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CHI-KAN RICHARD HUNG

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Asian American Nonprofit Organizations in U.S. Metropolitan Areas

CHI-KAN RICHARD HUNG

Abstract
This article analyzes the characteristics of Asian American nonprofit organizations in major U.S. metropolitan areas. The data are based on internet archives of nonprofit organization Form 990 and related information. Asian American nonprofits are less than 20 years old on average. They remain a relatively small part of the nonprofit sector. Religious organizations are generally the largest group among Asian American nonprofits, followed by cultural organizations, service agencies, and public interest associations of similar proportions. Asian American secular organizations as a group tend to be younger, are more likely to be in central cities, in wealthy and poor communities, as well as in metropolitan areas with a more homogeneous Asian ethnic population and a relatively more active general population in community organizing. The opposite is true for religious Asian American organizations. The pattern is less consistent among Asian American cultural, service, and public interest organizations. Regarding organization size, more established Asian American nonprofits, pan-Asian American organizations, and those agencies located in communities with larger Asian American population have more total assets and annual revenue.

**Introduction**

Very little is known about Asian American nonprofit organizations (NPOs) as a group. The purpose of this article is to provide an overview of these organizations in major U.S. metropolitan areas. The study is guided by a simple research question: What is the pattern of development of Asian American nonprofit organizations? The pattern of development includes the size of this segment of nonprofits, their history, the distribution among different functional types as well as among diverse ethnic groups, and some aspects of the general financial situation of these organizations.

It is a well-established fact that nonprofit organizations play an increasingly important role in contemporary U.S. society (Salamon 1999). Various theories have been advanced to explain the rationale for the existence of the nonprofit sector. One theory argues that the rise of nonprofit organizations is a result of government failure—alogous to the justification for a government to exist due to market failure (Weisbrod, 1988). As the private market fails to produce some goods and services because of the incompatibility between market incentives and the nature of public goods and services, so are some other goods and services that a government, even a democratically selected one, may fail to produce equitably. In a society with heterogeneous public interests and public decision by majority rule, only publicly provided collective goods (including public goods) that meet majority interests may get provided. Public goods that are local to either a geographic area or to a community of any particular characteristic, in the absence of any alignment with majority interests, may need to find alternative provision mechanisms. Collective actions among individuals that share the same local public interests may engage in self-organizing to form voluntary and nonprofit agencies to provide such local collective goods. Resources for these nonprofits may come from within the same community, outside the community, or even the larger government sector when these local public interests overlap with the larger context of government policy initiatives.

The community interests of different racial and ethnic groups can be considered an example of such local collective goods. In this case, the collective goods are local to different ethnic groups. As a community, Asian Americans are comprised of significant immigrant population of diverse ethnicity. There are at least two general immigrant concerns for these Asian Americans—economic survival in the adopted country and maintaining a distinctive cultural identity and heritage. Helping immigrants to survive economically includes organizing nonprofits to teach English as Second Language (or English for Speakers of Other Languages), or to provide services to those who need help in taking care of themselves such as those living in low-income households, the youth, and the elderly. Maintaining cultural identity may take the form of setting up ethnic language schools to teach U.S.-born Asian American children, creating nonprofits to promote ethnic art, music, dance, and other ways of encouraging participation in immigrant home culture. As Asian American communities grow, they may learn to adopt more mainstream organizing.

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strategies. One consequence is the development of Asian American nonprofits that promote Asian American interests in the context of the larger society including advocacy groups, professional associations, funding intermediaries, and private foundations.

Thus, Asian American nonprofit organizations can generally be categorized into four functional types: (1) religious organizations, primarily churches and temples; (2) cultural organizations that promote and preserve a group’s cultural identity, including home-country language schools, traditional arts, dance, or music groups, and other general cultural organizations—for instance, associations based on the last name of an ethnic Chinese subgroup; (3) service organizations that primarily provide one or more types of social services such as English classes, health services, youth programs, or senior housing projects, whose overall objective is to help immigrants participate more productively in the economy; and (4) public interest organizations, such as advocacy groups, professional organizations, civic organizations, and private foundations and various public interest funds, whose central goal is to enhance the voice of their respective Asian American constituency through organizing, financing, holding forums, sponsoring activities, or other appropriate means.

Among these four functional types of Asian American nonprofit organizations, there is also heterogeneity of community interests. Because of the nature of religious and cultural activities—especially in the use of native languages and the meaning of identity—it is likely that a religious or cultural organization serves a specific Asian ethnic group. A social service or public interest organization operates in the larger societal context in terms of its funding sources or sphere of influence, and thus may not be bounded as much by similar language and cultural particularities. A Vietnamese American may not attend a Chinese church but participate in an English class conducted at an Asian American social service agency. The following empirical sections may shed some light on whether the distribution of Asian American nonprofits reflects this pattern of heterogeneity.

The reminder of this article is organized into three parts. The first part describes the data, which come primarily from IRS tax forms. This is a rich source of information with some major limitations. Both simple and multivariate statistical methods are used to analyze the data. The second part presents the descriptive statistics, based largely on bivariate distributions. The major findings are that Asian American nonprofit organizations are numerous but few compared to all nonprofits, they are young and diverse both ethnically and functionally, and they are concentrated in a small number of metropolitan areas. The third part examines the factors that are associated with the organizational type (religious, cultural, service and public-interest) and with organizational size as measured by total assets and annual revenue. Multivariate techniques (logistic regressions and ordinary least squares regressions) are used to estimate the independent contribution of the independent factors. The results indicate that Asian American religious organizations tend to have a longer history, are more like-

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ly to be found in suburban middle class communities, as well as in metropolitan areas with a more diverse ethnic population and a relatively less active general population in community organizing. The opposite is true for secular Asian American organizations as a group. The pattern is less consistent among the three types of secular Asian American organizations. Regarding organization size, more established Asian American nonprofits, pan-Asian American organizations, and those located in communities with larger Asian American population have more total assets and annual revenue.

Data

In spite of the emerging importance of ethnic nonprofits, research on these organizations has only begun recently. Michael Cortes (1998) explored various data sources for research on Hispanic nonprofits in the U.S. He made use of the application for tax-exempt status and nonprofit tax returns (Form 990); both were filed with the U.S. Internal Revenue Service. The data used in Cortes (1998) is available at the IRS upon request. Recent advances in information technology, especially via the internet, have rendered similar information accessible on a few websites (e.g. website of National Center for Charitable Statistics, and http://www.guidestar.org). Since Form 990, the tax return filed by nonprofits receiving annual revenue of $25,000 or more, is filed on a voluntary basis, compliance and data quality may not be carefully audited. However, Frellich, Knoepfle, and Pollak (2000) and Bielefeld (2000) demonstrated the research utility of these completed tax returns. After comparing the information in Form 990 with audited financial statements of selected nonprofits, Frellich, Knoepfle and Pollak (2000) concluded that the financial information, especially balance sheet and income statement information, contained in Form 990 was reliable.

