A Comparative Analysis on Philanthropy in East Asia: What Matters to the Practice of Philanthropy and Its Transformation?

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Objectives

Geographic and historical linkage among East Asian countries may provide us some common ground of philanthropy and civil society among them. However each country actually has quite unique and specific characteristics in the modern nonprofit structure and the practice of benevolence and generosity, and understanding of those distinctive modes of civil society will lead us to reconsider the values to be developed and challenges to face in cultural and socioeconomic contexts.

In this panel, we explore the philanthropy in East Asian countries; Japan, China, Taiwan, and Korea, and examine factors and situations affecting its dynamism and changes which happened in these countries. Reading their history, there seems different and similar factors encouraging philanthropy in these countries. Traditional festivity, philosophy of religion, and morality are those which influence people’s philanthropic behavior. In addition, some external national and global shocks are also considered as influencing nonprofit and philanthropic activities positively and negatively. Outbreak of disasters and monumental events were the trigger driving nations’ nonprofit and philanthropic activities. On the other hand, our civil society now faces the global structural change along with current great economic crisis, and the nonprofit sector is challenged how to cope with such dynamics of global and economic climate towards the mature and sustainable practice of philanthropy. Thus we not only examine determinants of people’s philanthropic behaviors but also discuss about the impact of such impacts within and beyond the economic crisis.

Outline

Four East Asian countries are focused on with introduction of recent trends and issues as well as interpretation of frameworks of the nonprofit sector from multi-dimensional perspectives and qualitative and quantitative analyses.

Japan

The paper studies the change and situation in public and nonprofit sphere in the time of global economic crisis, as well as examine the factors affecting Japanese individual and corporate philanthropic activities. Employing quantitative and qualitative methodologies, it also attempts to elucidate the phenomena and change in philanthropy in Japan, and several key implications will be expected to derive which include incentives for individual and corporate philanthropy, coping strategy for corporate social responsibility in the serious business climate, and social capital as ignition for philanthropy in time of crisis.

China

The paper reviews the transition of philanthropy and civil society in China along with the challenges which NPOs and NGOs have undergone, as well as revelation of key statistical facts and institutional issues such as the scale of nonprofit and voluntary sector, the level of giving and volunteering, the relations among government, corporations, and NPOs/NGOs, relevant legal system, and so on. Also, it explores challenges and opportunities which emerging nonprofit and nongovernmental organizations may face, particularly during the current economic crisis. There are unstable and questionable situations around the nonprofit
sector and people’s participation in activities. This study will contribute to grasp such notable uniqueness and challenges in philanthropy in China comprehensively, and draw some key implications.

**Taiwan**

This study explores influential factors in commitment to philanthropy in case of Taiwan as well as comprehend cultural, social, and economic backgrounds. Reviewing statistics and previous research, it carries out quantitative and qualitative analysis on Taiwanese philanthropy and impact of economics and social climates on civil society in Taiwan. An analytical survey on media coverage of nonprofit and philanthropic activities in Taiwan will also be attempted in order to collect and comprehend the impacts of social and economic events which turned out to be turning points and landmarks for transformation and evolution of Taiwanese civil society. Through this study, uniqueness of and opportunities for philanthropy and Taiwanese civil society will be explored, as well as hindrance and challenges it faces and will face in the future.

**Korea**

Even though a wide range of civil movements by nonprofit organizations have raised public awareness of the need for the nonprofit sector as a cooperative, and complementary mediator between the state and the market and have contributed to social cohesion and integration, the society still lacks active civil participation in donation and volunteer activities in Korea. This study reviews public discussions about the development of the Korean civil society, citizens’ active participation, and concerns about undemocratic internal governance and absence of sense of public responsibility. Conducting an empirical analysis on the patterns and characteristics of Korean giving behavior as one of key effective approaches, this study attempts to provide a picture of associative architecture of Korean philanthropic behaviors in cultural context, which will lay groundwork for more consistent, reliable and comprehensive studies on philanthropy in Korea.

