CRC - CENTRO RICERCHE SULLA COOPERAZIONE E SUL NONPROFIT

From Gaining to Giving Wealth: The Shaping of a New Generation of Philanthropic Foundations in India

Emily Jansons

Università Cattolica del Sacro Cuore

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Emily Jansons

V&P VITA E PENSIERO

Emily Jansons, International Development Research Centre (IRDC), Ottawa

emily.jansons@gmail.com

✉ coop.ricerche@unicatt.it

www.vitaepensiero.it

INDICE

Abstract

This research informs our understanding of emerging corporate and private Indian foundations through the lens of their founders – India's new generation of high-net-worth business leaders. Based on over forty-five interviews and eighteen foundations, it explores: i) the role the Indian context and background of business leaders cum philanthropists plays in influencing the foundations they establish; ii) what general traits these foundations carry; and iii) what role these foundations are playing. Findings suggest a preference for operational foundation models, politically and socially 'safe' sectors, translation of business tendencies, pursue social change through a driver or catalyst role, and preference for control at the cost of coordination between actors. While these foundations have an important role to play in economically liberalized India, they are still a long way from realizing their full potential. This research contributes to literature and holds policy implications, and will be of interest to those looking to engage with Indian and emerging economy philanthropists and foundations.

1. Introduction

In a country that is home to the second-largest number of billionaires relative to the size of its economy (The Economist, 2012), simultaneously a recipient and a donor now setting up its own foreign aid agency, there is arguably "enough money for charity within India."[1] Over the past twenty years the distribution of poverty has seen a shift away from international-scale inequality between rich and poor countries toward domestic inequality (Saunders, 2012). Today, 72% of the world's poor live in middle-income countries such as India. The consequence is greater pressure on both national politics and domestic sources of redistribution, in which domestic private philanthropy is playing an increasingly important role.

This research contributes to a largely unstudied area, aiming to better understand emerging corporate and private Indian foundations through the lens of their founders – India's new generation of high-net-worth business leaders: the largely self-made businessmen and entrepreneurs who predominantly earned their wealth since India's economic liberalization in the 1990s. More specifically, this research looks at: i) the role the Indian context and background of business leaders cum philanthropists plays in influencing the foundations they establish; ii) what general traits these foundations carry; and iii) what

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[1] Honorable Minister of Home Affairs, Sh. P. Chidambaram, replying to the debate on the FCRA Bill 2010 in upper house of the Parliament (Rajya Sabha / Council of States) on 23-Aug-2010, in (Agarwal 2010, Endnotes, 208).

role these foundations are playing. This research suggests that individual and business background, global trends and local context shape these foundations as typical of emerging economies; and while these foundations have an important role to play in economically liberalized India, they are still a long way from realizing their full potential.

This paper first outlines the current situation of Indian philanthropy, provides a brief review of existing work, and introduces the theory of hyper-agency. It then explores the boundaries and factors which influence the structure, focus and operation of Indian business-leader foundations, and what drives the giving patterns of this specific group of philanthropists. It then analyses the findings and implications of hyper-agents leading foundations within the Indian context, and offers some policy implications and insight into future trends for the business-leader philanthropic sector.

1.1 Framing the scene

India houses around fifty billionaires or four percent of the world's total, 700 individuals with wealth of over $100 million, and 1,500 with more than $50 million.[2] In a country with approximately 3.3 million NGOs, and donor-directories that only emerged in the late-1990s (Sidel 2001), capturing concrete numbers on Indian philanthropy, high-net-worth-individuals (HNWIs), and poverty in India is

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[2] India currently has 158,000 dollar millionaires. (O'Sullivan and Kersley 2012, p. 49).