This study uses a subset of the Form 990 data to examine Asian American nonprofit organizations in U.S. major metropolitan areas. Asian American nonprofit organizations here refer to nonprofits that are run by Asian Americans, either as executive directors or as board members of the organization, or both. Thus, nonprofit organizations that serve Asian Americans but have no significant Asian American representation as board members or executive director are not included in this study. Metropolitan areas are used because minority and immigrant population are likely to be concentrated in these areas. More specifically, Consolidated Metropolitan Statistical Area (CMSA) is used as the definition for metropolitan areas. This is the most inclusive metropolitan area concept used by the U.S. Census Bureau. This study collects information from the ten largest CMSAs as measured by total population. The U.S. Census Bureau definition of these CMSAs is:

1. New York—Northern New Jersey—Long Island, NY—NJ—CT—PA CMSA
2. Los Angeles—Riverside—Orange County, CA CMSA
3. Chicago—Gary—Kenosha, IL—IN—WI CMSA
5. San Francisco—Oakland—San Jose, CA CMSA

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6. Philadelphia—Wilmington—Atlantic City, PA—NJ—DE—MD CMSA
7. Boston—Worcester—Lawrence, MA—NH—ME—CT CMSA
8. Detroit—Ann Arbor—Flint, MI CMSA
9. Dallas—Fort Worth, TX CMSA
10. Houston—Galveston—Brazoria, TX CMSA

CMSA demographic data is obtained from the 1990 and 2000 U.S. Censuses. Database of nonprofits allows interactive searches for these organizations within the same approximate coverage of CMSAs. This study assumes that a fifty-mile area surrounding the zip codes of a central city is big enough to cover most of the Asian American nonprofit organizations in the corresponding metropolitan area. Another challenge is to identify Asian American nonprofits in the electronic archives. In this study, these organizations are identified by their names bearing such classification or sub-groups as Asian, Cambodian, Chinese, Japanese, Korean, Vietnamese, Indian\(^1\), Filipino, and similar terms.

Asian American nonprofit organization data for this study is collected from the website http://www.guidestar.org, because it also includes location information of nonprofits that do not file Form 990, especially religious organizations. This website also provides the key information of when a nonprofit organization is granted tax-exempt status or when it was formed. Even though the Asian American nonprofits included in this study are not exhaustive of all such organizations—smaller ones are particularly excluded—the search on this website provides the most comprehensive count of them from one single source. According to a local directory of human services for Asian Americans (Asian American Federation of New York 2003), there are eighty-five to ninety Asian American human service agencies in the New York metropolitan area. Almost the same number (eighty-three) of Asian American service organizations are identified in this study. A comparison of the Boston data with a local directory of Asian American organizations in Massachusetts (Asian American Resource Workshop 2001) shows that the local directory has 219 Asian American community organizations whereas the http://www.guidestar.org archive search resulted in 112 Asian American nonprofit organizations. A breakdown of the four functional types of organizations shows that the Boston Asian American organizations in this study amount to 47 to 55 percent of the same type of organizations in the local directory. If local directories are complete, this is an improvement over the general undercount of small nonprofit organizations as reported in O’Neill (2002). As much as two-thirds of 501(c)3 nonprofits had annual revenue less than $25,000 in 1997 (Arnsberger 2000) and thus were not included in the IRS Form 990 database for that year. Thus, the sam-

\(^1\)Both the NCCS and guidestar.org websites allow interactive search up to fifty miles of a zip code.

\(^2\)Searching for Indian nonprofits requires distinguishing between American Indian and Asian Indian organizations; only the latter is included in the results.

Asian American Nonprofit Organizations in U.S. Metropolitan Areas
ple in this study is a reasonable representation of medium to large Asian American nonprofit organizations in the respective metropolitan areas.

**Descriptive Results**

Figure 1 and Tables 1 and 2 summarize the relevant U.S. census data and findings from examining the data on Asian American nonprofit organizations available at the website http://www.guidestar.org. They provide an overview of the ethnic and functional diversity of Asian American nonprofit organizations in major U.S. metropolitan areas. This section begins with a general discussion of the distribution and history of these organizations in relation to the distribution of Asian American population.

**Asian American Population and Nonprofit Organizations**

The Asian American population grew rapidly in the 1990s. Figure 1 shows the size of the Asian American population and the number of Asian American nonprofit organizations in the ten largest metropolitan areas. In 2000, Los Angeles (1.7 million), New York (1.4 million), and San Francisco (1.3 million) have the largest Asian American population, each accounting for 7 to 18 percent of the total population. The other metropolitan areas are far behind with less than 400,000 Asian Americans, or 2 to 6 percent of the total population. It is not surprising that 70 percent of the Asian American nonprofits in the sample are located in these three metropolitan areas. Los Angeles has the most numerous Asian American nonprofits (about 820), in comparison with New York (about 470), San Francisco (about 360), and the other seven metropolitan areas which has less than 100 to 200 each. This concentration is even more pronounced for older Asian American nonprofits. The fact that metropolitan areas with a larger Asian American population have more Asian American nonprofits can be confirmed by both Figure 1 and the high correlation coefficient of 0.93 between these two variables.

The top full panel of data in Table 1 shows the youth of most of the existing Asian American nonprofits. In each of the ten metropolitan areas, between 45 to 60 percent of Asian American nonprofits were formed in the 1990s. Another 20 to 30 percent have their origin in the 1980s, and 10 to 25 percent in the 1970s. These are statistically significant results based on Chi-square tests. The average age of Asian American nonprofits in this study is less than twenty years. Some of the Asian American nonprofits formed in the last fifty years may have ceased to exist, but this information is not available in the data for this study.

The growth in Asian American population does not translate into Asian American nonprofits’ parity with other nonprofits. Asian American nonprofits amount to less than 1 percent of the total number of nonprofits in seven of the ten largest metropolitan areas. Even in the three largest Asian American communities, Asian American nonprofits are only 1 percent (New York), 2 percent (San Francisco), or 3 percent (Los Angeles) of the total number of nonprofits in the respective area (Figure 1).

Asian Americans are apparently less active in organizing nonprofit organizations than the population at large. The rea-
son for this pattern is less clear. Are Asian Americans in general economically better off than other population groups, and thus in lesser need for nonprofit organizations that provide material benefits than the population at large? The notion of Asian Americans being the model minority, and thus do not need that much social services, has been shown to be invalid (Cheng and Yang 2000). Although there are significant segments among Asian Americans who are well educated and work in various high-income professions, there is also a large number of Asian Americans who are struggling to make ends meet—especially among recent immigrants who have not acquired English language skills. This bimodal distribution of Asian American

resources is obvious in the 1990 and 2000 U.S. Censuses. But the stereotype persists. Recent studies argued that not only do Asian Americans need organized services, but that these services also need to be delivered in a culturally competent way (Zhan 2003).

Pan-Asian American and Ethnic Nonprofits
If heterogeneity of community interests is the basis for organizing nonprofit organizations to substitute for government failure, the extent of ethnic diversity among Asian American nonprofit organizations would further highlight the significance of these agencies in fulfilling unmet needs that escape government attention. The second

*Asian American Nonprofit Organizations in U.S. Metropolitan Areas*
### Table 1. Distribution of Asian American Nonprofits by CMSA

<table>
<thead>
<tr>
<th>Top 10 CMSA</th>
<th>LA</th>
<th>NY</th>
<th>SF</th>
<th>DC</th>
<th>CHI</th>
<th>BOS</th>
<th>PHIL</th>
<th>HOU</th>
<th>DAL</th>
<th>DET</th>
<th>Total</th>
<th>Total N</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>524</td>
<td>369</td>
<td>233</td>
<td>117</td>
<td>91</td>
<td>92</td>
<td>74</td>
<td>51</td>
<td>284</td>
<td>2404</td>
<td></td>
<td>2404</td>
</tr>
<tr>
<td>% among the 10 CMSAs</td>
<td>34.3</td>
<td>19.5</td>
<td>15.2</td>
<td>8.9</td>
<td>4.9</td>
<td>4.5</td>
<td>3.8</td>
<td>3.1</td>
<td>2.1</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Historical period organization was formed**

