

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/254258402>

The Development of Community-Based Foundations in East Asia

Article in *Public Management Review* · November 2011

DOI: 10.1080/14719037.2011.619068

CITATIONS

24

READS

174

3 authors:



Lili Wang

Arizona State University

40 PUBLICATIONS 811 CITATIONS

[SEE PROFILE](#)



Elizabeth Graddy

University of Southern California

38 PUBLICATIONS 2,308 CITATIONS

[SEE PROFILE](#)



Donald Morgan

University of Southern California

4 PUBLICATIONS 113 CITATIONS

[SEE PROFILE](#)

This article was downloaded by: [Lili Wang]

On: 19 November 2011, At: 22:42

Publisher: Routledge

Informa Ltd Registered in England and Wales Registered Number: 1072954

Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Public Management Review

Publication details, including instructions for authors and subscription information:

<http://www.tandfonline.com/loi/rpxm20>

The Development of Community-Based Foundations in East Asia

Lili Wang ^a, Elizabeth Graddy ^b & Donald Morgan ^c

^a School of Community Resources and Development, Arizona State University, Phoenix, AZ, USA

^b School of Policy, Planning, and Development, University of Southern California, Los Angeles, CA, USA

^c Consulting, LLC, Pasadena, CA, USA

Available online: 07 Nov 2011

To cite this article: Lili Wang, Elizabeth Graddy & Donald Morgan (2011): The Development of Community-Based Foundations in East Asia, Public Management Review, 13:8, 1155-1178

To link to this article: <http://dx.doi.org/10.1080/14719037.2011.619068>

PLEASE SCROLL DOWN FOR ARTICLE

Full terms and conditions of use: <http://www.tandfonline.com/page/terms-and-conditions>

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The accuracy of any instructions, formulae, and drug doses should be independently verified with primary sources. The publisher shall not be liable for any loss, actions, claims, proceedings, demand, or costs or damages

whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.

Abstract

Despite their increasing importance world-wide, community foundations remain rare in much of East Asia. This comparative analysis of three community-based foundations currently operating in Japan, China and South Korea seeks to understand the role they play and factors that promote or hinder their development. We examine the social and institutional contexts within which they operate, their goals and activities and their funding structure. We find that all three foundations focus on cultivating a philanthropic culture, and on addressing community needs either through grant making, direct service provision, or both. A region's philanthropic traditions, the vitality of its non-profit sector, the legal framework that defines the sector and the agenda of governments for the sector are central factors in the development of community-based foundations in East Asia.

Key words

Community foundations, East Asia, non-profit organizations, philanthropy

THE DEVELOPMENT OF COMMUNITY- BASED FOUNDATIONS IN EAST ASIA

Lili Wang,
Elizabeth Graddy and
Donald Morgan

Lili Wang

School of Community Resources and Development
Arizona State University
Phoenix, AZ
USA
E-mail: lili.wang@asu.edu

Elizabeth Graddy

School of Policy, Planning, and Development
University of Southern California
Los Angeles, CA
USA
E-mail: graddy@usc.edu

Donald Morgan

D. L. Morgan
Consulting, LLC
Pasadena, CA
USA
E-mail: dlmorgan3@gmail.com



Community-based philanthropic organizations play an increasingly important role in serving the needs of communities throughout the world. One such organization is the community foundation, a grant-making public charity that receives financial support from diverse sources and in return provides resources to organizations serving a defined geographic area. It is one of the fastest growing forms of organized philanthropy across the globe. In 1990, less than 440 community foundations were recorded worldwide; by 2008, this number had grown to over 1,400 (Sacks 2008).

The tremendous growth in community foundations has provided new opportunities for community-based social change. These activities can take a variety of forms to foster civic engagement, and to connect with grassroots community organizations. Research has analysed the capacity for community foundations to bring public administrators, donors, service providers and citizen groups together to identify the most pressing issues facing communities and formulate policies to address collectively these challenges. Examples of community foundations leading complex community and economic development processes offer a glimpse into the potential for this type of engagement (Morgan 2007). Much of the research, however, has been based on American organizations (Hammack 1989; Carman 2001; Bernholz *et al.* 2005; Lowe 2006; Graddy and Wang 2009).

It is not clear whether community foundations in different countries with different philanthropic traditions and institutional settings play similar roles in the community or engage in similar activities. A recent study of community foundations in the United Kingdom highlights the challenges of transferring institutional forms of philanthropy from one context to another (Daly 2008). The role of community-based foundations in Asia has been largely ignored. The institutional form is relatively new in most Asian countries. The oldest registered community foundation is the Osaka Community Foundation, established in Japan in 1991. The Beautiful Foundation in South Korea was established in 2000. Strictly speaking, China, Taiwan and Hong Kong do not have community foundations as defined by existing research, but there are foundations that receive support from diverse funding sources and focus their activities on particular geographic regions or communities. For example, the Shanghai Charity Foundation, established in 1994, is supported by domestic and international corporations, individual donors, government agencies and international non-governmental organizations (NGOs). It provides services mainly in Shanghai. Here, we seek to understand the operation of these organizations in East Asia, and to provide a base of knowledge that will allow future comparisons with the roles of similar foundations in other countries.

Community foundations offer important advantages as an institutional form. They provide an institutional context for decentralized community decision making. Their structure promotes development of community resources and capacity for problem solving, and development of social capital (Walkenhorst *et al.* 2002). The perceived value of these structural advantages presumably explains their growth.

Table 1 demonstrates the worldwide growth in the number of community foundations over the past decade. It also reveals considerable cross-national and regional

Table 1: Number of community foundations, worldwide

<i>Area</i>	<i>2000</i>	<i>2004</i>	<i>2008</i>	<i>% change 2000–8</i>
Americas	720	867	965	34
Europe	98	209	406	314
Africa	7	11	15	114
Asia/Pacific	10	33	55	450
Japan	2	2	2	
Korea	1	1	1	
<i>Total</i>	<i>835</i>	<i>1,120</i>	<i>1,441</i>	<i>73</i>

Source: Calculated based on information provided in Sacks (2004, 2008).

variation in growth. Of particular note are the data on Asia. Although the region has enjoyed a very large percentage growth in this philanthropic form, incidence in Japan and Korea is unchanged. China has no community foundations recorded in these studies (Sacks 2004, 2008). Why then is this philanthropic structure relatively less attractive to East Asian societies?

The East Asia region¹ houses 23 per cent of the world's population, half of whom live in urban areas (Population Reference Bureau 2008). The area is thus an important one to study, and its relative cultural homogeneity allows us to focus on the contribution of other factors in explaining the role of community-based foundations in the region.

There are several possible explanations for the rarity of community-based foundations in East Asia. For institutional philanthropy to flourish, a society must have both the capacity and inclination to support it. Private capital accumulation is a fundamental requirement for philanthropy. Over the past few decades the phenomenal economic growth of East Asian countries suggests that this precondition is being met.

