

Philanthropists in Asia: What Do They Want? What Do They Get?

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Asia's story of the past few years includes rising wealth and increased philanthropic giving. In 2014, there were 128 charitable contributions of more than US\$1 million from Hong Kong alone, a 185 percent rise from the year before (and including the US\$1.18 billion that Jack Ma of Alibaba used to set up his own foundation).¹ In its 2016 study on philanthropy, BNP Paribas says that 27 percent of high-net-worth Asians plan to leave at least a third of their fortune to charity.² With much greater wealth, many more Asians are becoming philanthropic, and the number and amounts of donations are increasing, in many cases, dramatically.

In responding to the increased interest, magazines, articles, and conferences on philanthropy and social investment have proliferated. In China alone, new magazines include *Charitarian*, *China Philanthropist*, and *Philanthropy*. *Forbes* magazine has been publishing a Heroes of Asian Philanthropy edition annually for the past nine years. These publications and related surveys offer a peek at the sources of donations as well as at the sectors receiving them. Overwhelmingly, education gets top billing as the focus of giving, followed by health. We wanted a further understanding of not only what Asian philanthropists fund but why and how they do it.

In the past few years, I have interviewed numerous ultra-high-net-worth individuals. Without exception, they expressed a willingness to

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increase their philanthropy if they felt that they could trust the organization or individual receiving their largesse. As discussed in Chapter 3, Asian charity functions within a system dealing with a profound lack of trust.

Before examining strategies philanthropists have developed to mitigate the trust deficit, it helps to understand why it even exists. There are five primary reasons. The first has to do with the importance of an enabling regulatory environment. Government plays a crucial role in incentivizing civic engagement.

To align incentives, improve transparency, and encourage more charitable engagement, it is important to encourage regulations, tax incentives, and the general societal predisposition toward the giving and receiving of donations. Donors are very much influenced by the regulatory and tax policies that govern philanthropy in a country. There are two reasons for this, economic and political. On the economic front, governments can encourage donors to be more philanthropic by putting in place regulatory and tax incentives to give more. The recent corporate social responsibility legislation in India is an example of the government orchestrating giving in a very large way: its impact is enormous, as we'll discuss shortly in the section "Rely on Your Own Network."

On the political front, governments can signal to donors that individual and corporate philanthropy is not only allowed but also welcomed. Singapore's recent decision to increase the tax benefit of a philanthropic donation to 250 percent is a good example. In fact, through our case study work, we have shown the impact of confusing or murky regulations on diminishing philanthropists' desire to provide donations commensurate with their financial resources and potential. As covered earlier, governments across Asia have been trying to address this situation by putting into place new laws, regulations, and programs meant to stimulate local giving.

For social delivery organizations (SDOs), the ability to register as a charity, to be tax-exempt, to receive tax-deductible contributions, and to seek government contracts with projects aligned with their mission are critical factors in determining success.

Just as there are best practices in management, there are best practices when it comes to government policies. Which work best? What are the results as well as the unintended consequences? If the government wants to encourage charitable giving, what policies can it put in place that best insure that outcome? Which policies do not? This is policy research that must be undertaken to help address the reality that donors, practitioners, and in most cases the government itself is not clear about the types and ramifications of policy decisions shaping the charitable sector.

The second important factor in explaining the trust deficit is an extraordinary lack of transparency and disclosure by SDOs, often as a result of an inability to explain and measure results. Most SDOs have been started by and are run by people who are trying to do the right thing. At the same time, many of these individuals lack the skills necessary to keep proper accounting, management, and human resource systems to explain in a transparent manner how they spend the funds they raise and what impact their work is having. In a popular essay on philanthropy, Bill Gates explains, “You can achieve incredible progress if you set a clear goal and find a measure that will drive progress toward that goal,” before he goes on to note, “it is amazing how often it is not done and how hard it is to get right.”