- % formed within a CMSA in 1990 and before: 1.2
- % formed in a CMSA in 1991-1960: 4.9
- % formed in a CMSA in 1961-1970: 6.5
- % formed in a CMSA in 1971-1980: 12.7
- % formed in a CMSA in 1981-1990: 26.3
- % formed in a CMSA in 1991-2000: 52.4

**Ethnicity**

- % Pan Asian American within CMSA: 8.1
- % Chinese within CMSA: 20.3
- % Japanese within CMSA: 8.8
- % Korean within CMSA: 47.8
- % South Asian within CMSA: 2.3
- % Southeast Asian within CMSA: 13.0

**Functional Types**

- % Religious NGO within a CMSA: 51.2
- % Cultural NGO within a CMSA: 16.1
- % Service NGO within a CMSA: 12.1
- % Public Interest within a CMSA: 9.7

---

*Chi-Square Tests: p < 0.05
*Chi-Square Tests: p < 0.01
*The total N for all historical periods is smaller than that for all ethnicity or all functional types because the year of formation for about 20 organizations cannot be determined.
Pan-Asian American nonprofit organizations are organized to promote the interests of all Asian Americans, rather than focusing on a specific ethnic group. Pan-Asian American, Southeast Asian, and South Asian nonprofits are the youngest among Asian American nonprofits; about 60 percent of them were organized in the 1990s. Almost the same percentage of each of the three groups was formed in the 1970s (9–12 percent) and 1980s (23–24 percent). Southeast Asians and South Asians are relatively new immigrant groups compared with East Asian groups of Japanese, Chinese, and Koreans. The recent emergence of pan-Asian American organizations can be attributed to the time it takes for the rise of the U.S. born and English-speaking generation of Asian Americans, who are likely to be the most active organizers of pan-Asian American nonprofits. While most ethnic nonprofits focus on the needs of the first-generation immigrants and their families, some second-generation middle-class Asian Americans see the merits in joining ethnic organizations as well. To offset the perception or stereotype of being “foreign” in a primarily white environment in Dallas, second-generation Korean Americans and Indian Americans separately organize their own ethnic associations to preserve a balance between their heritage and economic class. They celebrate both ethnic and American holidays, and conduct service projects with first-generations of Asian American organizations as well as with mainstream community organizations (Dhingra 2003).

Researchers continue to debate whether pan-Asian American activism is an outgrowth of the civil rights movement in the 1960s or influenced by the more radical approach of the contemporary black liberation movement (Omatsu 1994). In any case, establishing nonprofit agencies was an important institutionalization process at the beginning stage of the pan-Asian American movement (Geron 2003). Most of the pan-Asian American nonprofits played primarily advocacy roles at addressing anti-Asian American sentiments to promoting Asian American political representation at multiple levels of government (Lien 2001).

In each of the ten metropolitan areas, pan-Asian American nonprofits constitute about 8 to 20 percent of existing Asian American organizations. That is, on average, eight to nine out of every ten Asian American nonprofits are organized to promote the spiritual, cultural, economic, and political interests of specific ethnic Asian groups rather than to further pan-Asian American interests. There are actually fewer truly pan-Asian American nonprofits than the number reported here, since the Asian American identification in some of the nonprofits’ names might be used primarily and strategically to make the organizations appear more inclusive, while the actual clientele is primarily one ethnic group. The pan-Asian American movement may actually benefit from the diversity of Asian ethnic community activism, especially in the form of nonprofit organizations,
Table 2. Distribution of Asian American Nonprofits by Historical Period of Formation

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Pan Asian American</td>
<td>0.0</td>
<td>1.2</td>
<td>1.2</td>
<td>12.2</td>
<td>23.0</td>
<td>62.4</td>
<td>100.0</td>
<td>14.1</td>
</tr>
<tr>
<td>Chinese</td>
<td>2.2</td>
<td>1.0</td>
<td>4.3</td>
<td>17.1</td>
<td>23.5</td>
<td>51.7</td>
<td>100.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Japanese</td>
<td>2.2</td>
<td>2.2</td>
<td>28.8</td>
<td>18.5</td>
<td>20.2</td>
<td>27.0</td>
<td>100.0</td>
<td>7.5</td>
</tr>
<tr>
<td>Korean</td>
<td>0.7</td>
<td>0.2</td>
<td>3.9</td>
<td>14.3</td>
<td>25.7</td>
<td>55.1</td>
<td>100.0</td>
<td>35.5</td>
</tr>
<tr>
<td>South Asian</td>
<td>0.0</td>
<td>2.2</td>
<td>2.2</td>
<td>8.7</td>
<td>23.9</td>
<td>63.0</td>
<td>100.0</td>
<td>3.9</td>
</tr>
<tr>
<td>Southeast Asian</td>
<td>1.9</td>
<td>0.0</td>
<td>3.4</td>
<td>12.1</td>
<td>23.5</td>
<td>59.1</td>
<td>100.0</td>
<td>11.1</td>
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</table>

Functional Types³

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Religious NPO</td>
<td>2.0</td>
<td>0.9</td>
<td>6.2</td>
<td>17.0</td>
<td>25.6</td>
<td>48.3</td>
<td>100.0</td>
<td>40.6</td>
</tr>
<tr>
<td>Cultural NPO</td>
<td>0.4</td>
<td>0.6</td>
<td>3.3</td>
<td>31.6</td>
<td>24.9</td>
<td>56.8</td>
<td>100.0</td>
<td>21.5</td>
</tr>
<tr>
<td>Service NPO</td>
<td>0.5</td>
<td>0.3</td>
<td>1.5</td>
<td>15.0</td>
<td>24.6</td>
<td>58.1</td>
<td>100.0</td>
<td>16.5</td>
</tr>
<tr>
<td>Public interest NPO</td>
<td>1.4</td>
<td>1.2</td>
<td>9.2</td>
<td>10.6</td>
<td>19.8</td>
<td>57.8</td>
<td>100.0</td>
<td>21.4</td>
</tr>
</tbody>
</table>

Percentage of Existing Organizations Formed in this Period | 1.3  | 0.8  | 5.5  | 14.6  | 24.0  | 53.8  | 100.0  | 100.0 |

Actual Number of Existing Organizations Formed in this Period | 30  | 19  | 130  | 349  | 572  | 1,283  | 2,288  | 2,283 |

³Chi-Square test: p < 0.01
by bringing them into an alliance with a unifying goal. It may be more difficult for pan-Asian American activists to directly engage the diverse ethnic Asian communities because of language and cultural differences. The seemingly few pan-Asian American nonprofits may not signal inadequate pan-Asian American activism if a significant number of individual ethnically based organizations are affiliated with pan-Asian American nonprofits. The effectiveness of the pan-Asian American movement at the organizational level or the extent of such inter-organizational linkages needs further research. However, there is some evidence that partnership with pan-Asian American organizations may not always be on an equal footing, and ethnic organizations may find it necessary to form additional coalitions based on other kinds of shared identity like gender or class (Advani 1997).

Among the current ethnic Asian American nonprofits, proportionally more Japanese American nonprofits were among the oldest organizations in the largest metropolitan areas. The distribution of their origin over the three decades since 1970 has been steady, at about 20 to 23 percent. But they are not as numerous as the other ethnic groups, primarily because of the absence of substantial Japanese immigration in recent years. Only 27 percent of Japanese American nonprofits were organized in the 1990s, compared with 50 to 60 percent for all the other ethnic Asian nonprofits. The Japanese American nonprofits nevertheless continued to advocate for the community. For instance, the Japanese American Citizens League, beginning in the 1970s, played an active role in seeking redress for the internment of Japanese Americans during World War II (Kitano and Maki 2003). Some of its leaders were also instrumental in founding other Asian American professional organizations like the Asian Pacific American Librarians Association (Yamashita 2000).