Public understanding of and support for institutional philanthropy may be a more decisive factor. Foundations are relatively new institutions to East Asia. The oldest is an operating² foundation, Taiwan's Chinese Children's Fund, founded in 1950 (Estes 2000). Today the importance in the region of operating foundations over grant-making ones, and the presence of 'government-linked' foundations (Estes 2000) may contribute to a lack of understanding by the public of grant-making charities. East Asian societies may also be less inclined to support private philanthropy. Baron (1997) argues that the legitimate scope for private social action is much more limited in these countries than in others. The State is expected to provide all basic services. Moreover, private foundations and other non-governmental or non-profit organizations do not experience the presumption of positive intent enjoyed by foundations in the United States. Many are viewed with suspicion as to their motives and intentions (Baron 1997).³ More broadly, there may be a preference in East Asian societies for centralized social welfare

decision making. Such a preference would lessen the value of community foundations and their capacity to promote decentralized problem solving.

In addition, there may be legal restrictions on the formation of these institutions in some countries, and/or a less advantaged environment for donors. For example, Baron (1997) notes that the restrictive tax code in Japan is a commonly cited obstacle to the development of a strong domestic philanthropic sector. This legal context, in addition to impacting the preferences of local donors, may also impact the actions of international donors. In many countries, external organizations – international organizations and foundations – have played an important role in the spread of community foundations. For example, the Ford Foundation invested in the development of foundations in India and Bangladesh (Ford Foundation 2006). Their decision to invest in specific countries may depend on the prevailing legal context.

In this study, we seek to understand the role that community-based foundations are currently playing in East Asia, based on an examination of the few community foundations operating in the region, and the social and institutional factors that have affected their development. Our exploration will be based on a comparative case study of three community-based foundations – the Osaka Community Foundation, the Shanghai Charity Foundation and the Beautiful Foundation. Our analysis is framed around three broad sets of research questions for which we seek to develop hypotheses for future exploration.

First, *what socioeconomic and institutional factors facilitate or hinder the development of community-based foundations?* The observed variation in the incidence of this institutional form across countries and regions suggests the importance of social and institutional context in its development. The formation and growth of philanthropic organizations and the practice of philanthropy in a particular country are likely to be influenced by its culture of giving and its economic situation, and defined by its legal and regulatory context. Non-profit laws and regulations are among the most important factors in determining the size and scope of non-profit activities in many countries (Salamon and Flaherty 1996). In this study, we briefly review the socioeconomic context and the philanthropic tradition of each of the three countries housing one of our study foundations – Japan, China and South Korea. Then, we consider the specific institutional characteristics we expect to influence the development of philanthropic organizations, including the nature of the country's non-profit sector and its relationship with the State; the relevant laws governing the formation and operation of foundations and accountability and disbursement requirements; and the tax treatment of donations.

Second, *what are the primary goals and activities of community-based foundations in East Asia?* Existing research has placed the activities of community foundations in the United States into three broad categories – providing services to donors, matching donor interests with community needs and supporting and developing community decision-making capacity (Graddy and Morgan 2006). East Asian countries however have several important characteristics that are likely to differentiate the goals of its community-based

foundations from their American counterparts. First, given the absence of traditional support for institutional philanthropy in these countries, we expect to see greater focus on the development of a philanthropic tradition than in countries where this tradition is better established. Second, non-profit service providers are presumably less plentiful in these countries and so community-based foundations may need to deliver some services themselves to achieve their mission. This is the case in Mexico where most Mexican community foundations operate as hybrids (Teamworks 2009), both providing programmes directly and making grants. Asian community foundations may do so as well, especially if they were founded in reaction to a natural disaster too big to be addressed by the current non-profit community. On the other hand, a history of centralized problem solving in these countries may have diminished the capacity of citizens and non-profits to convene around local problems, so there is likely to be an important role for community foundations in creating structures to build social capital and community capacity. And, evolving economies and transitions in funding sources may encourage a focus on donor services, even though the number of giving mechanisms for donors may be fewer than in other countries. Therefore, we consider four potential foci for these organizations – the development of community social capital and problem-solving capacity, direct service delivery, donor services and the development of a philanthropic tradition. An analysis of these goals and activities will contribute to our understanding of how the missions of community-based foundations are impacted by a country's traditions, its legal and regulatory context, the size and strength on its non-profit sector, and by exogenous shocks to the community.

Third, *what role does the structure and distribution of funding sources play in the behaviour of these organizations?* Funding sources and associated flexibility are critically important constraints on organizational behaviour. In this study we consider several aspects of the funding structure of community-based foundations and their implications for foundation behaviour. First, do we observe public funding of community-based foundations in East Asia? Some Asian foundations, especially in the environmental arena, are endowed with public funds or a mixture of public and private funds, often with the use of innovative financing structures (Baron 1997). If we observe such structures in these foundations, what are the implications? Second, what is the mix among private donors – individuals versus corporations, foreign versus domestic? Finally, how much funding is restricted in its use?

The results of this study should generate more precise hypotheses about the development and expected behaviour of East Asian community-based foundations, and will contribute to our understanding of the global role of community-based philanthropic organizations. We begin our analysis with the country context within which the foundations that we will study operate. In that section, we will explore the socio-economic context and philanthropic tradition of each country and provide the institutional context needed to address the first research question. We then present our three case studies and address the second and third questions on the goals and activities of the foundations and their funding structures. We conclude with a comparative analysis and the implications of our findings.

COUNTRY CONTEXT

Our case study compares community-based foundations operating in Japan, China and South Korea. We begin with a brief analysis of the socio-economic and institutional context of each country. We expect this context to shape the formation, support and activities of community-based foundations.

Japan

Japan is one of the most developed industrial countries in Asia. Forty-eight per cent of its 127.7 million people live in urban areas. Its Gross National Income (GNI) per capita at purchasing power parity, \$35,220 in 2008, ranks nineteenth in the world (Population Reference Bureau 2008).

Japan has a long tradition of charity and philanthropy dating back to the seventh and eighth centuries (Amenomori 1993), and foundations have existed in Japan for over fifty years. Compared to other East Asian countries, Japan has the largest number of foundations, and the majority of these are either corporate or government-linked foundations (Estes 2000). Corporate foundations emerged after World War II, and their agenda of grant making in support of science and technology was viewed by the Government as complementary to its own goals of modernization (Amenomori 1993).

The organizational form closest to the American non-profit organization is the public benefit corporation, which can exist as either an association or a foundation. Public benefit corporations need permission to incorporate from a government agency with jurisdiction over their activity area and are subject to minimum asset requirements (Ohta 2006). These organizations are often viewed as government controlled or as having a complementary relationship with the Government (Young 2000).

