

MONEY

The business of giving



Charity may begin at home, but it's high time we look outside, says Prashant Agrawal

Narayana Murthy said, "The power of money is to give it away." As Indians grow wealthier, we would be well advised to heed Mr Murthy's words. And there is no better time to give than this Diwali season.

Indians have always been a generous people. For millennia, giving in India has centred around local institutions like the temple, church, mosque and community centres. However, as Indian society changes, so will our philanthropic activities. India could follow the example of America, which, a century ago, saw institutions develop to promote giving among the rich and the middle class. Andrew Carnegie, the steel baron, was among those who devoted their wealth to charity: he started the public libraries in America and the UK. Today, Bill Gates and Warren Buffet have led the way in pledging to donate their sizeable fortunes upon their death, giving them influence even beyond their wealth. Gates is unique in that he has also donated much of his fortune to the foundation he runs with his wife while still alive. The impact of Gate's largesse is felt everywhere: the Gates Foundation is at the forefront of fighting AIDS in India, malaria in Africa and tuberculosis across the world, and it works hand in hand with governments, empowering their efforts.

If India's richest 100 similarly donated their fortunes, over \$250 billion – a quarter of the Indian GDP – would be generated. That money could be used to educate every girl child in India through high school; it could help India achieve 100 per cent literacy; or it could eradicate any number of diseases. The men and women achievers who have done so much by creating wealth (and jobs) in their lifetime can continue their good work for time immemorial. Murthy, Premji, Mittal and a host of other



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wealthy Indians have, over the past few years, started to give.

While the American robber barons donated their fortunes, the United Way and other organizations encouraged the middle class to give. Today, it generates more than \$4 billion for philanthropy in America. Total (non-religious) giving reached \$200 billion in 2007. Again, the numbers are telling. If India's 400-million-strong middle class gave Rs 2,500 a year each, then one trillion rupees would go towards philanthropy each year. One trillion rupees.

Fortunately, there are organizations doing much to help the needy. Similar to the United Way, GiveIndia (www.giveindia.org) has been promoting philanthropy among white-collar workers in India. Founded by IIMA grad Venkat Krishnan, GiveIndia encourages corporations and individuals to donate to carefully selected NGOs. This month, it is sponsoring the Joy Of Giving, a week-long national platform, starting on September 27, that promises to bring two crore people together to help raise money for countless NGOs. The range of events are staggering, from a CEO fashion show to a fundraising event choreographed by Farah Khan at a Mumbai stadium to a clothing drive that aims to collect one crore pieces of clothing. And for you high rollers, there's Dasra (www.dasra.org), which has been committed, over the past decade, to promoting effective philanthropy in India, granting 25 crore rupees of funding and management expertise to over 100 nonprofit organizations. In Mumbai this November, Dasra is organizing a two-day seminar on giving, bringing together top NGOs and wealthy individuals.

Usually, I talk business and money in this column, but good business means being involved in your community. Most readers of this magazine are fortunate, and Diwali is a time to be thankful for good health and luck. It's also a time to remember those that need a helping hand. ☞

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