Southeast Asian nonprofits outnumbered Japanese American nonprofits in most of the top ten metropolitan areas. Because of the turmoil in their homeland and the circumstances of refugee resettlement, Vietnamese, Laotian, and Cambodian immigrants face particular socioeconomic and psychological challenges in adapting to life in the U.S (Rumbaut 2000). Southeast Asian nonprofits played especially important role in this lifelong process of adjustment. Because of the historical colonial relationship between the U.S. and the Philippines, Filipino organizations have a longer history than other Southeast Asian nonprofits. However, because of differences in economic class and homeland regions, Filipino organizations in the U.S. are far from being homogenous (Espiritu 1996).

A surprising pattern is that Korean American nonprofits outnumbered their Chinese American counterparts in the ten metropolitan areas as a whole (35.5 percent vs. 28 percent) as well as in half of them, including New York, Los Angeles, Chicago, Philadelphia, and Dallas. This is due to the large number of Korean churches set up in the 1990s in these metropolitan areas. In contrast, there are proportionally more Chinese American than Korean American nonprofits in D.C.-Baltimore, San Francisco, Boston, Detroit, and Houston, the same metropolitan areas where reli-

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gious organizations do not dominate numerically. The rapid growth of Korean churches, mostly Protestant, was a transna-
tional phenomenon beginning with the similar growth in South Korean in the last few decades. In a study of Korean churches
in New York city, Min (2000) argued that the large number of small- to medium-sized Korean ethnic churches were also conve-
nient places where Korean immigrants maintained their cultural tradition, sought services through the pastoral ministry, and acquired social status for the selected few church leaders. These utilitarian functions are likely to prevail in other ethnic religious organizations as well, as in the case of some Hindu organizations that are part of the transnational development of Hindu nationalism in reproducing Hindu culture in the U.S. (Rajagopal 2000; Mathew and Prashad 2000).

South Asian nonprofits lag behind other Asian ethnic groups in their distribution across the metropolitan areas. According to Khandelwal (2002), South Asian organizations in New York City were mostly fragmented along a home country’s regional, religious, or cast boundaries. Early Indian American nonprofits in the 1960s and 1970s were formed by middle-
class professionals or well-off businessmen, in order to solidify social connections and to hold cultural events. Beginning only in the late 1980s and 1990s were there pan-
South Asian organizations to address the advocacy and social services needs of the more diverse immigrants, especially women and youth. Among Indian American non-
profit organizations, significant diversity or even rivalry may exist. In the Los Angeles area, a Hindu Indian and a Muslim Indian

organization were separately engaged in influencing homeland politics and defining Asian Indian identity in southern California (Kurien 2001). Likewise, Chinese American organizations in Chinatowns may also be caught in the middle of the political maneuvering between China and Taiwan, after the U.S. government estab-
lished diplomatic relations with the People’s Republic of China in 1973. The fact that Asian American nonprofits can be classified based on ethnic identity reflects the heterogeneity of interests among Asian Americans. Using an ethnic group’s identity or country of origin in the title of the organization further shows that preserving ethnic and cultural uniqueness may be intentional among some of the ethnic Asian American groups. Yet, pan-Asian American organizations provide a channel for these diverse ethnic nonprofits to strive for a united front in matters of common concern. This balance between heterogeneous group identities and unified commu-
nity interests may also be illustrated in the distribution of the four functional types of Asian American organizations.

Four Functional Types of Asian American Nonprofits

Asian American ethnic community organizations existed prior to the 1950s. Various ethnic organizations were instrumental in representing immigrants’ social, economic, and political interests in the earlier political climate of exclusion and discrimination of ethnic minorities (Yu 1992; Lien 2001). In the early part of the twentieth century, these organizations were probably one-stop places for immigrant activities—from find-

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ing a job, dealing with mainstream institutions outside the ethnic community, and settling disputes to seeking social and cultural enrichment. The growth of the federal and state governments in social services and the increasingly inclusive political climate in the second half of the twentieth century might have broken the monopoly of these few traditional ethnic organizations in community affairs. At the same time, the economy from division of labor might have encouraged the rise of different types of Asian American community organizations, with each type focusing primarily on one area of specialization. The differential impact of the modern welfare state on ethnic organizations is confirmed by a national study of Indochinese refugee associations (Hein 1997). Direct public assistance to individual refugees tends to reduce the role of ethnic organizations. Privatization of public assistance, however, uses ethnic organizations as the middleman to deliver services to these refugees and thus enhances the prominence of these organizations.

The functional category an Asian American nonprofit belongs to can be determined by the type of programs outlined in the completed Form 990. Not all nonprofits report detailed program information. In this case, the agency’s name and its mission statement are used to ascertain the agency’s functional category. The data for this study shows that, in general, existing Asian American religious organizations have a longer history than the other three types of Asian American nonprofits in these metropolitan areas. Twenty-eight (58 percent) of the forty-eight Asian American nonprofits formed prior to 1960 are religious organizations. More than 55 percent of the cultural, service, or public interest nonprofits were formed in the 1990s, whereas 48 percent of the religious organizations were formed in the same period. Likewise, 74 percent of the religious organizations were formed in the last two decades, whereas close to 80 percent or more of the cultural, service, or public interest nonprofits were formed in the same period (Table 2). For each of the four functional types of Asian American nonprofit organizations, successively more of them were formed over the last four decades. However, the proportion of these organizations formed for religious purpose has declined steadily from more than 60 percent to less than 40 percent during the last few decades, as more and more non-religious Asian American organizations are organized. This order of development may be attributed to the differences in the costs to organize and maintain different types of nonprofits. These costs may include not only the higher material and financial resources required to organize service agencies but also the increasingly sophisticated political skills necessary, especially in relation to the external community, to run effective public interest organizations.

The bottom panel in Table 1 shows the distribution of the four functional types of Asian American nonprofits in the ten metropolitan areas in 2000. In six of them—New York, Los Angeles, Chicago, Philadelphia, Detroit, and Dallas—the distribution of nonprofits among the four functional categories are very similar. Religious nonprofits constitute the single largest group (38 to 52 percent). Asian American nonprofits that promote cultur-
ally and ethnically distinctive identities are the second largest group (16 to 27 percent), followed by service-oriented nonprofits (12 to 25 percent) and public interest organizations (11 to 20 percent). The implication for participation in the political arena is significant for the Asian American communities in these six metropolitan areas. Sirola, Ong, and Fu (1998) argued that Asian American community-based organizations can play significant roles, although are not always able to do so, in lobbying for favorable local economic development policy—especially when the relative size and the economic hardship facing the Asian American population do not immediately catch the attention of policy makers. If advocacy groups, professional organizations, civic organizations, and private foundations, all part of public interest Asian American nonprofits, are the most prepared to mobilize the respective ethnic community, are there enough of them to effectively represent the voice of Asian American communities? These public interest organizations, or Asians Americans who are part of these organizations, may need to join forces with other Asian American nonprofits, especially service agencies, in order to make their voices heard. The numerous Asian American religious organizations, different from their African American counterparts, are unlikely to be very vocal and active in the political arena. Talking politics at the Sunday pulpit is a rarity in Asian American churches, even though some claim that Hindu organizations may mingle their religious and cultural focus with Hindu nationalism (Mathew and Prashad 2000).