Lack of metrics is not always the fault of SDOs. Government again plays a role: most Asian economies do not require financial transparency by SDOs, or their requirements are confusing. In the Philippines and South Korea, different ministries working in different sectors require different types of reporting from the organizations they are charged with overseeing. In some countries, no regular financial reporting at all is required. As noted earlier, in an attempt to remedy this shortfall, China enacted a new charity law in April of this year outlining financial reporting requirements and the government agencies tasked with oversight.

Foundations as well do not always have to be transparent, contributing to the trust deficit. Even venerable organizations such as the Tzu Chi Foundation in Taiwan are at risk of public condemnation when their finances are completely opaque. Some people believe that Taiwan’s Tzu Chi Foundation is the wealthiest foundation in Asia, but it is a hard proposition to prove, or disprove. What is clear is that Tzu Chi, founded in 1966 by a highly respected nun, Chen Yen, is the world’s largest Buddhist foundation. Tzu Chi, which means “compassionate relief,” has enormous reach. With staff and volunteers totaling over 1 million people, operating in more than 40 countries, Tzu Chi has grown to be a formidable player in disaster relief and health services. It is also almost completely opaque, as Taiwan does not require religious organizations to provide accounting information. While it is known that Tzu Chi owns more than US\$3 billion worth of Taiwanese real estate, there is no public record of how much the foundation is worth and how much it spends on charity. Most people agree that as long as the foundation runs under Chen Yen, now 79, it will stay true to its mission to promote “sincerity, integrity, trust, and honesty.” Once she is gone, the test will be how it continues to operate in an environment without the need to be at all transparent.

Scandals are the third factor in explaining a widespread trust deficit. In systems where reporting and oversight is unclear, there can be significant

and highly public scandals, most especially those that include fraud and the misuse of donated funds. In China, after the notorious incident of Guo Meimei, who had been caught apparently misspending donations to the Red Cross, philanthropic donations decreased by some estimates as much as 90 percent.³ In the Philippines, the Pork Barrel Scandal was among the most notorious. This unsavory story involved the funding of “ghost projects” that were financed using funds provided to lawmakers for development projects. These projects were in turn “implemented” through fake foundations and non-governmental organizations set up by a firm with close ties to the government. Even in clean Singapore, there was an infamous scandal involving the widely respected Kidney Foundation, which was found to have committed fraud and provided its chief executive with lavish benefits not allowed by his contract. There are numerous other examples. In fact, in our The Doing Good Index study, in ten of the 15 economies studies reported front-page headline stories of scandals involving foundations and nonprofit organizations in the last two years.

The fourth powerful factor contributing to the trust deficit is confusion about the goals of the nonprofit organization itself. The term “NGO” itself makes no distinction between an advocacy organization and a social delivery organization. And many SDOs also advocate. Bainian Vocational Services in China advocates for increasing educational opportunities for migrant children. The World without Worries organization in South Korea advocates for an expanded view of what respectable tertiary education can look like. This type of advocacy is usually viewed by governments as benign or even constructive.

Problems occur when advocacy organizations agitate for changes in policy that are perceived to challenge the government’s agenda. Groups that work on human rights, legal rights, and labor rights find that governments in Asia frown on their activities, or worse. We seek to make no judgment about the proper role of SDOs, but rather to explain what happens in context.

In more authoritarian regimes like China and Vietnam, Western advocacy organizations are simply not allowed to operate. In Korea, home-grown advocacy organizations stemmed from a citizen response to the years of dictatorship. In almost all cases, well-heeled Asian donors do not support organizations that are strictly focused on policy or regime change. Asian donors tend to focus on organizations that deliver a clear and unambiguous good to a needy population. Thus education and health care are the most popular causes supported by Asian donors: what government doesn’t want a healthy, better-educated populace?

In the United States, such roles are more clearly defined. The tax code divides nonprofit organizations based on their goals and methodologies. Nonprofit organizations are 501(c)3s, the part of the tax code that enables both the organization to be tax exempt and the donor to receive a tax subsidy when making a contribution. 501(c)4s are civic organizations not organized for profit but with a mandate of pursuing a particular outcome often through lobbying or advocacy. Save the Children, the Red Cross, and the World Wildlife Fund are examples of American 501(c)3 organizations. Amnesty International, the Democratic National Committee, and Human Rights Watch are 501(c)4s. The system is not perfect, but it does help clarify distinctions.

