younger—was just 1.1 million. Tohoku Bureau of Economy, Trade & Industry, “Economic Overview of the Tohoku Region: 2015,” http://www.tohoku.meti.go.jp/s_kokusai/pdf/en.pdf, 6.
10. When interviewed for a JCIE report on US-Japan partnership in the 3/11 response, a number of Japanese NGO leaders explained that of all their donors, domestic and international, they have found it easiest to work with US organizations. James Gannon, *Strengthening US-Japan NGO Partnerships on Humanitarian Responses: Lessons from 3/11* (New York: JCIE, 2015), 13.

APPENDICES

APPENDIX A. 100 Largest US Fundraising Campaigns for the 3/11 Response

1	American Red Cross	\$312,000,000	33	Asian Access Life Ministries	\$2,714,783
2	Save the Children USA	\$26,152,702	34	U.S.-Japan Council	\$2,623,034
3	Samaritan's Purse	\$23,290,810	35	Lutheran Church–Missouri Synod	\$2,623,034
4	Catholic Relief Services	\$23,000,000	36	Project HOPE	\$1,991,202
5	Mercy Corps	\$16,000,000	37	Lions Club International Foundation	\$1,675,532
6	Japan Society of New York	\$14,017,036	38	Convoy of Hope	\$1,600,000
7	World Vision	\$14,000,000	39	Japanese Chamber of Commerce and Industry of Chicago	\$1,585,094
8	Latter-day Saints Charities	\$13,000,000	40	CARE USA	\$1,500,000
9	United Methodist Committee on Relief	\$12,408,216	41	Japan America Society of Southern California	\$1,500,000
10	GlobalGiving	\$10,687,021	42	Japanese American Association of NY	\$1,478,815
11	Salvation Army	\$9,896,524	43	Japanese Chamber of Commerce and Industry of New York	\$1,470,000
12	AmeriCares	\$8,800,000	44	Jewish Federations of North America	\$1,470,000
13	Give2Asia	\$8,596,486	45	Buddhist Churches of America	\$1,442,184
14	United States Fund for UNICEF	\$7,000,000	46	Habitat for Humanity	\$1,300,000
15	International Medical Corps	\$6,678,755	47	Rotary Foundation	\$1,108,500
16	Buddhist Tzu Chi Foundation	\$6,200,000	48	Japan Business Association of Southern California	\$1,100,000
17	Direct Relief International/JACL	\$6,034,328	49	Japan Disaster Relief Fund–Boston	\$982,409
18	Church World Service	\$5,093,515	50	Japanese Medical Society of America	\$954,900
19	Japan-America Society of Hawaii	\$4,474,241	51	Lutheran World Relief	\$932,955
20	Sasakawa Peace Foundation USA	\$4,398,578	52	Adventist Development and Relief	\$901,889
21	United Way Worldwide	\$4,159,373	53	Japan-America Society of Indiana	\$886,000
22	Architecture for Humanity	\$4,105,610	54	World Food Program USA	\$771,993
23	Japanese Cultural and Community Center of Northern California	\$4,048,571	55	Healing Hands International	\$717,658
24	International Rescue Committee	\$3,900,000	56	Humane Society of the United States	\$708,537
25	Operation Blessing International	\$3,370,000	57	World Monuments Fund	\$700,000
26	Peace Winds America	\$3,366,000	58	Medical Teams International	\$679,193
27	Japan Center for International Exchange	\$3,295,000	59	Christian Reformed World Relief Committee	\$675,932
28	Operation USA	\$3,134,053	60	Tides Foundation	\$639,281
29	K.I.D.S. (Kids in Distressed Situations)	\$3,000,000	61	Food for the Hungry	\$632,008
30	IFRC at the UN	\$2,994,956			
31	Evangelical Lutheran Church in America	\$2,900,000			
32	American Jewish Joint Distribution Committee	\$2,791,008			

62	Japan-America Society of Oregon	\$613,688	82	Japan Commerce Association of Washington DC	\$343,979
63	National Philanthropic Trust	\$610,147	83	Citizen Effect	\$333,558
64	City of Riverside/Sendai Relief Fund	\$589,472	84	World Relief Association of Evangelicals	\$326,297
65	ChildFund International	\$570,200	85	Japan-America Society of Georgia	\$322,291
66	Brother's Brother Foundation/ Japan-America Society of Pennsylvania	\$544,210	86	Evangelical Free Church of America	\$321,000
67	Silicon Valley Community Foundation	\$540,475	87	Taylor Anderson Memorial Fund/ St. Catherine's School	\$317,553
68	Japanese Chamber of Commerce of Southern California	\$540,000	88	Greater New Orleans Foundation	\$294,583
69	Asian Real Estate Association of America	\$500,000	89	YMCA	\$293,265
70	Baptist Global Response & International Mission Board	\$500,000	90	Reformed Church in America	\$292,149
71	American Baptist Churches USA	\$497,000	91	Miner Foundation	\$271,563
72	All Hands Volunteers	\$491,903	92	Islamic Relief USA	\$269,220
73	Institute for International Education	\$450,000	93	Japan Society of Northern California	\$267,000
74	Mennonite Central Committee	\$448,462	94	Christian and Missionary Alliance	\$266,000
75	International Orthodox Christian Charities	\$410,000	95	Unitarian Universalist Service Committee	\$253,297
76	Covenant World Relief	\$400,000	96	Fort Bragg Otsuchi Cultural Exchange Association	\$253,000
77	Giving Children Hope	\$397,410	97	iLeap	\$249,320
78	Alaska Fishing Industry Relief Mission	\$375,000	98	American Nuclear Society	\$245,000
79	Fashion Girls for Humanity	\$367,250	99	Japan America Society of Greater Philadelphia	\$230,000
80	Matthew 25: Ministries	\$358,263	100	Church of God USA	\$229,679
81	Help the Children	\$350,000			