The activities of virtually all non-profit organizations were dominated by the Government until at least the end of World War II, and the general perception of the non-profit sector in Japan was of one controlled, or at least directed, by government (Amenomori 1993; Young 2000).

By many accounts, the 1995 Kobe (Hanshin-Awaji Great) Earthquake changed that perception. Volunteers and voluntary organizations played a leading role in relief and reconstruction efforts, and this well-publicized role increased support for the sector (Amemiya 1999). Most of the non-profit organizations active in the relief efforts were not incorporated, and the difficulties faced due to their lack of corporate status (e.g. inability to become parties to contracts) generated public support for providing volunteer groups legal status (Ohta 2006). As a result, the Japanese Diet enacted, in 1998, the Specified Non-Profit Corporations Law designed to promote non-profit activities by easing the requirements for incorporation.

The formal non-profit sector thus includes public benefit corporations, regulated under Article 34, and the specified non-profit corporations, regulated under the 1998

law. In addition, there are many unincorporated voluntary groups that carry out charitable activities (Ohta 2006).

Japanese tax laws are complex, with various types of non-profit organizations treated differently for tax exemption and tax deduction benefits (Amemiya 1999). We note here only that both public benefit corporations and the special-law public benefit corporations are considered non-taxable corporations. As such they are taxed only on revenue from income-generating activities (Ohta 2006). Tax deductions for donations are different for corporations and individuals and vary by type of recipient organization. Corporation donations are treated much more favourably, and most individual donations to public benefit corporations are not tax deductible (Amemiya 1999; Ohta 2006).

China

The People's Republic of China (China) is the most populated country in the world. Forty-six per cent of its 1.3 billion people live in urban areas. China's GNI per capita at purchasing power parity in 2008 was \$6,020, ranking ninety-fifth in the world (Population Reference Bureau 2008).

As China's importance in the world economy continues to grow, so too has its non-profit and philanthropic sector. The political and economic reforms of the late 1970s coupled with the service needs generated by massive migration of rural workers to urban areas have fuelled exponential growth in China's non-profit sector (Ma 2002). There are also recent indications of growing Chinese philanthropy. The Chinese Academy of Social Science reported that charities in China raised \$15.2 billion in 2008 – three times the amount raised in 2007 (Wilhelm 2009). Much of this escalation in charitable giving can be attributed to the \$11 billion raised by the Sichuan earthquake relief efforts (Makinen 2009), but the willingness of Chinese donors to respond with previously unparalleled giving suggests philanthropic capacity in the region.

The non-profit sector in China has four major categories. Since 2004, there have been three categories of registered non-profit organizations in China: social organizations (SOs); civil non-enterprise institutions (CNIs); and foundations (Kaur 2006). Social organizations are non-governmental associations or federations.⁴ CNIs, private non-commercial institutions, provide public services, but are formed by private entities, are self-governing and do not have access to state funds (Kaur 2006). Foundations, defined as civil, non-profit organizations that use donated assets to undertake public welfare activities (Lee 2009) are a small part of the sector. Of the about 317,000 registered non-profit organizations operating in 2005, about 1,000 were foundations (Kaur 2006). The final group of charity organizations are the large number of non-registered social and cultural groups, most of which are based in urban communities (Ma 2002). These organizations and their donors receive no tax benefits.

The Chinese government has maintained strong control over the sector, largely through its registration and management processes. Registration is a dual process. Formal oversight of the system is provided by the Ministry of Civil Affairs. Registration with that organization, however, requires the organization to first obtain approval from a sponsor organization, usually a governmental agency (Ma 2002). These agencies exercise managerial oversight, so non-profit organizations have limited autonomy (Lee 2009). The resulting dependency on government patronage gives at least the impression of government control, which in turn may affect public confidence in the sector (Lee 2009). Eligibility requirements include minimum capital requirements making it difficult for small social organizations to register.

Foundations face similarly stringent eligibility requirements for establishment, including a relatively high initial endowment. Public foundations, that is, those that can engage in public fundraising, face very high minimum spending requirements (Lee 2009).

Payers of individual income taxes can deduct part of their taxable income for donations to approved charitable organizations. But there are significant bureaucratic obstacles to the organizations seeking such status. Moreover, public perceptions of domestic non-profits are not particularly positive, making it difficult to attract funds (Kaur 2006). As a result, public participation in the sector remains relatively limited.

In summary, the rapid pace of change in China has created expectations for the non-profit sector that are not facilitated by the existing legal institutions. Registration is cumbersome, laws on tax exemption and fund raising are ambiguous and both donors and service organizations face myriad piecemeal and overlapping laws and regulators. As a result, incentives are not in place to promote the development of the sector. However, a new charity law that is expected to address these issues is under development (Kaur 2006; Lee 2009).

South Korea

South Korea, officially the Republic of Korea, has a population of 49 million, 82 per cent of whom live in urban areas. Its GNI per capita at purchasing power parity in 2008 is \$28,120, which ranks twenty-sixth in the world (Population Reference Bureau 2008). It was classified by the World Bank as a 'mature market economy' in 1997 (Estes 2000).

Non-profit organizations in Korea have existed for over 100 years, yet the non-profit sector is relatively invisible in the country's institutional landscape due to Korea's deep-rooted tradition as a state-centred society (Kim and Hwang 2002). Since the 1980s, Korean philanthropy and the non-profit sector have developed as much and as rapidly as other parts of society (Asian Pacific Philanthropy Consortium 2001). Rapid industrialization and urbanization, the growth of the middle class and the democratization process supported the growth of the non-profit sector and expanded

the boundaries of its activities. Philanthropy in Korea has been traditionally concerned with charitable activities for the socially disadvantaged.

The call for non-governmental co-ordination and funding for social programmes has been amplified in Korea by economic crises, public budget cuts and devolution in much the same way that ideological changes, fiscal challenges and welfare policy reform in the United States enhanced the role of non-governmental institutions in local service delivery. The NGO Support Act was passed by the Korean government in 2000 to provide a formal legal structure for building the capacity of civil society in order to address these developments (Kim 2002). NGOs also play a growing role in promoting political participation and policy formulation (Kim and Moon 2003).

The incorporation and operation of non-profit organizations in Korea is regulated by the Civic Code, the Non-Profit Act and accompanying Decree. The Civic Code classifies non-profit corporations into two categories: public benefit non-profits and non-profits not oriented towards providing a public benefit. Most incorporated foundations belong to the public benefit category. A government ministry is the entity that allows the incorporation of the non-profit corporation. The selection of the appropriate ministry (e.g. Ministry of Environment, Ministry of Education) depends on the characteristics of the organization and its main activities. An endowment is necessary for registration of a foundation. The relevant ministry must inform the applicant of its final decision, permission or rejection, with twenty days. Registered non-profits automatically become entitled to tax-exempt status (Jung *et al.* 1999).

