

A study on NPOs/NGOs of Korea and Japan in a comparative perspective.

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Let me explain the outline of my prospective Ph.D. dissertation and today's presentation briefly. In my dissertation, I have paid attention to the importance of NPOs/NGOs in social welfare and have tried to compare the activities of NPOs/NGOs in Korea with those in Japan from a macro and a micro point of view. In addition, the empirical research based on theory the same framework about long term care for elderly.

But, in this presentation I focus on the comparison of the activities of NPOs/NGOs in Korea and Japan from a macro and a micro point of view .

1. Backgrounds of the emergence of NPOs/ NGOs

It is said that modern welfare states face crisis in social service delivery. This paper pays attention to effective social service delivery systems. It focuses on Non Profit Organizations(NPOs) and Non Governmental Organizations(NGOs) as an alternative to the conventional system. It is expected they would make up for shortage of conventional social service delivery system. This paper describes similarities and differences in activities of NPOs/ NGOs between Korea and Japan.

To consider improving conventional system, it is necessary to understand the backgrounds of the welfare state crisis and transformation of social service delivery. First, there is an increase in the aged, second, the worsening of financial burden of central government, third, the decrease of central government spending in social welfare service delivery due to Neo Liberalism and decentralization, fourth, the transformation of family structure.

2.The comparison from macro-point of view

---Based on The Johns Hopkins Comparative Nonprofit Sector Project---

In modern society, socio-economic roles of NPOs/NGOs should not be ignored. Nowadays, we experience worldwide increase of the importance of NPOs/NGOs, to such an extent that Prof. Lester. M. Salamon calls it "the global association revolution". However, conventionally, especially in economics, only public sector and market sector were considered an analysis object. This is why we should be interested in global socio-economic influence of NPOs/NGOs and take a close look at

it.

A comparative research on NPOs/NGOs led by Johns Hopkins University is famous worldwide. The Johns Hopkins Comparative Nonprofit Sector Project we call JHCNP started in 1990. Since then, several surveys have been made several times so far. At the beginning, 14 countries were focused. But, nowadays, almost 40 countries are surveyed.

(1) Expenditure ratio of NPOs/NGOs to GDP

In 1995, the amount of expenditure of Japanese nonprofit sector was 22trillion yen, equivalent to 4.5% of GDP. The total expense of Japanese government in this fiscal year was 78trillion yen, compared to other sectors, the current expenditure scale of Japanese nonprofit sector is not small.

In case of the Korea, National Accounts of the Bank of Korea, we can see the share for each sector in GDP. The sector nearest to non-profit sector is producers of non-profit services to households. Compared to 1985, we can find 9times increase in the turnout of nonprofit sector in 2002. This means that the turnout of non-profit sector in GDP increased over 12times from 0.19% in 1985 to 2.46% in 2002. Here, we can find a very interesting feature, that is, the share of government is increasing from 7.3% in 1985 to 8.0% in 2002. This is contrary to conventional wisdom that growth of non-profit sector would bring reduction of government.

(2) Employment share of NPOs/NGOs to total employment

I have examined employment share of NPOs/NGOs to total employment in several countries. U.S. is 9.8%, Japan is 4.2%, Korea is 2.4%, 36 countries average is 4.4%. Compared to other countries, Korea is lowest.

(3) Income sources of NPOs/NGOs

In case of Japan, fees hold 52%, the assistance from public sector holds 45%. When it comes to donations in NPO, it is only 3%. A characteristic of income situation in Korean NPOs/NGOs is that fees are 71%. It means that they get more fees than NPOs/NGOs do in any other countries. In Korea, government subsidy is 24%, donations is 4%, respectively. Compared to other countries, Korea and Japan can

get very small donations.

3.The comparison from a micro point of view

(1) Concept of NPOs/NGOs

In Korea, the concept of NGOs has no difference from that of NPOs. These two words can be used as the same meaning with a citizen's group, the private group, etc. On the contrary, in Japanese NGOs points at activate worldwide and NPOs are groups which act domestically.