For the remaining four metropolitan areas—D.C.-Baltimore, San Francisco, Boston, and Houston, the distribution of Asian American nonprofits among the four functional categories is more even. While religious organizations constitute close to or more than 40 percent of all Asian American nonprofits in the other six metropolitan areas, none of the functional types exceed 35 percent in this second group of metropolitan areas. Religious organizations still constitute a significant portion (20 to 30 percent) of all Asian American nonprofits, although they are not as overwhelming as in the other seven metropolitan areas. There are relatively more cultural organizations (33.6 percent) than any other type of Asian American nonprofits in the Boston area. In the Houston area, there are roughly the same number of religious, cultural, service, and public interest organizations. Asian American public interest organizations are proportionally more numerous in San Francisco (33.6 percent) and D.C.-Baltimore (30.8 percent) than in the other top ten metropolitan areas. This last observation may be attributed to the influence of the general progressive atmosphere in San Francisco and the agglomeration effect of the concentration of federal government agencies and other public and nonprofit headquarters in the D.C. area.

**Multivariate Results**

The descriptive results on the pattern of Asian American nonprofits above raise some questions about the presence of Asian American nonprofit organizations and their size in the top ten metropolitan areas. This section uses multivariate models to examine what factors differentiate the

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organizations by functional types (religious, cultural, service and public interest) and what factors are associated with the size of the organization. The key independent factors for the functional types are location in larger or smaller metropolitan areas, suburban or central city location, the extent of community organizing at the metropolitan area level, Asian American ethnic diversity in a metropolitan area, social economic characteristics of Asian Americans at the three-digit zip code level, and an organization's attributes including its ethnic identity and history. Because organizational type is categorical data, logistic regressions are used. The size of the organization is measured by total assets and annual revenue, which are continuous data, so ordinary least squares (OLS) regressions are used to estimate the independent contribution of the independent factors on size.

Results for Functional Type

Based on the nonprofit data collected for this study and the 2000 U.S. Census information, binomial logistic regressions can be conducted to shed some light on these questions. The dependent dummy variables are whether an Asian American nonprofit is a religious (2), cultural (3), service (4), or public interest organization (5). Service and public interest nonprofits may engage the larger community more actively than religious and cultural organizations do. To explore if there is any contextual and organizational difference between service or public interest organizations on the one hand and religious or cultural nonprofits on the other one, a separate dummy dependent variable is also created (1). Metropolitan location is measured by whether an organization locates in the Los Angeles, New York, or San Francisco CMSA, as well as whether it is situated in the central city of a metropolitan area. Local activism of the general population is measured by the number of nonprofit organizations per 1,000 residents in a metropolitan area. Homogeneity of community interests is measured by the sum of squares of the proportion of each Asian American ethnic group relative to the total Asian American population in a metropolitan area. Organizational attributes like the ethnic identity of a nonprofit can be measured by whether it is a pan-Asian American organization or not. The age of a nonprofit is measured by the period in which it was formed, for instance, 1 = 1950 and earlier, and 6 = 1990 to 2000. A set of three interaction variables measures the socioeconomic background of Asian Americans in three-digit zip code areas where these organizations are located.

Table 3 summarizes the results of five regressions of the four functional types of Asian American nonprofits. Although

3Multivariate regression is commonly used in social science analysis to assess the correlation between an independent variable and a dependent variable in the context of all identified independent variables. If the estimated relationship is statistically significant, then the correlation is said to exist independently for the selected variable, after accounting for the contributions of the other independent variables. For more details, please see Maddala (1988, 1977).

Asian American Nonprofit Organizations in U.S. Metropolitan Areas
### Table 3. Logistic Regression of Asian American Nonprofit Organization Types

<table>
<thead>
<tr>
<th></th>
<th>Asian American Service or Activist NPO (1)</th>
<th>Asian American Religious NPO (2)</th>
<th>Asian American Cultural NPO (3)</th>
<th>Asian American Service NPO (4)</th>
<th>Asian American Activist NPO (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA, NY, &amp; SF CMSA</td>
<td>0.186</td>
<td>0.051</td>
<td>-3.328</td>
<td>-5.578</td>
<td>0.684</td>
</tr>
<tr>
<td></td>
<td>(0.144)</td>
<td>(0.145)</td>
<td>(1.154)</td>
<td>(1.174)</td>
<td>(1.173)</td>
</tr>
<tr>
<td>City Center</td>
<td>0.751</td>
<td>-0.752</td>
<td>-0.34</td>
<td>0.424</td>
<td>0.711</td>
</tr>
<tr>
<td></td>
<td>(0.127)</td>
<td>(0.128)</td>
<td>(0.142)</td>
<td>(1.162)</td>
<td>(1.151)</td>
</tr>
<tr>
<td>CMSA NPO per 1,000 residents</td>
<td>0.002</td>
<td>-0.002</td>
<td>0.01</td>
<td>0.009</td>
<td>0.009</td>
</tr>
<tr>
<td></td>
<td>(0.011)</td>
<td>(0.012)</td>
<td>(0.012)</td>
<td>(0.014)</td>
<td>(0.012)</td>
</tr>
<tr>
<td>CMSA Asian American Subgroup Homogeneity</td>
<td>3.396</td>
<td>-4.957</td>
<td>3.187</td>
<td>2.94</td>
<td>2.680</td>
</tr>
<tr>
<td></td>
<td>(2.545)</td>
<td>(2.738)</td>
<td>(2.800)</td>
<td>(3.251)</td>
<td>(2.767)</td>
</tr>
<tr>
<td>Percent Asian Americans College Educated and Homeownership Interaction Variable for Asian Americans In Areas with the Same 3-digit Zip Code</td>
<td>0.884</td>
<td>-1.776</td>
<td>1.139</td>
<td>-4.56</td>
<td>1.52</td>
</tr>
<tr>
<td></td>
<td>(0.930)</td>
<td>(0.938)</td>
<td>(1.023)</td>
<td>(1.123)</td>
<td>(1.067)</td>
</tr>
<tr>
<td>Percent Asian Americans Foreign Born and Non English Speaker Interaction Variable In Areas with the Same 3-digit Zip Code</td>
<td>-0.757</td>
<td>-2.766</td>
<td>2.216</td>
<td>4.591</td>
<td>-4.392</td>
</tr>
<tr>
<td></td>
<td>(1.228)</td>
<td>(1.230)</td>
<td>(1.365)</td>
<td>(1.584)</td>
<td>(1.410)</td>
</tr>
<tr>
<td>Percent Asian Americans Below Poverty Line and Unemployed Interaction Variable In Areas with the Same 3-digit Zip Code</td>
<td>2.806</td>
<td>-27.549</td>
<td>4.267</td>
<td>4.701</td>
<td>18.622</td>
</tr>
<tr>
<td></td>
<td>(10.710)</td>
<td>(11.976)</td>
<td>(11.830)</td>
<td>(12.854)</td>
<td>(11.750)</td>
</tr>
<tr>
<td>Pan Asian American NPO</td>
<td>0.134</td>
<td>(0.224)</td>
<td>(1.148)</td>
<td>(1.141)</td>
<td>(1.134)</td>
</tr>
<tr>
<td></td>
<td>(0.044)</td>
<td>(0.043)</td>
<td>(0.032)</td>
<td>(0.009)</td>
<td>(0.019)</td>
</tr>
<tr>
<td>Historical Period when NPO was formed</td>
<td>21.906</td>
<td>-21.750</td>
<td>4.267</td>
<td>-4,701</td>
<td>18.622</td>
</tr>
<tr>
<td></td>
<td>(10.710)</td>
<td>(11.976)</td>
<td>(11.830)</td>
<td>(12.854)</td>
<td>(11.750)</td>
</tr>
<tr>
<td></td>
<td>(0.913)</td>
<td>(0.951)</td>
<td>(1.029)</td>
<td>(1.183)</td>
<td>(1.000)</td>
</tr>
<tr>
<td>N</td>
<td>2,332</td>
<td>2,332</td>
<td>2,332</td>
<td>2,332</td>
<td>2,332</td>
</tr>
<tr>
<td>Nagelkerke R Square</td>
<td>0.146</td>
<td>0.206</td>
<td>0.018</td>
<td>0.105</td>
<td>0.204</td>
</tr>
</tbody>
</table>

Note: Standard errors are in parentheses.