For over forty years, foundations have been used in Korea to address societal deficiencies. The Samsung Foundation of Culture was founded in 1965, with significant government support, to improve social welfare, child care and education (Estes 2000). Numerous other foundations were established in the decades that followed with similar missions to accomplish government-determined goals such as education and research. The link between foundation and government goals remains strong today, making it difficult sometimes to distinguish philanthropic and political intent.

Corporations have played an equally significant role in the foundation sector. As recently as 2000, corporate-linked foundations comprised 80 per cent of the total number of foundations in the country (Estes 2000). Corporate-linked foundations may not share common metrics of success with other societal stakeholders. The potential for foundations to lead a decentralized problem-solving process in Korea has been limited by dissonance between corporate and non-profit philanthropic goals as Korean corporate foundations are closely linked to perceived corporate business development interests (Estes 2000).

This well-known history of government and corporate influence has made it difficult for foundations to distinguish their activities in the public's eye. Korean foundations seeking the support of individual donors have had to emphasize their potential for empowering local communities to solve problems independently through civic engagement. But, public acceptance of this idea has been challenged by an historical emphasis on centralized approaches.

Current tax laws provide deductions for individuals making gifts to non-profit organizations and foundations. Individual donors may deduct up to 5 per cent of their gross income for contributions to non-profit corporations if they only have wages, salaries or foreign income, but no business, real estate or timber income. Corporate donors and individual donors with business, real estate or timber income may deduct at least 7 per cent of gross income (Jung *et al.* 1999). These deductions, however, are limited to non-profit organizations with a scope of activities deemed eligible by the Government (Asia Pacific Philanthropy Consortium 2001). Contributions for other non-profit activities, not stipulated by the tax laws, may not be deductible for corporate or individual income tax. Those receiving eligible gifts are not required to disclose gifts received, how the money is allocated or how results are measured (Kim 2003). The legal framework for foundations does little to mitigate concerns about a legitimate leadership role in civil society and provides limited incentives for potential donors.

CASE SUMMARIES

These case summaries are based on information obtained from interviews with a senior manager in each foundation during May 2009–June 2010. Supplemental information was obtained from the foundations' annual reports, published newsletters and materials, websites and available financial reports. The interview instrument is available upon request.

The Osaka Community Foundation

The Osaka Community Foundation (OCF), the first community foundation in Japan, was established in 1991 under a permit from what is now the Ministry of Economy, Trade and Industry. At the time, Japan was in the midst of a 'bubble economy'. A good business environment and strong earnings prompted many large corporations to establish their own foundations to support their philanthropic activities. For medium or small business corporations, however, corporate foundations with their high set-up costs and subsequent administrative costs were not feasible. To address this, Keizo Saji, the Chairman of the Osaka Chamber of Commerce and Industry (OCCI) proposed establishing a community foundation, mainly serving Osaka Prefecture and its adjacent area. The OCCI contributed 10 million yen⁵ as an initial administrative fund to start the Osaka Community Foundation and later the Osaka City and Prefecture Governments donated 25 million yen each as operational funds in 1992.

Goals and activities

Since its inception, the OCF has strategically focused on connecting donors' interests with community needs. On the donor side, the foundation makes full use of citizen and

corporate interest in social welfare to promote a philanthropic environment in Japan. According to the interviewee, Osaka was 'a town with the vitality of the private sector' and with an established culture of giving. For the past 400 years, 'a lot of local schools, universities, libraries, museums, bridges, concert halls, etc. have been constructed and donated, not by government, but by successful merchants' and this vitality remains today (Y. Tazuke, personal communication, 2 June 2010). This strong philanthropic tradition and large donor base have contributed to the steady growth of the foundation.

On the community side, the foundation contributes to non-profit organizations, groups, researchers and students through its grant-making activities. The foundation makes grants in the areas of medical research and service, education, arts and culture, aid for developing countries, environmental preservation, community development, social welfare and scholarships. Through April 2010, the foundation has made 1,388 grants in the amount of 758 million yen.

Despite the ups and downs of the Japanese economy since the organization's establishment, the strategic focus of the OCF – fostering a philanthropic environment and addressing local needs – has not significantly changed. The seven-member board, including five foundation executives and two researchers, has ensured the consistency and transparency of all decisions. The board members serve two-year terms. Although no formal training on the role of board members is provided, the board members' knowledge and experience with foundation operations and government regulation allow them to serve the foundation well. Unlike board members in the United States, the OCF board members are not required to donate or solicit donations for the organization.

In the past twenty years, the OCF has balanced donor service and community service. According to the interviewee, 20 per cent of staff time is devoted to donor service, 30 per cent to serving NPOs and NGOs, 20 per cent for government relations and 30 per cent for other general administrative tasks. In terms of donor services, open communications between donors and the foundation have deepened mutual trust and collaboration. Newsletters and the foundation website are used to strengthen the connection with donors. Since corporate donors often donate to the foundation to promote their corporate image or advertise themselves, while individual donors contribute with a more altruistic motivation, the foundation tends to consider individual donors their primary strategic partners in the community. Cultivating relationships with individual donors has proved to be an effective strategy for the OCF. Donations and contributions from corporations have decreased, due to the recent economic downturn in Japan, while donations from individuals have not changed significantly.

Funding structure

OCF's typical donors are either middle or small size corporations who wish to contribute to philanthropic activities and get closely involved in the grant-making process, or wealthy individual donors who are interested in community issues, such as health and education, based on personal experiences or beliefs. About 40 per cent of

the foundation's income comes from individual donors and 60 per cent from corporations. Most of the donors are local residents, and no Diaspora donors are reported. Although the OCF does not receive grants from the Government, the foundation staff works closely with the Government on many community-related issues.

In the twenty years of its existence, the OCF has received 2.3 billion yen in donations. The total number of designated funds reached 202 in March 2010 with amounts ranging from 10,000 yen to 381 million yen. Consistent organizational growth has not translated to significant growth in endowment or discretionary giving. An endowment enables foundations to utilize unrestricted funds to plan strategically and support initiatives that build community capacity. Most of the OCF's individual grant-making funds are restricted funds, including 131 field-of-interest funds, twelve designated funds and fifteen donor-advised funds. Only twenty-seven grant-making funds are currently unrestricted. The percentage of discretionary or unrestricted funds has increased gradually over the years. In 2010, the foundation made grants from thirteen discretionary funds (23 per cent of the total fifty-seven funds). These discretionary grants, however, total only 2.8 million yen or 2.5 per cent of the total 114.7 million in grants. Very few donors set up discretionary funds at the foundation. Most donors have expressed interests in specific grant-making fields. Most of the foundation's discretionary funds were originally restricted funds that later became discretionary – either when the balance of fund became less than 50,000 yen or when the donor died. In both cases, funds become discretionary through the decision of the board of directors, potentially giving them a role in emphasizing endowment as a future focus. These decisions may be influenced by the larger economic outlook. Discretionary grant-making funds fluctuate with the size of the endowment, and the current low interest rate in Japan has reduced these funds.