About concept of NPOs/NGOs, Prof. Lester M. Salamon of Johns Hopkins University will be acceptable. According to Prof. Salamon, NPOs are first, not profit distributing. That is to say, do not distribute profits to their owners, second, private. That is to say, not be a part of the apparatus of government, third, organization, whether formal or informal, forth, self-governing. And, fifth, voluntary, That is to say, non-compulsory.

(2) The comparison of an act regarding NPOs/NGOs

Let me explain the comparison of an act regarding NPOs/NGOs between Korea and Japan. Firstly, background of the legislation. Nowadays, NPOs/NGOs attract world wide attention as a legitimate and very influential power to move society forward, but they have not so long history in Korea and Japan .As you see on table 4,In Japan,Hanshin Awaji great earthquake disaster in January, 1995 was a good chance for Japanese people to spotlight the importance and roles of Japanese NPOs as a community leading figure.

On the other hand, in Korea, NGOs are originated from the establishment of Citizens' Coalition for Economic Justice (CCEJ) in 1989. As you know, 1989 was shortly after the democratization in Korea. That's why we can think that democratization was a good opportunity of the birth of Korean NGOs.

Secondly, I can point out a distinctive difference in the purpose of this act. Korean NGOs are a kind of model that they should contribute to the development of democracy and public interest, and this is one of the reasons why they may be said that the Korean NGOs are one of the products of democratization. Thirdly, in addition, a distinctive difference can be seen in the minimum number of members required to become a juridical person. Japan is 10. Korea is 100. It has two

meanings. One thing is, Korean NGOs can work as a stronger society-changing force. The other is Japanese NPOs can concentrate not in nationwide activities but in community based activities.

(3) The field of activities of Japanese NPOs

I have data for 1996, 2000, 2004. Through this period, "social welfare" is continuously highest, and subsequently "education/culture/ sports, and "community based" is relatively high.

When it comes to areas of Japanese NPOs works, one of the most distinctive characteristics of Japanese NPOs is that almost 70% of them work inside only one city, town, or village. This makes them convenient to community-based work. It has something to do with fields of activities of Japanese NPOs and it is a very good comparison with Korean NGOs, as follows.

(4)The field of activities of Korean NGOs

More than half of Korean NGOs have their main office in Seoul special metropolitan city, capital of Korea. It is very convenient for Korean NGOs to work, when we take into account the characteristics of Korean NGOs.

Table 8 is related to fields of activity of Korean NGOs. Civil society holds 25.2%. From this fact, I want emphasize that Korean NGOs have something in common with democratization because civil or civil society can be strongly combined with democratization. It means what Korean NGOs are doing and happening to them is not just a coincidence.

More than half of Korean NGOs were established in 1990s. When we take into account the fact that Korean people experienced democratization in 1987, this can prove indirectly that Korean NGOs have something to do with democratization.

(5)The comparison of activity between the two countries

In Japan, Social welfare/health/medical care is highest (43.1%). But, in Korea, and

civil society is highest (25.2%). This difference seems to come from a difference of the origin of NPOs/NGOs between the two countries.

4. Concluding Remarks

The activities of NPOs/NGOs related to social service delivery in Korea and Japan are quite different. I emphasized that, in Japan, the activities of NPOs/NGOs are mainly community-based, political influence of NPOs/NGOs is not so strong. NPOs/NGOs are not directly involved in policy making process but in the supply of social welfare service. On the contrary, in Korea, NPOs/NGOs are advocacy-oriented and they have strong political orientation. The background of this is democratization.

Korean government introduced long term care scheme in July 2008. In Japan, it was in 2000.

It is expected that the introduction of long term care scheme will enhance the roles of community-based NPOs/NGOs, so was in Japan. This is very important point when we argue the roles of NPOs/NGOs. Because, when it comes to social welfare service delivery, NPOs/NGOs are indispensable government partners in the era of small government and financial austerity.

To make NPOs/NGOs take more part in, I argue, it is necessary to take measures as follows. First, to enhance the roles of NPOs/NGOs as a global network, second, to enlarge civil participation, third, to strengthen civil society partnership, fourth, to encourage international linkage and network between NPOs/NGOs. And, it is also necessary to define their roles clearly and properly.