No Asian country has this kind of legal separation, and the term NGO is often used across the spectrum. It is not a particularly useful term. Technically, NGO stands for “non-governmental organization,” a problematic term that does not clarify the organization’s goals to the donor or to the public at large. Even more confusing, many NGOs are, in fact, linked to government. A common acronym in the social sector in Asia is a GONGO, which is a government operated non-governmental organization—a term that for many seems contradictory to Western ears but makes sense within the Asian context. In South Korea, NGO is more used for an advocacy organization and the term NPO (for nonprofit organization) is used when referring to SDOs. This is also problematic, as many NPOs are utilizing social enterprises or business to augment their income. They are not, strictly speaking, nonprofits. In Japan, NGO refers to organizations focusing on helping developing countries and NPO is used when referring to domestic organizations.

We at the Centre for Asian Philanthropy and Society use the term *SDO*, or social delivery organization, to refer to an organization aiming to deliver a social good. SDOs may or may not have governmental connections, and they may be using business tools or social enterprises to achieve their goals, but they are distinct from pure advocacy organizations aiming to change public policy. That sort of designation can be particularly helpful in Asia, where donors rarely wish to cross officials at odds with challenging advocacy.

The last factor that leads to a trust deficit is the historic tendency of the “best and the brightest” to go into wealth-making or government careers instead of into the charitable sector. While there are many exceptions to this, many of the most highly educated people in Asia have chosen more lucrative career paths. In the past—in a poorer Asia—these choices made a great

deal of sense. Now that many in the region are well off, or comfortably in the middle class, there are more opportunities for young people to take another route and spend time or their whole careers in the social sector. In 2016, Teach for the Philippines was listed by a Swedish firm as one of the top ten sought-after employers, an unlikely result even ten years ago. Young adults have also been excited by the advent of social enterprises, companies that run as a business but address a social need. Social enterprises are arising all over the region. In Hong Kong, Synergy Venture Network has helped to start 20 portfolio social enterprises since 2007. In South Korea, the Law on the Promotion of Social Enterprises was enacted in 2007, certifying 36 social enterprises. The numbers have been growing since.⁴ Increased societal wealth and innovative business models bring new excitement into the social investment space. We expect to see more and more of the best and brightest choosing alternative careers in doing good.

Asia's trust deficit is not a static condition. While each of the above factors has contributed to the problem, many are improving. Policymakers, donors, the public, and those engaged in delivering social good all recognize that the need to fill this gap, to create mechanisms that engender trust. And in the meantime, philanthropists have developed a number of strategies designed to mitigate the existing trust deficit and the lack of institutional mechanisms for conducting due diligence.

But before talking about strategies, it is important to lay out motivation. What motivates someone with wealth to give it away in Asia? As shown in Chapter 2, there are long histories throughout the region showcasing benevolence on the part of those empowered through position or wealth, or both. The motivations for giving in Asia are consistent with giving in other parts of the world.

The most important motivation is compassion and a sense of humanity. Despite the jokes that wealthy people do not have hearts, those with wealth do care about the world and are part of it. In Asia, as in other places, people are motivated to give in order to help, in order to ease suffering, in order to find a cure, to educate a child, to help a mother. There are numerous examples of philanthropy in Asia going to the most basic human needs. Education, health care, and nutrition are at the top of those areas receiving support. This is especially true when there are natural disasters. Following the numerous extreme typhoons in the Philippines in recent years, flooding in Bangkok, and earthquakes in Japan and China, and the tragic 2004 tsunami, people have demonstrated extraordinary humanity and willingness to provide assistance.

Compassion also plays a role when determining the types of issues to support. David Wei of Shanghai built hospitals for Tibetan medicine in Tibet and Shanghai after witnessing the poor health-care infrastructure in Tibet. Laurel and George Tahija established a foundation focused on cultivating all children's learning potential in Indonesia, after finding these resources lacking when raising their own children.