The Shanghai Charity Foundation

The Shanghai Charity Foundation was established by government officials as a public charity in 1994 to promote a new institutional structure for harnessing the humanitarian spirit of the people of Shanghai and those who care about the region. The transformation of the economy from planned to market-based exacerbated income disparities. A newly identified under-served population required more services than the central and municipal governments could provide. The Shanghai Charity Foundation hoped to formalize a commitment to helping those in need.

Goals and activities

The foundation has maintained a consistent focus on raising money to provide services to support the elderly, children, education and the needy. The development of

a philanthropic culture was necessary to secure a level of support that would fund programmes. The founders realized that the concept of philanthropy was less developed in Shanghai. Philanthropic promotion was required, and remains a necessity for the organization to realize its goals. Progress has been made in educating the public. Various implemented programmes have spread the foundation's name and mission broadly. Local newspapers and media have also been utilized to introduce the philanthropic form. One such article announcing the formation of the foundation landed the very first individual gift.

The development of a philanthropic tradition has always run congruently with a commitment to service delivery. The lack of a sufficient number of NGOs in the community required the foundation to support and operate the programmes they created. The foundation has thus attempted to identify developing issues and create programmes to address them. Many of these programmes have taken over former government functions.

Building capacity in the region and empowering civic engagement is conspicuously absent in most of the foundation literature. Rather, the dominant foci are on publicizing philanthropy and on service delivery. These foci may provide important indicators of the foundation's ability to lead change versus responding to existing problems. The difference for the community may be an emphasis on problem solving rather than providing temporary aid.

Programmes offered by the foundation have impacted the community. The focus of programmes has largely been on issues such as care of the elderly who do not have children to support them, care of the disabled, widowers and orphans. These programmes are designed to provide consistent services to address ongoing and developing needs. Disaster relief has also been important in the foundation's recent efforts. The enormous response to the Sichuan Earthquake required a change in focus to accommodate money passing through the foundation to areas hit hardest by the devastation.

Funding structure

The expansion of this roster of programmes has largely been determined by donations secured through donor advised funds. Donors assume an active role in designating gifts. Each of the 171 donor advised funds are managed by a committee of at least three people. The Chair of each committee is the donor. Corporations make up a majority of the donor advised funds. Former state-owned corporations comprise a large percentage of this group. The foundation maintains gift acceptance policies stipulating that donations falling out of line with the organization's mission will not be accepted. No examples were offered however of this having occurred.

Alignment of corporate gifts and the mission of the organization may be determined by the process of solicitation. The foundation's board is made up of twenty-five members. Each is selected based on reputation, professional experience, influence,

networking power and ability to raise money. A majority of the board members have government ties. Requests for charitable donation are rarely turned down when a government official calls. A cultural emphasis on saving face and the desire to maintain a positive relationship with the Government lead most corporate executives to acquiesce to requests.

The foundation is required by statute to award 70 per cent of the gifts received each year. They may use the remaining funds to build discretionary capacity. Management of these funds over time may serve to empower the foundation's assertion of independence. These funds may also protect the foundation against the potential withdrawal of corporate gifts if an anticipated new charity law makes corporate foundations easier to establish.

The Shanghai Charity Foundation continues to mature in much the same way China is evolving. The rapid process of change in the country is met by institutionalized hesitance to move too quickly. Old systems of operating continue while inroads are made to create a sustainable model prepared to answer the challenges that characterize much of the transition.

The Beautiful Foundation

The Beautiful Foundation was established in 2000 by small group of donors wishing to introduce a stabilizing influence to the community in a time of great economic uncertainty.

Goals and activities

The founders of the foundation wished to accomplish two main goals. First, founders deliberately patterned the organization after North American community foundations in hopes of building a structure to support the cultivation of civil society in Korea. The economic crisis of 1997 left much of Korea sceptical of the Government's ability to respond to expanding local needs with agility. A national focus on civil society developed from the belief that a philanthropic culture may empower local communities to counter the wealth disparities that developed during rapid economic expansion. Foundation leaders believed then, as they do today, that they have a role in educating the public on the potential for philanthropy to help address local problems. Fostering a philanthropic culture was a pillar of the foundation's mission and an important step in cultivating a portfolio of potential donors.

Second, despite an established culture of giving within the Korean community, little structure existed to institutionalize the financial support of civic engagement. The founders responded by each committing to regularly donate a small amount of money to provide an alternative source of funding for non-profit organizations having difficulties accessing government and corporate donations. The

original pooled fund seeded efforts to generate significant revenues to support programmes.

A review of the foundation's history points to a dominant focus on fundraising over the course of the first nine years. Each year of operation is highlighted by the major fundraising events, campaigns and donor advised funds established to increase services. This focus seems to suggest that the goals of the foundation have been influenced significantly by the necessity to raise funds. By the end of 2007, the Beautiful Foundation's annual income reached \$11 million, which is an 8 per cent increase over the previous year (Beautiful Foundation 2007). This donor services model is not unlike many community foundations in the United States, which focus on donors until they are able to build an endowment (Graddy and Morgan 2006).

The organization is in the midst of formally moving from a source of information about the potential for civil society to an organization focused more directly on demonstrating programmatic outcomes. This transition has placed more emphasis on service delivery in order to provide their ever-expanding number of corporate and individual donors with measurable results.

An understanding of the foundation's community impact requires a determination of whether or not a dominant focus on fundraising has enabled the foundation to pursue a deliberate path of expansion, or simply made the organization a mechanism to accomplish donor wishes. The foundation has a clearly stated desire to serve both donors and communities. It hopes to continue the cultivation of donor relationships while supporting sustainability in Korean communities. However, the donor services model brings into question how effectively the foundation may guide support of capacity building in communities.

Funding structure

The Beautiful Foundation reported that over 90 per cent of all donations were donor advised gifts. All operations and programmes at the foundation are funded by annual donor advised fund fees. The lack of organizational endowment limits the staff's ability to build discretionary funds and makes the organization vulnerable to shifts in donor interests.

This funding structure places heavy reliance on the foundation's ability to work collaboratively with donors to direct their funds to areas of greatest need. While the donors do not control their own funds, they do work with the foundation to designate recipients. Important community work has been initiated, such as the establishment of a micro-credit programme for single mothers. These funds have also enabled the foundation to respond rapidly to current events. For example, a job training programme was established to help people find employment when the latest economic recession led to mass layoffs in the country.

Donor demographics may influence designation of gifts. The typical donor to the foundation is 30–40 years old, university-educated and very progressive. Half are men

and half are women. These demographics suggest this donor base may be amenable to suggestions from foundation staff about grant focus.