\*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.1
percent of Asian American nonprofits are located in Los Angeles, New York, or San Francisco metropolitan areas, different functional types of them are not equally likely to locate in these top three areas. Religious organizations are so numerous everywhere that the pattern of their distribution between the three and the other seven metropolitan areas remains uncertain. Cultural or service organizations are less likely to locate in the top three areas, whereas public interest organizations are just the opposite. One explanation is that both cultural and service organizations serve a local Asian American community, but a lot of the public interest organizations, such as foundations or professional associations, may serve a wider regional or national clientele. Thus, these public interest organizations are more likely than cultural or service agencies to locate in the three largest metropolitan areas. Religious organizations are more likely to be found in the suburban areas, where land may be more abundant for a congregation of a large number of worshippers. Service or public interest organizations as a group or separately are more likely to locate in city centers, where the majority of their target clientele may reside. Asian American public interest organizations are also more likely to locate in metropolitan areas where community organizing in the general population is more active, as measured by the larger number of nonprofit organizations per 1,000 residents. This same pattern also holds for Asian American cultural organizations, but not necessarily for service organizations. On the other hand, religious organizations tend to stay away from metropolitan areas with active community organizing, but concentrate instead in areas with a more diverse Asian American ethnic population. While the estimates for the Asian ethnic homogeneity on service or public interest organizations are positive, the results are not statistically significant. Thus, secular Asian American nonprofits as a group serve a more homogeneous population than the religious organizations do. But it is unclear whether the extent of ethnic homogeneity of the clientele among Asian American cultural, service, and public interest organizations is the same or not.

Religious organizations also tend to locate in middle class communities. They are less likely than secular Asian American nonprofits to locate in areas characterized by Asian American households with higher levels of both education and home ownership. Asian American churches or temples are also less likely to be found in neighborhoods characterized by higher percentages of Asian Americans below the poverty line and being unemployed. The socioeconomic context of the local Asian American community does not seem to have any observable relationship with the presence of cultural organizations, but it has mixed effects on service and public interest organizations. As a group, Asian American service or public interest organizations are more likely to locate in poorer Asian American communities with high poverty and high unemployment rates. But the separate impacts on these two types of organizations are not statistically significant. Moreover, Asian American service organizations are more likely to locate in communities with a higher concentration of foreign born Asian Americans and those do not speak English well. But public interest

*Asian American Nonprofit Organizations in U.S. Metropolitan Areas*
organizations are less likely to locate in these areas. This may indicate that most of these service organizations are there to assist Asian American immigrants to integrate economically to the larger community by providing English classes, job training, and similar services. However, a sufficiently large number of the public interest organizations may be situated in communities where their leaders reside, many of whom may be second-generation Asian Americans fluent in English.

In terms of organizational attributes, the regression results show that Asian American service and public interest organizations as a group or separately are more likely to have a pan-Asian American focus. Asian American religious organizations are distinctively organized along the lines of ethnic identities. This is consistent with the above result that Asian American churches and temples are located in more ethnically heterogeneous communities. Pan-Asian American religious organizations hardly exist, primarily because religious activities are conducted in each ethnic group's native language or dialect. The regression results are not conclusive regarding whether the cultural organizations in this study are more pan-Asian American than ethnic-based, or vice versa. Asian American religious organizations are more likely than their secular counterparts to be formed in earlier rather than later decades of the twentieth century. Both the cultural and service organizations are more likely to be formed in recent decades. The ambiguity of the historical pattern of public interest organizations can be attributed to the large number of civic organizations formed in the 1960s, such as the local offices of the Japanese American Citizens Leagues and the Chinese American Citizens Alliance, as well as the rise of more contemporary advocacy and professional organizations in recent decades.

The regression results clearly show that the location pattern of Asian American religious organizations is quite different from that of their secular counterparts. Asian American ethnic churches and temples tend to have a longer history, and are more likely to be found in suburban middle-class communities within metropolitan areas with a more diverse ethnic population and a relatively less active general population in community organizing. In other words, Asian American secular nonprofits tend to be younger, more pan-Asian American in focus, and are more likely to be found in central city well-off or low-income communities within metropolitan areas with a more homogeneous ethnic population and a relatively more active general population in community organizing. The seemingly contradictory location of large number of secular Asian American nonprofits in both wealthy and poor communities is actually consistent with the well-established bimodal distribution of Asian Americans of diverse socioeconomic background. A significant segment of Asian Americans is highly educated and wealthy. Some other significant segments of the same population are also uneducated and poor.

The location pattern of secular Asian American nonprofits generally applies to Asian American service and public interest organizations as a group, except for the ethnic homogeneity context and the wealth variable. At the level of individual function-

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al types, the location pattern of cultural, service, and public interest organizations is less consistent. However, metropolitan location, the general population's community activism, socioeconomic context, pan-Asian American identity, and a nonprofit's history still account for some of the differences among these three types of Asian American nonprofits. The homogeneity of community interest is the only non-factor.

The explanatory power of the regression model is not high—the adjusted R Square ranges from 0.206 to 0.018. Most of the independent variables in the regression are contextual rather than organizational. A more sophisticated statistical technique may capture more accurately the contextual effects. Expanding the sample to other metropolitan areas, or breaking down the current sample into cities and towns, may also enhance the explanatory power of the current model. There may be factors other than those easily available in the database of completed Form 990 or the U.S. Census.

Results for Finance Size

The descriptive results in earlier sections are based on the number of organizations, which is one measure of the size and diversity of Asian American nonprofit organizations. The finances of these organizations may also provide some measure of their scale of operation. Although the information in the completed Form 990 is not audited by the Internal Revenue Service, studies cited earlier show that the financial information is generally reliable especially at the aggregate level. Out of the approximately 2,400 Asian American nonprofits included in this study, less than 750 of them have filed Form 990 or Form 990 EZ. Much fewer of them has sufficient financial data for statistical analysis. The data indicate that, excluding religious organizations, less than half of the Asian American nonprofits in the study have annual revenue in excess of $25,000. The percent with financial data varies with functional type: 49 percent for cultural organizations, 56 percent for service organization, and 45 percent for public-interest organizations. Although religious organizations are not required to file Form 990 or 990EZ, sixty-seven of them have done so anyway. Some of them are para-church organizations or have significant service components. Taking into consideration organizations not included in this study, it is likely that smaller organizations constitute the majority of Asian American nonprofits in these metropolitan areas. Whether smaller organizations together have greater impact than their larger counterparts on the Asian American community requires further research.