difficult. In 2011 Indian philanthropic donations were estimated at around \$5-6 billion or between 0.3% and 0.4% of gross domestic product (GDP), making India a leader in private charitable giving compared to other emerging economies such as China (0.2%) and Brazil (0.3%) (Sheth and Singhal, 2011). As a percentage of GDP, this is an increase of fifty percent since 2006 (Sheth and Singhal, 2011). By comparison, the U.S. donated an estimated \$304 billion or 2.2% of GDP and the U.K. \$29 billion or 1.3% of GDP.[3] Foreign funding pouring into Indian non-government organizations is some-where between \$1.5 and \$2 billion.[4] In some regards, the numbers appear promising; India has 165 million individuals engaged in do-nating money in a typical month – more than any other country in the world (CAF, 2012, p. 22). But when adjusted for its population (the world's second largest after China), India overall ranks last in South Asia for monetary donations and volunteer-hours (CAF, 2012, p. 47). Charities Aid Foundations' *World Giving Index* – which ranks 153 nations according to charitable-giving behavior – places India in 133rd place, a slide from 91st place in 2011[5] (CAF, 2011; CAF,

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[3] Numbers for USA are from 2009, and for the UK from 2010. (Sheth and Singhal, 2011).

[4] Foreign funding in 2009-10 was Rs. 10,337.59 crore, and during 2010-11was Rs. 7,810.84 crore – in (Government of India 2012, 288–289) Around Rs. 10,352.07 crore was received by various NGOs as foreign con-tribution during 2009-10 – in ("Home Ministry Refuses Nod for Foreign Funding to NGO" 2012).

[5] In 2010 India experienced flooding and other emergencies, which may have boosted giving and thus India's rank in the 2011 *World Giving Index*.

2012). Further, despite high rates of economic growth, India still faces many development challenges; it ranks 136th on the UNDP Human Development Index (UNDP) and 30% to 40% of its population is below the poverty-line.[6] Additionally, there is concern over the consequences of a slowing rate of economic growth in India, and ongoing challenges of structural and policy issues that inhibit investment.[7] It is therefore evident that there is plenty of scope for more actors and resources to engage in philanthropy in India in order to address challenges the country faces.

Over the past twenty years, India has seen rapid proliferation of non-governmental organizations, and today there is approximately one NGO for every 400 people in India.[8] Only 29% of all legal philanthropic entities in India were established before 1990; following economic liberalization it only took a decade (1990-2000) to double the number of trusts and foundations, and most dramatically between 2001-2011 42% of all trusts and foundations were established.[9]

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[6] Of $1.25/day (2011, 75); The Asian Development Bank estimated in 2010 that 29.8% of India's population lives below the national poverty line, http://www.adb.org/countries/india/main.

[7] The ADB project India to grow at 5.8% in 2013 against the earlier projection of 6.0% (Asian Development Bank, 2013).

[8] Out of a total of 3.17 million registered societies or non-profit institutions (NPIs), only 875,000 NPIs had registered up to the year 1990, while 2.25 million NPIs registered since 1991. As there is no procedure for de-registering a society, a notable percentage of the 3.17 million are likely defunct. ("Final Report on Non Profit Institutions in India" 2012, p. 94).

[9] Formal legal entity to manage family philanthropic activities: 1930s: 4%; 1960s: 13%; 1970s: 8%; 1980s: 4%; 1990s: 29%; 2000-2011: 42% in "Phi-

While the expansion of philanthropy in India is welcome, the tendency to create new foundations, rather than fund existing organizations, also brings potential complications and negative impacts.

1.2 Literature overview

Most of the existing work on corporate social responsibility, foundations, individual giving across levels of wealth, and the distinct attributes of high-net-worth individuals (HNWIs) has focussed on the U.S. (Fleishman, 2009; Schervish, O'Herlihy, and Havens, 2001; Schervish, Herman, and Rhenisch, 1986; Schervish, 2003), while only recently more attention has been turned to emerging economies. There are a limited number of academic studies on giving in India[10], and even less on wealthy Indian philanthropists and their foundations. For more than a decade there have been calls for greater contextualization and localisation of organizational and management practices research, as theories developed for Western contexts do not necessarily apply in other situations (Tsui, 2006; Rousseau and Fried, 2001; Whetten, 2009). This research attempts to take a step in that direction.

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lanthropic Unit Decade of Establishment – India" (UBS-INSEAD 2011, p. 42).

[10] For example, based on a search of over 500 academic articles on empirical studies of charitable giving (up to August 2007), most studies were conducted in U.S., followed by UK, Netherlands and Canada (Bekkers and Wiepking, 2010).