There is also a strong paternalistic urge among Asians who have amassed wealth. It is not uncommon to hear those with wealth "helping the people" or "providing for the poor." There is a cultural affinity with taking care of those less fortunate in very much a paternalistic manner. Those receiving this assistance also buy into the notion of being taken care of. In his book *Blood and Silk*, writer Michael Vatikiotis quotes Malaysian Prime Minister Mahathir's daughter Marina Mahathir: "We are accustomed to tolerating the extraordinary wealth of our leaders. That is because we consider they deserve riches in return for looking out for us."⁵ While this quote is referring to political leaders, it is also very much the case when it comes to business leaders. Communities expect those with wealth to provide for them. Those with wealth historically and still much in practice today feel it is their role to be the patriarch and take care of their extended family, relatives or not.

The cultivation and strengthening of relationships is another reason to give. People give when a friend or business associate asks for support of a cause or an organization that they have also been supporting. We will discuss this motivation in detail in the next section.

For many in business, a business imperative is reason to give. Many seek training and increased educational opportunities to raise the quality of employees. Others augment existing educational systems with their own training programs and courses.

And lastly, there is face, always a motivation in Asia. A philanthropist chooses to give so as to receive recognition for largesse. Of course, discerning cause and effect is a chicken-and-egg phenomenon. Does one give in order to get recognition or is recognition the reasonable and justifiable response to a generous act?

In any case, the social imperative for giving is growing in Asia. While some wealthy people resist the trend, most acknowledge the trend itself, one that affects not only the wealthy but also the middle class. Later on in this book, we will talk about the rise of crowdfunding throughout the region and its support among those with average incomes. Here we will address several key strategies employed by well-off philanthropists.

The most important strategy rests on the importance of relationships. Throughout history, Asia has been a region that has relied on relationships to conduct a host of activities. Businesses ranging from the *keiretsu* system in Japan to those shaped by Chinese clans have relied on relationships. Relationships created the social glue and incentives to carry out complex transactions in areas where rule of law has not been the dominant organizational principle.

It is not surprising that Nobel Laureate Muhammad Yunus based his microfinance model on the primacy of maintaining community and peer relationships. In Yunus' innovative structure, originally established in Bangladesh and now widely replicated, collateral was replaced by peer groups where all the members would be accountable if one did not repay a loan. It is only in recent years with the advent of international finance that mechanisms such as securities and exchange commissions, stock exchanges, and international accounting standards have been created to allow participation in global markets.

Despite these mechanisms, interactions based on relationships rather than transactions remain supremely important. This is not to say that relationships do not matter outside of Asia. Of course, they do, but in Asia, it is hard to overstate how much they do matter. Relationships often trump price, subject matter expertise and even at times, one's own interests. Much has been written about the importance of relationships in the private sector, and how-to books geared to novice Western businesspeople emphasize nurturing the relationships necessary for success in Asia.

In an area without a clear bottom line like philanthropy and social investment, the importance of relationships becomes even more decisive. Through our work, we have identified patterns of how relationships inform or even determine philanthropic decision-making.

RELY ON YOUR OWN NETWORK

The most prevalent strategy employed by philanthropists in Asia is to rely on their own networks or sets of relationships. This happens in several ways.

The most common is that someone in your network asks you to donate to a cause that he or she is championing. Of course, this also happens in other parts of the world, as a dedicated board member or donor recruits friends and colleagues to support a particular organization. While the donation may be in fact going to a good cause, the primary reason behind

the gift is to enhance the relationship of the donor with his or her friend or colleague. In fact, it is clear that the return on investment is calculated as the enhancement of the relationship first and perhaps the impact of the donation further down the list.

It is not uncommon to find a philanthropist whose total giving is reactive, based on friends' requests. While this is changing, there are still few philanthropists in Asia who decide on an issue or project first and then find the people and organizations to impact on that issue. In fact, as we will see, the great majority of philanthropic giving in Asia is reactive as compared with proactive, with the goal of ameliorating a particular problem.