The key financial measures reported here include average total assets, average total revenue, average government support, and average net income. Net income is the difference between total revenue and total expense. These are all five-year averages from 1998 to 2002 for each Asian American nonprofit organization with the available data. A very small number of them also include 2003 data. Form 990, but not Form 990EZ, reports broad categories of funding sources, including the amount of government support. Table 4 presents a comparison of the means of these financial variables among different categories of Asian American nonprofits. Not all the results are statistically significant. The average total

Asian American Nonprofit Organizations in U.S. Metropolitan Areas
<table>
<thead>
<tr>
<th>Category</th>
<th>N</th>
<th>Average Age of NPOs</th>
<th>N</th>
<th>Average Total Assets</th>
<th>N</th>
<th>Average Total Revenue</th>
<th>N</th>
<th>Average Total Government Support</th>
<th>N</th>
<th>Average Net Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religious NPOs</td>
<td>966</td>
<td>17.8***</td>
<td>66</td>
<td>$473,377</td>
<td>67</td>
<td>$427,519</td>
<td>50</td>
<td>$88,671</td>
<td>67</td>
<td>$43,859</td>
</tr>
<tr>
<td>Cultural NPOs</td>
<td>511</td>
<td>14.9***</td>
<td>246</td>
<td>$829,391</td>
<td>251</td>
<td>$693,694</td>
<td>175</td>
<td>$306,600</td>
<td>251</td>
<td>$60,579</td>
</tr>
<tr>
<td>Service NPOs</td>
<td>394</td>
<td>14.7***</td>
<td>221</td>
<td>$1,401,463</td>
<td>222</td>
<td>$839,869</td>
<td>181</td>
<td>$353,108</td>
<td>222</td>
<td>$81,081</td>
</tr>
<tr>
<td>Public Interest NPOs</td>
<td>510</td>
<td>16.4***</td>
<td>179</td>
<td>$4,635,989</td>
<td>180</td>
<td>$1,022,805</td>
<td>143</td>
<td>$478,610</td>
<td>180</td>
<td>$32,025</td>
</tr>
<tr>
<td>Religious or Cultural NPOs</td>
<td>1479</td>
<td>16.8***</td>
<td>338</td>
<td>$957,669</td>
<td>341</td>
<td>414970***</td>
<td>2.50</td>
<td>90949***</td>
<td>341</td>
<td>27581***</td>
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<tr>
<td>Service or Public Interest NPOs</td>
<td>904</td>
<td>15.7***</td>
<td>376</td>
<td>$1,463,415</td>
<td>381</td>
<td>113441***</td>
<td>3.00</td>
<td>65783***</td>
<td>381</td>
<td>8348***</td>
</tr>
<tr>
<td>NPOs in LA, NY, SF, DC, or Chicago</td>
<td>1971</td>
<td>16.7***</td>
<td>595</td>
<td>$1,312,290</td>
<td>602</td>
<td>894521***</td>
<td>4.59</td>
<td>$471,159</td>
<td>602</td>
<td>$60,309</td>
</tr>
<tr>
<td>NPOs in the other top 10 CMSAs</td>
<td>412</td>
<td>15.0***</td>
<td>119</td>
<td>$466,083</td>
<td>120</td>
<td>29465***</td>
<td>91</td>
<td>$100,581</td>
<td>120</td>
<td>$46,721</td>
</tr>
<tr>
<td>Asian Ethnic Subgroup NPOs</td>
<td>2048</td>
<td>16.8***</td>
<td>559</td>
<td>$770,049</td>
<td>584</td>
<td>539854***</td>
<td>423</td>
<td>212411***</td>
<td>583</td>
<td>$53,947</td>
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<tr>
<td>Pan Asian American NPOs</td>
<td>335</td>
<td>13.6***</td>
<td>155</td>
<td>$298,771</td>
<td>158</td>
<td>130834***</td>
<td>127</td>
<td>106769***</td>
<td>159</td>
<td>$72,380</td>
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<tr>
<td>All Asian American NPOs</td>
<td>2383</td>
<td>16.3</td>
<td>714</td>
<td>$1,471,339</td>
<td>722</td>
<td>794,622</td>
<td>530</td>
<td>409,895</td>
<td>722</td>
<td>$88,051</td>
</tr>
</tbody>
</table>

---

*** p < 0.01, ** p < 0.05
assets of the 714 Asian American nonprofits just exceeds $1 million. Their average annual revenue is about $800,000, half of which comes from government sources. Since this study includes only medium and large nonprofits, the average financial measures of the size of all Asian American nonprofits are likely to be significantly lower. For the larger Asian American nonprofits with annual revenue in excess of $25,000, there are statistically significant financial differences between two broad functional types, among metropolitan locations, and among pan-Asian American and ethnic organizations.

Financially, Asian American service and public interest organizations as a group are larger than their religious and cultural counterparts. These service and public interest organizations’ average revenue, average net income, and average government support are each three to six times that of the religious and cultural organizations as a group. This is consistent with earlier suggestion that it takes more resources to provide services through service agencies or to act as an effective voice through public interest organizations than to promote spiritual enrichment or cultural preservation. However, the differences in average total assets are not statistically significant, nor are the differences of all financial measures among the four individual functional types of Asian American nonprofits. Although all the financial measures of Asian American nonprofits in the top five metropolitan areas are larger than those in the second-tier of the top ten metropolitan areas, only the difference in average total revenue is statistically significant. Asian American nonprofits in the Los Angeles, New York, San Francisco, D.C., or Chicago metropolitan areas receive, on average, three times the revenue of their counterparts in Philadelphia, Boston, Detroit, Dallas, or Houston. Although fewer in number, pan-Asian American nonprofits, are three to five times larger than the ethnic organizations in terms of the average total assets, average total revenue, and average government support. Thus, the level of activism and influence of pan-Asian American organizations may very well be greater than their number suggests.

To explore further the possible factors for the variations in the size of Asian American nonprofit organizations in the top ten metropolitan areas, ordinary least square (OLS) regressions are conducted. The dependent variables include an organization’s average total assets and average annual revenue. The results are reported in Table 5. Three sets of factors may account for the differences in the size of total assets or total revenue among Asian American nonprofits—organizational attributes, management capability, and community context. OLS regression equations (1) and (2), or (3) and (4), differ only in how management capability is measured.

Organizational attributes are clearly the most dominant factors for the differences in Asian American nonprofit finances. More established organizations uniformly have more total assets as well as higher annual revenue, which attest to the sustainability and effectiveness of these nonprofits. Pan-Asian American nonprofit organizations also have more total assets and higher total revenue than other Asian American nonprofits organized along different ethnic lines. This is consistent with
Table 5. OLS Regression of Asian American Nonprofit Organization Finances, 1998–2002