Historic reflection of Indian philanthropy is limited prior to the British colonial period, while from the nineteenth century onward the British and then Indians are typically portrayed as calculating cost-benefit and utilizing charitable acts to improve their social position (Caplan, 1998; Haynes, 1987; Kasturi, 2010; Nag, 2008; Palsetia, 2005; S. Sharma, 2001). This framework is not applicable to present-day HNWI philanthropy. Some work has been done on early indigenous industrialists cum philanthropists, with particular focus on that Tatas. Jamsetji Tata did, after all, set up an endowment for the higher education of deserving Indians in 1892, long before Rockefeller or Ford set up their philanthropic foundations (Lala, 1998). Other works reflect on the role of the social sector which rose with Mahatma Gandhi and nationalism in the twentieth century (Dasgupta, 1996; Kasturi, 2010; Rolnick, 1962), while voluntary associations have been studied by Indians and Westerners since the 1960s (Sen, 1999). These historic and biographic works illustrate the deep history of philanthropy in India, but are closely tied to temporal contexts.

Religion is acknowledged to play an important role in shaping Indian philanthropic acts, historically as well as in the present (Agarwal, 2010; Bornstein, 2009; Copeman, 2011; Kasturi, 2010; Rolnick, 1962; Shariff, 2010). While religion may act as a motivator, this research focuses on secular foundations. Another lens through which Indian philanthropy is understood is Diaspora giving – acknowledging the Indian Diaspora for their generosity, and whose motivations

lie in family traditions, faith, tax benefits, feelings of guilt, and strong bonds with India (Dhesi, 2010; Kapur, Mehta, and Dutt, 2004; Niumai, 2011; Viswanath, 2003). Indian Diaspora share some common motivations, global influences, and even types of giving vehicles (foundations) as with domestic HNWIs; but their context (living outside of India) differs. None of these existing approaches, therefore, directly explores structured giving trends among emerging high-net-worth Indians.

Indian business philanthropy and corporate citizenship holds historical roots, tied to Indian nationalism and the independence movement; while today corporate social responsibility (CSR) is set to play an increasingly important role (Dadrawala, 2003; Gautam and Singh, 2010; S. G. Sharma, 2009; Sundar, 2000). Business leader philanthropists have even started to openly debate and publish on social issues, including Infosys co-founders N. R. Narayana Murthy and Nandan Nilekani, along with Rohini Nilekani (Murthy, 2009; N. Nilekani, 2009; R. Nilekani, 2011). Capturing voices, views, and snap-shots of positive contributions have become popular, primarily aimed to arouse interest and curiosity in Indian philanthropy (Cantegreil, Chanana, and Kattumuri, 2013). While the Indian media covers the most dramatic philanthropic gestures, consultancies, business schools and financial institutions have also extended interest in better understanding this area, and have issued various reports around the topic, including Bain and Company's annual *Indian Philanthropy*

Report (first launched in 2010), the USB-INSEAD *Study on Family Philanthropy in Asia* (2011), and FSG and Indian School of Business report on *Catalytic Philanthropy in India* (2012). Yet these case studies and reports tend to skim over the relevance of the broader Indian context, and academic research on the sector is still largely missing.

1.3 Goals, methodology and limitations

This paper aims to explore how current understanding of high-networth giving and the theory of hyper-agency, based on high-tech donors in the U.S., can be applied to Indian business-leader philanthropists, and how the foundations they establish are influenced by their background. It draws on over forty-five semi-structured in-person interviews (*see Appendix A*), in addition to numerous other less formal exchanges, with philanthropists, heads of foundations[11], philanthropic organizations, academics and experts, media, government and industry bodies in Bangalore, Delhi, Mumbai, and Pune in 2012. As a starting point, the *Forbes' List of Billionaires in India* was consulted (Forbes, 2012); but as information on billionaires as a separate group is somewhat limited, the study was expanded to include the activities of ultra-HNWIs and HNWIs that are multi-millionaires. The research is limited to those foundations willing to meet; while philanthropic experts were predominantly determined through word

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[11] Most large Indian foundations have a CEO or Executive Director who works to implement the vision of the founder.