An example of this was a donor who was asked by a friend to support an organization working with slum children. In an interview, he said, "I was not planning on donating to this cause, but of course it is a good one. Who doesn't care about slum children?" Then he quickly added, "Also, the person requesting was a business partner, so it was helpful all the way around."

Many donors employ this "I'll scratch your back if you scratch mine" strategy when it comes to philanthropy. Given the situation it is an elegant solution. The donor's risk is mitigated by the previous history of his friend or colleague with a particular organization; by giving, the relationship with that person deepens.

This response-approach also occurs regularly at the behest of a government official. In our work, we see two types of government requests to charitable causes. The first is when the government has a particular program or initiative for which they are looking to outsource much of the costs. This was what happened with our case study on the Squash Raquets Association of Malaysia (SRAM) in Malaysia. When the Malaysian government wanted to build up a national competency in the game of squash, it asked a prominent business leader to underwrite the associated costs. He obliged for several years and then passed the funding baton to another business leader who followed the same pattern. Another example is now taking place in India, where the government is not asking a company or donor to fund a specific project but has put in place incentives that amount to the same outcome. Since 2013, India has had an extraordinarily progressive CSR law requiring companies to spend 2 percent of after-tax profits for charitable causes. As we discussed in Chapter 3, it has generated a huge influx of cash going into social programs and projects. At the same time, Narendra Modi has been advocating for increased sanitation throughout the country. As a result, many businesses are building toilets. It is smart to do so: you are working

toward meeting your 2 percent obligation while supporting Mr. Modi's agenda.

It is quite common in Asia for the government to ask local business leaders to pay for flagship projects that have societal value. In Korea, the large *chaebols* have all been asked to dedicate significant sums to pay for costs associated with the upcoming Olympic games. Once again, this is not idiosyncratic to Asia, but in Asia it is quite unthinkable for a company to say no.

Once again, it is not necessary for the government to ask overtly. On the homepage of the China Youth Development Foundation, a quasi-governmental organization dedicated to helping children in China, a banner headline reads, "Since 1989, donors like you have given ¥4.52 billion to our programs." You can then click on the list of donors, which includes many of the nation's top companies as well as a number of multinational companies. Giving to the China Youth Foundation is one degree removed from giving directly to the Chinese government.

In the examples above, the donor sees the triple benefits of providing support for a worthwhile cause while at the same time deepening relationships and mitigating the risks of making a donation into an unverified organization. In the case of the government, it may be in the donor's interest to show through philanthropy support for the government's goals.

There are costs to this approach, despite its efficiency in aligning incentives for donors. Sometimes, gifts from donors to the government for charitable work may not appear as noble. Given the existing lack of trust, the public can easily suspect foul play when the disbursement of funds is not transparent. An example of this can be seen in South Korea: in order to escape jail terms, both Hyundai's Chairman in 2006 and Samsung's chairman in 2008 donated \$1 billion for charity to the government. In both cases, no records exist as to how the funds were disbursed, so it is easy to see why the public would be skeptical about their just use.

Philanthropists also use networks to direct donations through a person they trust. This happens in two ways. In the first case, the donor trusts a particular person and asks that person to head up an organization or an initiative that he supports. This was the case when Ronnie Chan, the chairman of the Asia Society, asked his long-term protégé to head the Asia Society's Hong Kong operations; he knew she could do an excellent job while also representing his interests. It was the case when Washington SyCip in the Philippines gave a large contribution to CARD, a microfinance organization,

to put in a place a scholarship program. CARD was not an educational organization, but Wash SyCip trusted CARD's founder and CEO Aris Alip to figure out how best to take on this new task. In fact, it is not uncommon in Asia to ask someone you trust to take on a role or carry out a task regardless of whether that person has had similar experiences. In the United States, it is more common to look for a candidate who has had a relevant track record and then get to trust him or her. In Asia, it is often the other way around. In the end, the outcome is similar but the order of the steps toward that outcome differs in important ways.

