

**WHY HOUSEHOLDS PURCHASE EARTHQUAKE INSURANCE?
EVIDENCE FROM JAPAN AFTER THE GREAT EAST JAPAN
EARTHQUAKE**

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〈SUMMARY〉

We empirically analyze factors affecting earthquake insurance purchase by using households' data from Japan after the Great East Japan Earthquake. The results show that earthquake insurance purchase is positively related with loss control activities, savings and sensitivity to natural disasters. These results suggest that there is a wide gap between household sensitive to earthquake risks and those not. On the other hand, we do not find that earthquake insurance purchase is related to income level, resident area and disaster experience.