of mouth. Some interviews were voice-recorded, while for others notes were taken during or immediately after the interview. Transcription was not done verbatim, but rather key messages were extracted from the interviews and organized according to themes. Insights have been drawn upon without attribution, but occasionally their own words are used. While its goal is to provide an overview of how various elements weave together, it comes somewhat at the cost of depth in some respects. The research is qualitative in nature due to the strength of the researcher, alongside the challenge of collecting quantitative data on Indian philanthropy[12]. A limitation is the overall difficulty of capturing accurate and comprehensive information on philanthropic activities undertaken by India's HNWIs. In total, eight private foundations and ten corporate foundations were explored in greater depth – many among the most well-known in India. In terms of the business backgrounds of each foundation, they span across the full range of industry areas, from information technology to biotechnology to finance; and while in some cases the business was founded many decades ago, much of the surge in wealth has come in the past twenty years on account of India's economic liberalization. While the interviews are limited to those willing to meet to discuss their philanthropy, the foundations range across size, age, focus area, geo-

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[12] Many foundations shy away from revealing their financial data. The Bain & Company annual *India Philanthropy Report* contains the most quantitative data on Indian philanthropy, although they do not reveal the sources of their data, and did not respond to my requests for further information on their methodology.

graphic area of operation, registration type, and model, and therefore can be considered representative of the various high-net-worth foundations in India (*see Appendix B*). Field research has been combined with literature review, reports released by consultancies, NGOs, and financial institutions, and media coverage to contextualize the findings. Through triangulation common threads can be ascertained, and the result is a more diverse set of perspectives and balanced view than would be achieved by only speaking to HWNIs or their foundations.

The focus of this research is on philanthropists who have gained significant wealth through business activities since the 1990s – "the creators, and in a way, the products of a post-liberalized, significantly affluent India" (Karunakaran, 2011) – are geographically located in urban areas, and are engaged in the organized philanthropic sector by having established their own registered foundations. In the case of corporate foundations studied, all are closely linked to the head of the company and reflect his/her interests. It is important to note that lines in the individual-corporate philanthropy nexus – between CSR and personal philanthropy – are often blurred in India, particularly in the case of family-run businesses. For example, Kiran Mazumdar Shaw, the Chairman and Managing Director of Biocon Ltd., channels her personal giving through the Biocon Foundation; while the Mittal family, behind Bharti Enterprises which includes Bharti Airtel, also channel their personal giving through the Bharti

Foundation. The terms 'HNWI' (high-net-worth-individual) and 'business leader' have been used interchangeably throughout the paper, to avoid excessive repetition; both terms refer to Indian individuals who have at least $1.1 million in investable assets, excluding primary residences, consumables and consumer durables, and have made a significant portion of this wealth in business over the past few decades. Ultra-HNWIs are those with a net worth of over $50 million.

2. Understanding the Indian philanthropists

In order to assess the role of HNWI Indians in philanthropy, and thus how they lead their foundations, it is important to first review the broader understanding of HNWI giving and strategic philanthropy – most of which is rooted in U.S. and European examples. It is known that the charitable giving behaviour of the wealthy differs from that of the poor (Bennett, 2003; Hughes and Luksetich, 2007; Sargeant, 1999). While the non-wealthy give more in absolute terms of time or money, many individuals need to come together to make an impact. HNWIs, on the other hand, are a particular group, and need their own theory of giving, as they are producers of a social agenda in so far as concentrated money can create entire institutions, movements, or areas of charity; large donors can respond to unmet social needs where the market and state do not go; and larger gifts shape the direction of beneficiaries by influencing the priorities, activities, and character of

NGOs (Schervish, Herman, and Rhenisch, 1986). HNWI philanthropists are able to contribute in three main roles, including: i) a managerial role, providing organizational expertise; ii) in an entrepreneurial role, combining both human and financial capital to launch a new charitable enterprise or component within an existing unit; or, iii) in a venture role, combining managerial and entrepreneurial elements of finance and advice (Schervish, 2003, p. 17–18).