Backgrounds and Objectives

Since the economic recession, GDP has been dramatically down, and the financial crisis has a negative impact on individual and corporate giving in Japan. While the financial tsunami appears to be the influence of the giving campaign, it results in the decline in the amount of giving but little change in the level of participation in giving. The reason seems to be related to the culture of giving in Japan, as well as tax and legal system which only provide small incentives for encouraging giving, and people’s growing attention toward the widening disparities and demands for stable provision of social welfare services.

On the other hand, recent economic crisis may influence philanthropy and the nonprofits sector. We might be more interested in corporate social responsibility in the time of crisis. Also, there may be economic fluctuations and potential for nonprofit sector since there is big potential to growth in nonprofit labor market which is still small. In addition, public policy toward the nonprofit sector under two main political party systems is at the center of attention since the Democratic Party and the current administration which came to power have more positive attitude toward the sector especially toward modern nonprofit structure. Such political change may not have a big influence on funding and opportunities for nonprofit organizations, but its impact will be more specific and significant together with the economic decline (Yamauchi ed., forthcoming).

Thus, we study the change and situation in public and nonprofit sphere in the time of global economic crisis, as well as examine the factors affecting Japanese individual and corporate philanthropic activities.

Research Questions and Methodology

In order to achieve the objective of this study, both quantitative and qualitative analysis will be conducted. The study will provide the latest picture of the Japanese nonprofit sector with the access to updated statistics in the middle of and post economic crisis, and some notable change in the sector will be forecasted (Statistics Bureau, Ministry of Internal Affairs and Communications website). Empirical analyses on the nonprofits and philanthropy are still in developing in Japan, and quantitative analysis of individual and corporate philanthropy will be performed in order to derive more specific and pragmatic approach to and implications for the practice.

This study will also explore external negative shocks beyond the crisis on philanthropy. We consider several dimensional aspects influential to the nonprofit sector and philanthropy, and make a comprehensive evaluation of the sector and its stakeholders so as to learn rewarding lessons from the current social and economic climate.

Key implications

This study attempts to elucidate the phenomena and change in philanthropy in Japan, and several key implications will be expected to derive. They include incentives for individual and corporate philanthropy, coping strategy for corporate social responsibility in the serious business climate, and social capital as ignition for philanthropy in time of crisis.

Reference

Statistics Bureau, Ministry of Internal Affairs and Communications
Yamauchi, Naoto ed. (forthcoming), The Japanese Nonprofit Almanac, OSIPP Center for Nonprofit Research and Information.
Philanthropy in China: Challenges and Opportunities under the Economic Crisis and Future Development

Backgrounds and Objectives

China has experienced political and economic dynamism for the past decades, and the transformation of regime has significant impacts on the rise and development of the nonprofit sector in the country. A rapid economic growth under the promotion of post-revolution policy towards the open economy has exposed many problems in the country's domestic social and economic structure. The government is now positively cooperative in working with nonprofit and nongovernmental organizations, and such trend has made it possible for those organizations work in terms of administrative operation, and given them qualification as public service providers and problem-solving organizations, as well as promoted their presence internationally and domestically. In 1990s, "NGO" was still unfamiliar in China, and influential power that NGOs themselves possessed in society was quite limited. However, hosting international high-profile conferences in the country promoted emergence of NGOs, and the United Nations' World Conference on Women held in 1995 was a landmark for China's civil society in terms of accelerating nation's public awareness on local-oriented activities that NPOs and NGOs committed. Also, China has seen the rapid increase in giving particularly in the last decade, and recent specific events in 2008 – particularly the Wenchuan earthquake in Sichuan and the Olympic Games in Beijing – enormously encourage nations' participation in philanthropic activities.

In this study, we review the transition of philanthropy and civil society in China along with the challenges which NPOs and NGOs have undergone, as well as revelation of key statistical facts and institutional issues such as the scale of nonprofit and voluntary sector, the level of giving and volunteering, the relations among government, corporations, and NPOs/NGOs, relevant legal system, and so on. Also, we explore challenges and opportunities which emerging nonprofit and nongovernmental organizations may face, particularly during the current economic crisis.