APPENDIX B. About This Study

This report is the result of a study carried out by the Japan Center for International Exchange (JCIE) from March to May 2016 with support from the Japan Foundation Center for Global Partnership. Many of the key findings in the report draw on reflections offered by American and Japanese professionals involved in the 3/11 response who attended a forum held in New York City on April 21, 2016, on the topic of “The Role of the Global Community in International Disaster Responses: Lessons from US-Japan Cooperation on 3/11.” This event was co-organized by the Japan Society and JCIE and brought together 35 representatives of humanitarian assistance organizations, charitable foundations, and US-Japan groups, along with specialists in the emerging field of disaster philanthropy.

FORUM: “The Role of the Global Community in International Disaster Responses: Lessons from US-Japan Cooperation on 3/11.”

April 21, 2016

Agenda

Welcome Remarks

- Motoatsu Sakurai, President, Japan Society
- James Gannon, Executive Director, JCIE/USA

Session 1: Taking Stock 5 Years Later

- Betty Borden, Director of Innovators Network, Japan Society
- Atsuko Toko Fish, Trustee, Fish Family Foundation, Founder Japanese Women’s Leadership Initiative
- Randolph Martin, Humanitarian Consultant; former Director of Partnerships, Mercy Corps
- Charles Aanenson, CEO, Peace Winds America [Chair]

Session 2: Building on the 3/11 Experience

- Flozell Daniels Jr., President & CEO, Foundation for Louisiana
- Yuji Suzuki, Secretary General, Sanaburi Foundation
- Lawrence T. McGill, Vice President, Knowledge Services, Foundation Center
- James Gannon, Executive Director, JCIE/USA [Chair]

Participants

Charles Aanenson, CEO, Peace Winds America

Laura Winthrop Abbot, Senior Vice President, U.S.-Japan Council

Peggy Blumenthal, Senior Counselor to the President, Institute of International Education

Betty Borden, Director of Innovators Network, Japan Society

Mary Ann Celis, Associate Program Officer, Japan Foundation Center for Global Partnership (CGP)

Laura Cronin, Assistant Director of Development, The New School; former Director, Toshiba America Foundation

Flozell Daniels Jr., President & CEO, Foundation for Louisiana

Morgan De Santo, Program Manager for Asia, Caucasus and the Middle East, International Rescue Committee

Sean Escoffery, Program Director, Strong Local Economies, Surdna Foundation

Atsuko Toko Fish, Trustee, Fish Family Foundation; Co-founder, Japanese Women’s Leadership Initiative

James Gannon, Executive Director, JCIE/USA

Paul Hastings, Executive Director, Japan ICU Foundation

Osamu Honda, Director General, Japan Foundation, New York
David Janes, Director of Foundation Grants, U.S.-Japan Foundation
Fred Katayama, Anchor, Reuters Television
Kaede Kawauchi, Program Associate, JCIE/USA
Meriam Lobel, Curator, Exhibits and Program, 9/11 Tribute Center
Randy Martin, Humanitarian Consultant; former Director of Partnerships, Mercy Corps
Lawrence T. McGill, Vice President, Knowledge Services, Foundation Center
Emilie McGlone, International Coordinator, Peace Boat US
Fumiko Miyamoto, Senior Program Officer, Japan Society
Susan Onuma, President, Japanese American Association of New York; Partner, Ingram Yuzek Gainen
Carroll & Bertolotti, LLP
Yuka Nakamura, Assistant Vice President, Corporate Communications Group, Bank of Tokyo-Mitsubishi UFJ
Lesley Palmer, Head of Community Relations and CRA Officer, Mizuho Bank; Executive Director,
Mizuho USA Foundation
Yuki Poudyal, Operations Manager, JCIE/USA
Greg Ramm, Vice President, Humanitarian Response, Save the Children
Motoatsu Sakurai, President, Japan Society
Fumihito Shinohara, Vice Consul, Consulate General of Japan in New York
Yuji Suzuki, Executive Director, Sanaburi Foundation
Ayumi Takita, Director, Intellectual Exchange, CGP
Keiko Watanabe, Director of Global Health, JCIE/USA
Maya Wedemeyer, Program Associate, JCIE/USA
Crystal Wells, Roving Communications Officer, International Medical Corps
Lisa Wong, Associate Program Officer, CGP
Robert Yanagisawa, Assistant Professor, Mount Sinai School of Medicine; Vice President,
Japanese Medical Society of America



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