Donor influence also serves as an important determinant of the geographic focus of gifts. The foundation reports that the vast majority of its donors reside in Seoul. A concentration of donors in the urban core brings into question the foundation's commitment to serving rural communities across the country (the Beautiful Foundation serves all of Korea). They attempt to mitigate this concern by working with donors to direct grants to parts of the country outside Seoul, and indeed many Seoul residents are from remote areas.

The foundation has minimized additional outside influence by a policy that rejects all government funding. In addition to relying solely on individual (40 per cent) and corporate (60 per cent) donations, the foundation does not include government officials on the board. Rather, the board is made up of major donors with strong reputations, influence and relevant professional experience. To date, no board seats are occupied by Diaspora donors.

The foundation has recently announced the opening of an office in the United States to increase support from Diaspora donors. They view this population, along with a growing base of donors across Korea, as an important potential source of expansion for the foundation. An increase in funds from these groups will place more emphasis on the foundation–donor relationship to ensure that long distance financial support is directed to areas of greatest local need.

ANALYSIS AND CONCLUSION

We begin with a comparison of the key characteristics of our three cases, which are summarized in Table 2. All three are relatively young foundations, have multiple funding sources (most of which are restricted in their uses) and demonstrate a commitment to both fostering a philanthropic culture and providing community services.

Our interviews and research on these three community-based foundations enable us to posit answers to the three research questions we have raised: What socioeconomic and institutional factors facilitate or hinder the development of community-based foundations? What are the primary goals and activities of community-based foundations in East Asia? What role does the structure and distribution of funding sources play in the behaviour of these organizations? We consider the insights our cases bring to each.

Socioeconomic and institutional context

The comparative case studies reveal both similarities and differences in the socioeconomic and institutional context in which community foundations operate in

Table 2: Case comparisons

	<i>Osaka Community Foundation, Japan</i>		<i>Shanghai Charity Foundation, China</i>		<i>The Beautiful Foundation, South Korea</i>	
Year established		1991		1994		2000
Geographic focus	Osaka		Shanghai		Korea	
Incorporation requirements	Permission from government agency with jurisdiction over activity area; minimum asset requirements		Registration with the Ministry of Civil Affairs; oversight by sponsoring government agency; minimum asset requirements		Permission from relevant government ministry; endowment required	
Non-profit–government relations	Government centred		Strong government control		Government centred	
Tax status	Tax exempt status to certain non-profits on non-income-generating activities		Tax exempt status to certain non-profits		Automatic tax-exempt status for incorporated non-profits	
Tax deductibility of donations	Varies by type of recipient organizations; corporations treated more favourably than individuals		Donations to approved charities are deductible, varies by individual and corporation		Donations to certain non-profit activities are deductible, varies by individual and corporation	
Primary goals	Donor services; matching donor interest with community needs		Develop philanthropic culture; service delivery to underserved populations		Cultivate civil society; develop philanthropic culture; support non-profits	
Funding sources	Small and mid-sized corporations (60%); individual donors (40%); no Diaspora giving; no government funding		Primarily corporations, including formerly state-owned; domestic and international individual donors; international NGOs, and government funding; Board has strong government ties		Corporations (60%) and domestic individual donors (40%); some Diaspora giving; no government funding	
Funding restrictions	85% donor advised; has endowment		Almost all donor-advised; 70% annual payout		90% donor advised; no endowment	
Community benefits	Grants in multiple areas; support to local non-profits		Direct service provision, focused on elderly and disabled, and disaster relief		Developing civic engagement; matching donors and providers; some direct service provision to support distressed populations	

these three East Asian countries. Japan, South Korea and China are at different stages of economic development – Japan is a developed industrial country, South Korea is a mature market economy and China is still a developing country, yet all three countries have experienced rapid urbanization and the emergence of a middle class in the past few decades.

All three countries have a long history of philanthropy, which has tended to focus on disaster relief and helping the socially disadvantaged. However, the development of non-profit organizations, especially philanthropic institutions, is fairly recent in these countries. The majority of foundations have close ties to governments or corporations. Government often provides direct financial support to these foundations and/or has representatives on their boards.

In terms of incorporation, a government agency/ministry with jurisdiction over the activity area of the applicant non-profit organization has the authority to permit its incorporation in Japan and South Korea. Non-profit registration in China is more complicated. A non-profit must first obtain approval from a sponsoring government agency, which will oversee the operation of the organization, and then register with the Ministry of Civil Affairs. This strong government control tends to discourage incorporation. In addition, stringent eligibility requirements for establishment, including a relatively high initial endowment, hinder the growth of foundations in China.

All three countries provide some tax advantaged treatment to individual and corporate donations to approved charitable organizations or non-profit activities as stipulated by the tax laws. Tax deductions for donations are different for corporations and individuals, and tend to favour corporate donors. The complexity of tax laws, the bureaucratic obstacles to obtaining individual tax deductibility, and the lack of transparency in the way donations are being used often discourage individual donors from contributing to philanthropic institutions.

Goals and activities

All three foundations articulate commitments to cultivating a philanthropic culture and to addressing community needs. Yet there are important differences in emphasis and approach.

The Osaka Community Foundation builds on an existing philanthropic tradition in its community and promotes philanthropy by serving as the intermediary between corporate and individual donors and local non-profit service providers. In this approach it operates much as an American community foundation. The Beautiful Foundation believes that a philanthropic culture will help local non-profits build capacity and will empower local communities to alleviate the negative consequences of wealth disparities. A pillar of its mission is to educate the public on the importance of philanthropy. But, this interest is paired with a broader interest in developing civil society and in promoting civic engagement. The Shanghai Charity Foundation also

recognizes the importance of an established philanthropic culture to its development, and has launched several campaigns and used various media tools to foster a philanthropic culture among local residents. But, the Shanghai Charity Foundation alone has no espoused interest in fostering civic engagement. This reflects very real limits on the Chinese government's support for the non-profit sector, which is focused on its service delivery capacity.

The foundations also differ in the mechanisms by which they support service delivery. The Osaka Community Foundation mainly addresses community needs through grant making to local non-profits, which is similar to the behaviour of community foundations in the United States. The other two foundations use markedly different approaches. The Beautiful Foundation delivers its programmes using a hybrid model, mixing grant making to grassroots organizations and public benefit NGOs in South Korea with direct service provision to distressed populations. This hybrid model may reflect insufficient non-profit capacity in the region. The Shanghai Charity Foundation relies even more on direct service provision. It often operates its own service programs rather than making grants to local grassroots organizations. This is in large part necessitated by the lack of well-established non-profit service providers in the community.

In all these activities – the promotion of a philanthropic culture, grant making and the direct provision of services – these foundations have increased the visibility of community-based foundations in their communities. However, the perceived role of community-based philanthropic organizations in East Asia is impacted by their relationship with their governments.