Research Design

We attempt to explore the uniqueness and dynamics of nonprofit and nongovernmental sector in China, as well as challenges and opportunities the sector may face, especially in the time of global economic crisis. As a workable approach to accomplish research objectives and comprehend the characteristics of philanthropy and nonprofit or nongovernmental activities in China, a comparative and empirical analysis will be conducted. Summing up findings from the previous landmark studies such as Li (2008), Wang, Li, and Okamuro (2002), Shigetomi (2001), and Zding (2001), our study analyze the sphere of activities and influences nonprofit and nongovernmental organizations expanded in historical, cultural, and political contexts. Furthermore, recent statistics demonstrate notable but still unstable movements of philanthropic activities in China (Ministry of Civil Affairs 2007a, 2007b). Our study therefore examines the backgrounds and characteristics of the current state of those activities, and weighs the consequences and problems affecting national and local philanthropic activities.

Expected key implications

Development of nonprofit and nongovernmental organizations and encouragement of philanthropy have gained public awareness on social and economic problems in China. On the other hand, there are unstable and questionable situations around the sector and people's participation in activities. Our study will contribute to grasp such notable uniqueness and challenges in philanthropy in China comprehensively, and for example, draw some key implications as follows;

• Weakened charitable resources which may increase competition for resources among NPOs and NGOs
• The crisis may force NPOs and NGOs to strengthen organizational capacity

• The crisis may increase NGO-state cooperation

• The problem of NPO/NGO capacity building, particularly in such areas as governance and fundraising, and the impact of the economic recession on NPO/NGO capacity

• How to promote the building of umbrella organizations of NGOs in China, including emerging networks as well as umbrella groups of NGO subsectors, such as environment and HIV/AIDS groups

• Improving the currently strict restraint of NPOs and NGOs by the government through developing the legal and policy framework for state-nonprofit relations and promoting cooperation between NPOs/NGOs and the government

• How to improve the management and quality of volunteer work after the great upsurge in volunteering during the 2008 Olympics and after the Wenchuan earthquake

• Strengthening NPO/NGO participation in policymaking.

Reference


Exploring the Uniqueness of and Opportunities for Philanthropy and Civil Society in Taiwan

Backgrounds and Objectives

Going through eras of significant change throughout society, Taiwan has confronted the establishment of its cultural and political modern democracy, and challenges of Taiwanese civil society for its national identity have been still powerful. Social movements for over the last two decades have encouraged organizations emerging for the new social revolution, and such movement was a driving force of development of the nonprofit sector in the country (Sakai 2007).

The nonprofit sector has gained a notable recognition in Taiwan. The number of nonprofit organizations has gradually and constantly increased, and the range of their activities has expanded. It is also notable that there are unique and active organizations which are engaged in devising policy recommendations as well as doing advocacy activities for policy making. On the other hand, it is said that the history under repressive political regimes have restricted nonprofit activities and the nonprofit organizations have not fully established their existence yet in terms of being public and autonomous, whereas the sector and the government have attempted to facilitate cooperative conversations (Shigetomi 2001, Yamauchi et al. 2009).

In addition to such historical backgrounds, Taiwanese civil society now seems to be challenged for how it will create and characterize public philanthropic capacity after experiencing national and global shocks. The flood disaster hit in Taiwan this summer enormously encouraged nations' participation in philanthropic activities. Cash donations reached over 13 billion new Taiwan dollars within one month after the flood, and two thirds of them went to nonprofit organizations. Also, it was estimated up to 148 thousand volunteers worked in disaster areas (Tzu-Chi Foundation website, Flow Inc website). Instead, nonprofit organizations have been forced to experience a decrease in regular donations not only by individuals but also corporations. Furthermore, depression of world economy also seems to cause reduction of donation. Donations regularly transferred to the United Way of Taiwan decreased as well reduction of the annual average amount of contributions. The situation is more serious to nonprofit organizations which raise funds by selling charity goods; for example, while Eden Social Welfare Foundation’s total income did not decrease, the percentage of revenue from selling charity goods declined from 0.8% to 0.05% (Eden Social Welfare Foundation website). Nonprofit organizations are now required to search for new financial resources in this difficult situation.

We attempt to explore influential factors in commitment to philanthropy in case of Taiwan as well as comprehend cultural, social, and economic backgrounds. Through the study, it is expected that we will have implications toward a mature and sustainable philanthropic actions in the post global economic crisis.