<table>
<thead>
<tr>
<th></th>
<th>Average Total Asset (1)</th>
<th>Average Total Asset (2)</th>
<th>Average Annual Revenue (3)</th>
<th>Average Annual Revenue (4)</th>
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<tbody>
<tr>
<td>Age of NPOs</td>
<td>0.176***</td>
<td>0.270***</td>
<td>0.243***</td>
<td>0.265***</td>
</tr>
<tr>
<td></td>
<td>(5.548)</td>
<td>(6.466)</td>
<td>(6.383)</td>
<td>(6.433)</td>
</tr>
<tr>
<td>Service or Activist NPOs</td>
<td>-0.048</td>
<td>-0.036</td>
<td>0.075*</td>
<td>0.067</td>
</tr>
<tr>
<td></td>
<td>(-1.497)</td>
<td>(-0.813)</td>
<td>(1.917)</td>
<td>(1.569)</td>
</tr>
<tr>
<td>Pan Asian American NPOs</td>
<td>0.058*</td>
<td>0.153***</td>
<td>0.113***</td>
<td>0.153***</td>
</tr>
<tr>
<td></td>
<td>(1.776)</td>
<td>(3.524)</td>
<td>(2.870)</td>
<td>(3.634)</td>
</tr>
<tr>
<td>Average Government Support</td>
<td>0.337***</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(10.497)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent Revenue from Government Support</td>
<td>0.059</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(1.347)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Net Income</td>
<td>0.133***</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(4.172)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Income to Revenue Ratio</td>
<td>0.041</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.968)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Fundraising Expense</td>
<td>0.462***</td>
<td></td>
<td>0.356***</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(14.588)</td>
<td></td>
<td>(9.332)</td>
<td></td>
</tr>
<tr>
<td>Percent Expense Spent on Fundraising</td>
<td>0.038</td>
<td></td>
<td>-0.009</td>
<td>-0.228</td>
</tr>
<tr>
<td></td>
<td>(0.918)</td>
<td></td>
<td>(-0.125)</td>
<td>(0.501)</td>
</tr>
<tr>
<td>Central City Location</td>
<td>0.018</td>
<td>0.058</td>
<td>-0.005</td>
<td>0.021</td>
</tr>
<tr>
<td></td>
<td>(0.570)</td>
<td>(1.403)</td>
<td>(-0.125)</td>
<td>(0.501)</td>
</tr>
<tr>
<td>Asian American Population in a 3-Digit Zipcode Area</td>
<td>0.079*</td>
<td>0.088</td>
<td>0.079*</td>
<td>0.072</td>
</tr>
<tr>
<td></td>
<td>(2.140)</td>
<td>(1.806)</td>
<td>(1.755)</td>
<td>(1.491)</td>
</tr>
<tr>
<td>Total Population in a CMSA</td>
<td>-0.024</td>
<td>-0.037</td>
<td>-0.026</td>
<td>-0.036</td>
</tr>
<tr>
<td></td>
<td>(-0.685)</td>
<td>(-0.788)</td>
<td>(-0.602)</td>
<td>(-0.775)</td>
</tr>
<tr>
<td>Ratio of Asian American Per Capita Income in a 3-Zipcode Area</td>
<td>Relative to That in a CMSA</td>
<td>0.049</td>
<td>0.050</td>
<td>0.024</td>
</tr>
<tr>
<td></td>
<td>(1.354)</td>
<td>(1.022)</td>
<td>(0.541)</td>
<td>(0.246)</td>
</tr>
<tr>
<td>(Constant)</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td></td>
<td>(-2.594)</td>
<td>(-2.584)</td>
<td>(-2.186)</td>
<td>(-1.752)</td>
</tr>
<tr>
<td>N</td>
<td>542</td>
<td>542</td>
<td>548</td>
<td>548</td>
</tr>
<tr>
<td>Adjusted R Squared</td>
<td>0.486</td>
<td>0.091</td>
<td>0.221</td>
<td>0.095</td>
</tr>
</tbody>
</table>

Note: The estimates are standardized coefficients t-values are in parentheses.

*** p < 0.01, ** p < 0.05, * p < 0.1

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the earlier means comparison results. Service and public interest agencies as a group have larger annual revenue than religious and cultural organizations in the sample, although the estimate is not robust. It is uncertain if the same pattern applies to total assets.

The ability to solicit government financial support, to generate a surplus in the form of net income, and the expense on fundraising activities can be used as measures of a nonprofit’s management capacity to run a successful operation. Although the aggregate measures of these three indicators show positive impact on the nonprofits’ total assets and total revenue (equations 1 and 3), the impact disappears when the size of the organization is controlled for in regression equations 2 and 4. The explanatory power of the regression model also diminishes significantly. Thus, the positive impact of the management capacity on total assets and revenue in (1) and (3) appears to be purely of size rather than any superior management capacity of larger organizations.

The contextual effects on the finances of Asian American nonprofits do not seem to be that relevant either. The only exception is the size of the Asian American population in a three-digit zip code area where these nonprofits are located. Both the average total assets and total revenue are larger in communities with more Asian Americans (equations 1 and 3). This may be a demand factor since more resources are needed to serve a larger clientele. Or, it could be a supply factor. In areas with more Asian Americans, Asian American nonprofits may receive more financial support from them. Both of the supply and demand factors may exist simultaneously, although testing the relative effect of the two factors is beyond the scope of this article. Neither the total metropolitan area population nor the suburban location of these Asian American nonprofits has any impact on their assets or revenue position. There is no indication that the total assets or total revenue of these nonprofits in communities with higher Asian American per capita income relative to the metropolitan area average are necessarily higher than those nonprofits in communities with Asian Americans who are less well off than their counterparts in the metropolitan area. Above-average wealthy Asian American communities do not necessarily contribute more money to their local Asian American organizations. This is a fundraising challenge for these nonprofits. Other measures of the economic condition of local Asian American communities do not seem to impact these Asian American organizations’ finance either.

The OLS results reinforce the importance of pan-Asian American organizations and more established Asian American nonprofits. They are the most robust factors in understanding the nature of different functional types of Asian American organizations as well as their financial positions. Asian American service and public interest nonprofits as a whole are more likely to be younger and have a pan-Asian American focus. Older organizations and pan-Asian American nonprofits, on average, tend to have larger annual revenue and total assets. More established pan-Asian American service organizations have the largest annual budget among Asian American nonprofits. No conclusion can be drawn in relation to

Asian American Nonprofit Organizations in U.S. Metropolitan Areas
the finance of Asian American religious organizations because data is available for less than 10 percent of them.

**Conclusion**

Asian American nonprofits in the ten largest U.S. metropolitan areas were primarily formed in the last few decades of the twentieth century—largely in response to the diverse needs of the rapidly growing Asian American population. Significant ethnic and functional diversity exist among Asian American nonprofit organizations. As a group, they remain a numerically insignificant part of the nonprofit sector. Do Asian Americans see a lesser need to organize in order to advance their professional or community interests? Or are Asian American interests better represented and advanced in non-ethnic based organizations, and thus it is not necessary to form separate Asian American organizations? Do Asian Americans face particular barriers, internal and external to the respective communities, in organizing such nonprofit organizations? There are all questions for future research.

Nevertheless, the functional types reflect the heterogeneity of needs—from spiritual enrichment and cultural preservation within Asian American communities to fostering economic assimilation and cultivating Asian American voices in relation to the larger society. These nonprofits together play a balancing act between facilitating political and economic integration while maintaining separate Asian American identities. Asian American religious organizations are clearly different from their secular counterparts in terms of their ethnic identities, the ethnic heterogeneity and socioeconomic context of the client base, the activism of the larger community, as well as geographic location. Although pan-Asian American organizations are few in numbers, their scale of operation is actually larger, at least in financial terms, than the other Asian American ethnic nonprofits. It is not a coincidence that Asian American service or public interest organizations tend to have pan-Asian American focus.

With continued growth of the Asian American population in the foreseeable future, Asian American nonprofits will increase in both number and organization size. The influx of Asian immigrants will increase the demand for all the four functional types of organizations. The maturation of successive generations of American-born Asian Americans may determine how pan-Asian American nonprofits evolve in the years to come. This article presents a general profile of Asian American nonprofit organizations in the ten largest U.S. metropolitan areas. The heterogeneous collective interests that give rise to nonprofit organizations in general apply equally well to account for the presence of Asian American nonprofits in this study. More research is necessary to understand how these nonprofits function and impact inside and outside Asian American communities.
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