All these countries are politically centralized, and government remains the key decision-maker and service provider in the public's eye. This makes the relationship between the Government and community foundations particularly salient. Among all three foundations, this relationship has a primacy that we do not observe in North American foundations, but there are differences within this context.

In South Korea, foundations have traditionally had strong ties with the Government. Coupled with the lack of transparency and accountability, this has generated public scepticism of foundations and hindered their growth. In an attempt to separate itself from this tradition, the Beautiful Foundation does not accept government funding and has implemented self-imposed accountability mechanisms to improve the public's perception of foundations.

Most Chinese foundations are either government-organized or have close ties to the Government, and the Shanghai Charity Foundation is no exception. It was originally created by the Shanghai municipal government to raise funds for services not provided by the Government. The majority of the foundation's board members are either current or retired government officials. In contrast to South Korea, Chinese foundations are required to have their financial reports audited and disclosed to the public, although few people may understand the accounting methods.

The Osaka Community Foundation has a more nuanced relationship with Japanese governments. It received start-up funds from local and regional governments, but now

its funding is private. There are no government officials serving on the foundation's board, but its staff continues to work closely with the Government in serving local needs.

Funding structures

There are notable similarities in funding sources across all three foundations. They all rely heavily on corporate and individual domestic donors and none receive significant Diaspora support. The importance of corporate funding is particularly notable as the philanthropic goals of businesses may diverge in important ways from the goals of individual donors and the former may be harder for the staff to direct towards pressing community needs. Diaspora funding is clearly a potential growth area for all three, and the Beautiful Foundation has actively begun to develop strategies to access it.

There are also important differences among the cases. Government funding is the most obvious. Neither the Beautiful Foundation nor the Osaka Community Foundation relies on government funding. In contrast, the Shanghai Charity Foundation receives government funding, as well as funding from international corporations and NGOs, and some Diaspora support, giving it the most diversity in funding sources. In theory, this diversity should impact organizational behaviour, but we do not yet have sufficient information to discern the nature of the impact.

None of these foundations have significant discretionary funds. All have set up donor advised funds, and all involve donors in fund-distribution decisions. In addition, the Beautiful Foundation and the Shanghai Charity Foundation have higher payout ratios than their North American counterparts. The Shanghai Charity Foundation is required by statute to distribute 70 per cent of the gifts received each year to public benefit programmes. Higher payout rates limit the ability of foundations to build endowments, and require a heavy emphasis on annual fundraising. In contrast, the Osaka Foundation's endowment more closely resembles its American counterparts, which should allow foundation staff more flexibility and the ability to make strategic and long-term grants.

In addition to providing insights into our understanding of the behaviour of community-based foundations in East Asia, this study suggests several specific variables that should be explored in future empirical efforts to understand these organizations. We expect that the philanthropic tradition of the region will be an important indicator of the likelihood that these organizations will form (e.g. Osaka), and observed growth in giving by individual donors will be an important indicator of success in what is a consistent goal of all the foundations in our study – fostering a philanthropic culture. We expect economic development, wealth accumulation and the growth of the middle class to be preconditions for the establishment of community-based philanthropic organizations (e.g. the Beautiful Foundation). We also expect that the growth and development of local non-profit service providers will be an important indicator of success for these organizations, but the existence of such providers is also a determinant of how these foundations organize and deliver support to their populations of interest.

The extent to which community-based organizations are funded by governments or by corporations is likely to be an important factor in defining their goals. And the extent of their connection with government is likely to be critical in gaining the trust and support of citizens. These hypothesized influences are different from the primary determinants of community foundation growth elsewhere in the world, and we should therefore expect a different path of development.

It is evident from this study that optimism about the potential for an expanded role for community-based foundations in East Asia must be measured against several limiting factors. Community foundations with a shorter history are more likely to focus on developing a philanthropic culture in the communities they serve, so community impacts will take longer to appear. Community foundations in a region with a less-developed non-profit sector are more engaged in direct service provision, and thus it will take longer for their grant making to increase local non-profit capacity. The lack of legally required transparency and accountability mechanisms negatively influences the public's perception of the autonomy of these foundations, thus slowing growth in support of the sector. Finally, the philanthropic sectors in none of these countries enjoy the favourable legal context of their counterparts in North America and Europe. Significant growth is likely to require legal changes that address uncertainty and disparities in the tax deductibility of giving, and in the difficulties faced by non-profit organizations in gaining legitimacy and tax-exempt status.

This suggests that, for countries interested in supporting the development of community-based foundations, public policies that mandate transparency and accountability of non-profit operations may be needed to increase public trust and confidence in these organizations. In addition, there needs to be transparency and predictability in the policies that define non-profit incorporation, the award of tax-exempt status and the structure of tax deductibility to reduce uncertainty for both non-profit organizations and donors.

These cases provide little information on observable community benefits. In part this is because they are young, and the staff must by necessity focus on fund raising and donor services more than community benefits. There are indications that we will have better impact information in the future, as these foundations, like those elsewhere, are beginning to focus on outcomes. The Beautiful Foundation, in particular, has already begun to focus on programmatic outcomes and is poised to be a model in this arena. More generally, an important measure to watch is the growth and vitality of the region's non-profit providers. As these types of philanthropic organizations grow they should provide increasing support to non-profit capacity building in their communities, and the resulting changes in that sector should be observable.

More studies of community-based foundations in East Asian countries are needed to provide additional insight into their formation, governance, mission and programmes and impact. Case studies from other East Asian countries would help identify trends in the development of this form in rapidly changing countries. Comparisons with community foundations in the United States may also offer insight into what the future

holds for community foundations in East Asia. The number of community foundations in the United States increased significantly in the 1990s and comparing their development with others throughout the world offers the opportunity to view organizational life-cycle development across international contexts. However, the new entries into the community foundation world in the United States were immediately endowed with a more institutionalized community understanding of philanthropy, as well as a well-established set of non-profit service providers. Future research that is able to isolate these community characteristics and analyse their impact may contribute to our understanding of community foundations as well as their potential for increased participation in local problem solving.

ACKNOWLEDGEMENT

We thank Yu Jean Sohn for her research assistance, and the participants at presentations at the 2010 annual meeting of the International Society for Third Section Research in Istanbul, Turkey, and at the 2009 annual meeting of the Association for Research on Nonprofit Organizations and Voluntary Action in Cleveland, Ohio, and this journal's referees for their helpful comments and suggestions.