Methodology and Key Findings

Reviewing statistics such as Research, Development and Evaluation Commission, Executive Yuan (website), Directorate-general of Budget, Accounting and Statistics, Executive Yuan (website), and Ministry of Interior, Executive Yuan (website) and preceding works such as Wu et al. (2004), Hsieh (2004), Chen (2006), and Gu (2005), we will conduct quantitative and qualitative analysis on Taiwanese philanthropy and impact of economics and social climates on civil society in Taiwan. In aiming to achieve the objective of this study, the notion and values of civil society will also be reconsidered. In addition, an analytical survey on media coverage of nonprofit and philanthropic activities in Taiwan will be attempted in order to collect and comprehend the impacts of social and economic events which turned out to be turning points and landmarks for transformation and evolution of Taiwanese civil society. Through this study, uniqueness of and opportunities for philanthropy and Taiwanese civil society will be explored, as well as hindrance and challenges it faces and will face in the future.
Reference


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An Empirical Study on Philanthropic Behaviors in Korea: Analysis on Giving Patterns in Cultural Context

Backgrounds and Objectives

This study explores determinants of philanthropic behavior with particular attention on the influence of congratulatory and sympathetic contributions and religious donations on giving patterns. Giving patterns are characterized by the historical and cultural traditions, socio-economic structures and political backgrounds, and therefore, these factors should be taken into consideration when analyzing the current state and future trends of philanthropic behavior. The survey results of ‘Giving Korea 2008’ indicate that Korea is distinct from other countries with regard to the congratulatory and sympathetic contributions which account for 56.2% of a total size of philanthropic donation, followed by religious donations (29.8%) and charitable donation (14%). This reflects Korea’s cultural traditions that it is common for people to make cash greater contributions for weddings or funerals and for the religious purpose rather than charitable donations.

Different from Western countries, in which civil society has developed in a bottom-up and self-governing process, in Korea, it was only two decades ago that the society entered a democratic consolidation stage from military regimes, subsequently leading to the dramatic increase in quantity of nonprofit organizations for a short period. This draws a big distinction between the features of civil society including giving culture of Korea and that of western countries. Even though a wide range of civil movements by nonprofit organizations have raised public awareness of the need for the nonprofit sector as a cooperative, complementary mediator between the state and the market and have contributed to social cohesion and integration, the society still lacks active civil participation in donation and volunteer activities in Korea. This led to much public discussion about a level of development of the civil society, criticism of a merely quantitative increase without citizens’ active participation, and concerns about undemocratic internal governance and lack of public accountability (Kim 2004).

Research Questions and Methodology

Many studies have examined what would be determinants for philanthropic behaviors in Korea (Whang and Kang 2002, Park 2006) and accordingly how to motivate individual giving behaviors, in order for the enriched giving culture. There has been disagreement about whether they are in either positive or negative relations between the participation rate of giving and socio-economic variables, such as education, income, religion, marital status, age, gender, occupation, (Giving Korea 2006). What deserves more attention is that people, who care about how much their donation would make impact on improving the society, are more likely to consider donation. There is a positive relation between people’s concern about the impact of their donation on the society and real participation in donation (Kim and Kim 2008). Along with comprehensive empirical researches of philanthropic behaviors, there are some researches focusing on other factors such as associated with determinants of giving patterns, such as giving areas (Kang and Ju 2007), online giving (Kang and Kim 2003) and philanthropic behavior to charitable organization (Kim and Kim 2008).

Key Issues

There have been few studies on the influence of cultural factors on philanthropic efforts, which mainly consists of congratulatory and sympathetic contributions and religious donations. ‘Giving Korea 2006’ states that the average amount of congratulatory and sympathetic contributions is five times the size of charitable donation and with respect to giving for religious organizations, the total amount of yearly religious donation is more than double for secular charitable donations. This implicates the significance of these two giving choices associated with overall philanthropic behaviors in Korea. Thus, the empirical research in panel data analysis of the correlation between philanthropic giving with congratulatory and sympathetic contributions or religiosity in cultural context will be conducted in order to provide a full picture of the associative architecture of Korean philanthropic behaviors in cultural...
context, which will lay groundwork for more consistent, reliable and comprehensive studies on giving patterns.

Reference