The other way trust in a particular person matters is when that person is heading up an effort and relies on his or her network to gather support. This has certainly been the case for me personally, with support for the Centre for Asian Philanthropy and Society (CAPS). I have gone to those with whom I have had long and trusting relationships when asking for support. As Ronnie Chan said in a recent meeting, "I invest in people who I know will accomplish great things," and as Ratan Tata informed me, "I focus on those I trust."

Beginning with a trusted contact makes particular sense in Asia. Since there are few mechanisms for conducting due diligence on a social investment, the norm in Asia is to seek your friends' advice as to which organization does good work, which can be trusted. This means that within one economy, oftentimes the same organizations receive the bulk of the local community's support. The utility of relationships goes both ways. Donors use their relationships to decide who and what to give to; SDOs use theirs to solicit funds.

One of the ramifications of relying on one's network is the rise of what we are calling "superstar NGOs." In each economy there are a few non-profit organizations that become well known and established among the elite. Giving to them becomes to a certain degree *de rigueur*. These organizations are headed by men and women who have either come from elite backgrounds themselves or have established themselves among the elite and gained their trust. Funding a superstar NGO is less risky. These organizations are well established and have a place of pride in the community. They have recognized names and lauded reputations. They often do excellent work. The downside is that by focusing one's giving on the most prominent organizations, the barrier to entry rises for new and potentially innovative organizations. It is very difficult to establish a new organization without a pre-existing set of enabling relationships. This difficulty is exacerbated by the existence of a small group of blue-chip organizations

receiving the bulk of the philanthropic donations. In fact, in our study, in two of the economies, the Philippines and Malaysia, donors only wanted to fund case studies if it was with one particular organization. We convinced them to look beyond the one superstar NGO, but the initial desire to go with the most successful and best known was strong.

Philanthropists use their relationships in a variety of ways when making decisions about donations. Relationships may be the source of the request, the means by which to vet a request, or ultimately, the beneficiary of a request—even when a given contact falls outside of the issue or problem that is ostensibly the reason for the gift.

FAITH-BASED FUNDING

Asian donors also give to faith-based organizations. As with others around the world, much of this giving is driven by the belief that these organizations embody the values of compassion, kindness, and doing good for one's fellow man. Faith-based giving often goes to SDOs that have been established by the clergy or lay practitioners closely associated with religious organizations. In our study, Haven of Hope in Hong Kong strives to maintain its Christian values while delivering secular health-care services. Caritas Manila benefits greatly as the charitable arm of the Catholic Church in a country where 86 percent of the population is Roman Catholic. Donors feel that their funds are being more effectively spent by organizations affiliated with their own religion.

DO IT ON YOUR OWN

Since many philanthropists do not trust existing nonprofit organizations and are more confident of their own management and strategic abilities, some decide to fund their own foundations or SDOs. Most have financial skills and are active in their respective fields: Asia has very little inherited wealth that goes back more than a couple of generations. That means most high-net-worth individuals are businessmen and women who are engaged with their operations on a day-to-day basis. Increasingly, this means that many of them want to employ the same business rigor and savvy to their philanthropic investments as they do for their profit-making activities.

In Asia, companies are still family owned or dominated, to a large degree. The company's charitable contributions and those of its largest shareholder or owner are often indistinguishable. Zhang Xin and Pan Shiyi,

for example, are the primary owners of SOHO China, and since they support educational initiatives, so does SOHO. Currently they focus on the provision of scholarships for promising Chinese students matriculated into several elite American universities. From 2008–2012, SOHO went directly into schools with its Children’s Virtue Project and Bathroom Construction Campaigns. These two programs allow SOHO team members with relevant expertise and skills to work directly with schools.⁶

In India, Mukesh Ambani is the dominant shareholder of Reliance, with 45 percent of its shares, and his wife, Nita Ambani, chairs the Reliance Foundation. The Reliance Foundation works in five areas throughout India: rural transformation, education, health, urban renewal, and in arts, culture, and heritage. The Reliance Foundation follows the model of a philanthropist with faith in his or her own management skills: it is an operating foundation, meaning that it designs and carries out the projects itself, rather than giving the funds to existing SDOs.