NOTES

- 1 Countries included in the East Asia region are China, Japan, North and South Korea, Mongolia and Taiwan. We focus on the countries of China, Japan and South Korea.
- 2 Operating foundations use the bulk of their resources to provide services directly or run programmes, rather than making grants to outside organizations.
- 3 Such suspicions about the intentions of philanthropic institutions were also found in a recent report on Mexican community foundations (Teamworks 2009).
- 4 This category also includes government-organized NGOs (GONGOs). These operate as quasi-governmental organizations structured to co-ordinate services at the local level. While they offer preferred tax advantages to donors, they have limited autonomy (Estes 1998).
- 5 One dollar equals about 92 yen.

REFERENCES

- Amemiya, T. (1999) 'Japan' in T. Silk (ed.) *Philanthropy and Law in Asia: A Comparative Study of the Nonprofit Legal System in Ten Asia Pacific Societies*. San Francisco, CA: Jossey-Bass.
- Amenomori, T. (1993) *Defining the Nonprofit Sector: Japan*, Working Papers of the Johns Hopkins Comparative Nonprofit Sector Project, ed. L. M. Salomon and H. I. Anheier, Baltimore, MD: The Johns Hopkins Institute for Policy Studies.
- Asia Pacific Philanthropy Consortium (2001) 'Strengthening Philanthropy in the Asia Pacific: An Agenda for Action'. Background Paper, Korea, July.
- Baron, B. F. (1997) 'Funding Civil Society in Asia: Philanthropy and Public-Private Partnerships'. Working Paper #3, The Asia Foundation.

- Beautiful Foundation (2007) *2007 Annual Report 2006.11-2007.10*, Seoul: South Korea.
- Bernholz, L., Fulton, K. and Kasper, G. (2005) *On the Brink of New Promise: The Future of U.S. Community Foundations*, San Francisco, CA: Blueprint Research & Design, Inc. and the Monitor Company Group, LLP.
- Carman, J. (2001) Community Foundations: A Growing Resource for Community Development. *Nonprofit Management and Leadership*, 12:1 pp7–24.
- Daly, S. (2008) Institutional Innovation in Philanthropy: Community Foundations in the UK. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 19:3 pp219–41.
- Estes, R. J. (1998) Emerging Chinese Foundations: The Role of Private Philanthropy in the New China. *Regional Development Studies*, 4 pp165–85.
- (2000) Charitable Foundations in East Asia: Emerging Partners in Development. *Social Development Issues*, 22: 2/3 pp3–14.
- Ford Foundation (2006) *Funding Foundations: Report on Ford Foundation Support of Grantmaking Institutions, 1975–2001*, New York, NY: Ford Foundation.
- Graddy, E. and Morgan, D. (2006) Community Foundations, Organizational Strategy, and Public Policy. *Nonprofit and Voluntary Sector Quarterly*, 35:4 pp605–30.
- Graddy, E. and Wang, L. (2009) Community Foundation Development and Social Capital. *Nonprofit and Voluntary Sector Quarterly*, 38:3 pp392–412.
- Hammack, D. (1989) ‘Community Foundations: The Delicate Question of Purpose’ in R. Magat (ed.) *An Agile Servant: Community Leadership by Community Foundations*, New York: Foundation Center.
- Jung, K., Park, T. and Hwang, C. (1999) ‘Korea’ in T. Silk (ed.) *Philanthropy and Law in Asia: A Comparative Study of the Nonprofit Legal System in Ten Asia Pacific Societies*, San Francisco, CA: Jossey-Bass.
- Kaur, L. S. (2006) The Third Sector: The Law in China and Non-Profit Organizations. *International Journal of Civil Society Law*, 4:4 pp47–61.
- Kim, I. and Hwang, C. (2002) *Defining the Nonprofit Sector: South Korea*, Working Papers of the Johns Hopkins Comparative Nonprofit Sector Project, ed. L. Salamon, Baltimore, MD: Johns Hopkins Institute for Policy Studies.
- Kim, J. (2003) ‘Growing Influence of Civil Society Sector in Korea’. Paper presented at the Asia Pacific Philanthropy Consortium Conference, 5–7 September 2003, Manila, Philippines.
- Kim, P. S. and Moon, M. J. (2003) NGOs as Incubator of Participative Democracy in South Korea: Political, Voluntary, and Policy Participation. *International Journal of Public Administration*, 26:5 pp549–67.
- Kim, Y. P. (2002) ‘Welfare Policy and Liberal Democratic Party: A Long-Term Administration’. Doctoral dissertation, Kanajawa University, Japan.
- Lee, R. (2009) Modernizing Charity Law in China. *Pacific Rim Law & Policy Journal*, 18:2 pp347–72.
- Lowe, J. S. (2006) *Rebuilding Communities the Public Trust Way: Community Foundation Assistance to CDCs, 1980–2000*, Lanham, MD: Lexington Books.
- Ma, Q. (2002) The Governance of NGOs in China since 1978: How Much Autonomy? *Nonprofit and Voluntary Sector Quarterly*, 31:3 pp305–28.
- Makinen, J. (2009) In China, Philanthropy as a New Measuring Stick. *New York Times*, 24 September p5.
- Morgan, D. (2007) ‘Community Foundations and New Governance Networks: Three Studies Exploring the Role of Regionally-Networked Philanthropic Organizations in Local Problem Solving’. Doctoral dissertation, University of Southern California, USA.
- Ohta, T. (2006) Public Benefit Organizations in Japan: Present Situations and Remaining Challenges. *International Journal of Civil Society Law*, 4:4 pp72–90.
- Population Reference Bureau (2008) *2008 World Population Data Sheet*, Washington, DC: Population Reference Bureau.
- Sacks, E. W. (2004) *2004 Community Foundation Global Status Report*, Belgium: Worldwide Initiatives for Grantmaker Support.

- (2008) *2008 Community Foundation Global Status Report*, Belgium: Worldwide Initiatives for Grantmaker Support.
- Salamon, L. M. and Flaherty, S. (1996) *Nonprofit Law: Ten Issues in Search of Resolution*, Working Papers of the Johns Hopkins Comparative Nonprofit Sector Project, No. 20, ed. L. Salamon and H. Anheier, Baltimore, MD: Johns Hopkins Institute for Policy Studies.
- Teamworks/Alternativas y Capacidades (2009) 'Mexico Community Foundations: A Comprehensive Profile'. Report, March.
- Walkenhorst, P., St John, S. E. and Sander, T. H. (2002) *Building Philanthropic and Social Capital: The Work of Community Foundations*, Gütersloh: Bertelsmann Foundation Publishers.
- Wilhelm, I. (2009) Chinese Philanthropy Continues to Grow. *The Chronicle of Philanthropy*, 21 September. Available at <http://philanthropy.com/blogs/prospecting/chinese-philanthropy-continues-to-grow/19336> (accessed 15 October 2010).
- Young, D. R. (2000) Alternative Models of Government–Nonprofit Sector Relations: Theoretical and International Perspectives. *Nonprofit and Voluntary Sector Quarterly*, 29:1 pp149–72.