Globally, foundations taking active roles in how their funds are spent are on the rise. In Hong Kong, the Jockey Club Charities Trust, the largest foundation in Hong Kong, has revamped its giving into strategic initiatives rather than supporting numerous and non-aligned organizations. The Azim Premji Foundation in India utilizes business strategies in addressing educational shortfalls in eight Indian states. It is extremely dynamic, forming one of the most strategic and ambitious foundations in the world and certainly in Asia.

FUND FOREIGN AND REPUTABLE ORGANIZATIONS

Our own chairman, Ronnie Chan, made international headlines when he and his brother Gerald made a contribution to Harvard University that was, at the time, the largest in its history. The T.H. Chan School of Public Health has now a large endowment to carry out cutting-edge research on global health pandemics.

The Chans are not alone. More and more Asians are donating abroad, in accordance with the principles outlined above, of supporting valuable causes and relying on existing contacts. Universities make natural recipients. According to *The Wall Street Journal*, Hong Kong donations make up 17 percent of the world’s total donations to U.S. universities. Prior to the Chans’ gift to Harvard, Princeton University ranked first among recipients, with US\$67.6 million from Hong Kong donations, followed by Stanford University (US\$39.3 million) and the University of California at

Berkeley (US\$28.8 million).⁷ In 2014, SOHO China's Pan Shiyi and Zhang Xin gave US\$15 million to Harvard and US\$10 million to Yale. In 2010, Chinese financier Zhang Lei gave US\$8,888,888 to his alma mater, Yale University (8 being a lucky number in China). In 2010, Harvard Business School received US\$50 million from Tata Companies, the Sir Dorabji Tata Trust, and the Tata Education and Development Trust.⁸

Nor do all the donations go to the United States. In May 2013, Li Ka-Shing of Hong Kong pledged £20 million (US\$26.4 million) to Oxford University.⁹ Dickson Poon of Hong Kong gave £10 million (US\$13.2 million) the following year.¹⁰

Though these contributions caused some degree of backlash in their home economies, it is not unusual to donate to universities, especially an alma mater. Most of these donors gave large sums to universities in their home countries as well.

CONCLUSION

Philanthropy in Asia, like many other fields, is experiencing a cultural shift. With increased wealth, there is increased giving, resulting in many others moving up the learning curve of how and why to give.

For the man or woman on the street, the primary reason to give is the human tendency to be compassionate. For Lifeline Express, half of their donations in China and in Hong Kong come from small donations made without any type of quid pro quo. In Chapter 2, we saw how charity has a long and noble history in Asia. There continue to be many millions of donations made because the situation warrants it and people feel the very human desire to help. There is a reason that education is the largest beneficiary of philanthropic donations in Asia. Donors believe that education makes the most critical difference. All of the donors to our Centre have supported scholarships to one extent or another because of this heartfelt belief.

In addition, particularly for those making larger contributions, relationships continue to be a strong driver of charitable giving. Relying on relationships offers many advantages for donors. It is in fact a virtuous circle—you give, you enhance your relationships, which help you earn more, and thus you give more. In some ways, it is the most strategic thinking.

On the other hand, the desire to have impact, to make a difference, to solve a big problem, is also driving much philanthropic giving. Those who give to Western universities would argue that they are doing so to maximize the value. In the last few years, training programs and university

courses on philanthropy have become to proliferate. Just a few months ago, the China Philanthropy Research Institute received US\$50 million from five donors to establish the Shenzhen International Philanthropy Academy to train newly minted philanthropists on how best to give away their money. They draw from an active, growing pool in China.

Philanthropy, individual and corporate, is proliferating in Asia. As this book points out, it will maintain different characteristics from giving in the West but there is no doubt that it will continue to grow.

NOTES

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