While philanthropy by wealthy community members is age-old, Ted Turner's $1 billion donation to the United Nations Foundation in 1997 arguably ushered in a new era of unprecedented levels of philanthropy by living and engaged self-made billionaires (Madnick, 2010, p. 313). This new wave of philanthropy has been led by donors from the high-tech industry in the U.S., while in India it has been led in part by "the IT czars" of Bangalore (Guha, 2012), alongside others who have made their wealth following India's economic liberalization in the 1990s. The way in which high-net-worth business-leaders approach philanthropy and seek to be socially innovative, constitutes a new, unique group. The key distinction is that they are not *consumers* of the social agenda, but rather *producers* of it (Schervish, Herman, and Rhenisch, 1986, p. 9). These individuals are defined by the great amount of wealth they hold at an early age, their intelligence, and strong will to translate their "agent-animated, knowledge-based business orientation into agent-animated, knowledge-based philanthropic engagements" (Schervish, O'Herlihy, and Havens, 2001, p.

6). Sociologist Paul G. Schervish calls them "hyper-agents". The great degree of choice hyper-agents hold in how to underwrite – rather than just contribute to – philanthropy, lies with firstly, their psychological empowerment, including the disposition of great expectations and confidence to achieve them; secondly, their spatial empowerment, the capacity to extend influence beyond one's immediate personal presence; and thirdly, the temporal power to "reshape the past, forge the present, and bind the future" (Schervish, 2003, p. 10). While in theory hyper-agents do not necessarily have to be wealthy, it is very rare for an individual to be so profound, creative, or spiritual to be able to have the same impact; while every wealthy individual has the potential to be a hyper-agent (Schervish, 2003, p. 21).

What makes the newer generation of Indian philanthropists different from previous generations of donors is the changed context – they are part of a much more globalized and capitalist India, and one where large companies are now mandated to spend 2% of profits toward Corporate Social Responsibility. The way they have earned their wealth out of India's economic liberalization is mirrored in their philanthropic activities. Aside from some old industrialist philanthropist families, such as the Tatas, Birlas and Godrej, Indian foundations are largely at a nascent stage and still learning by doing. At the same time, Indian and broader Asian contexts continue to play a role, including deep religious beliefs, preferences for education, and

maintaining control within family philanthropy. It is this combination of factors which makes Indian philanthropists and their foundations unique.

3. Boundaries of Indian philanthropy

Analysis of individual philanthropy lies in the interplay between the conceptual categories of structure, whether cultural, historical, or social; habitus, in terms of lifestyle, values, attitudes and orientations; and practice, the operationalization of structure and habits (Schervish, Herman, and Rhenisch, 1986, p. 11–12). Some of these elements, particularly within structure, hold greater weight than others, while habits manifest at both the conscious and unconscious level.

While in every context philanthropy is shaped within a specific set of boundaries, in the case of India, individual acts of philanthropy are particularly shaped by religion and culture. For registered philanthropic foundations, regulation plays a notable role in forming the philanthropic landscape. Among India's top business leaders religious giving remains a private affair, while secular, structured giving through modern foundations is done with fanfare. While in the West individuals remain attached to their donation in terms of maintaining interest in the outcome and deriving satisfaction in knowing how the money has been used, traditionally Hindu givers are required to cut off all emotional and legal ties to detach themselves from the gift and any expectation of return – thus Hindu *daan* is deemed a 'disinter-

ested' gift (Bornstein, 2009, p. 264–65). Nonetheless, responsibility for ensuring the accountability and proper use of the *daan* lies with the giver; one must select the recipient prudently, to ensure the *daan* will be effectively used once it becomes the recipient's property and the giver is detached from it (Agarwal and AccountAid, 2005). Interestingly, when it comes to secular philanthropy this somehow reverses and HNWIs remain very interested in the outcome.

In regard to culture, while the U.S. is highly individualistic as a society, India holds collectivist traits, with a preference for belonging to a broader social framework in which an individual acts according to the greater good of one's defined in-group(s) (Hofstede, 2012). Family, kin-ties and traditional patron-client relationships endure (Sundar, 2000, 17), along with a preference for face-to-face interactions, resulting in an inclination to give within a community rather than to broader citizens. This reflects a wider Asian tendency toward affiliation as the principal driver of giving, with community and ethnicity as critical factors that determine the scope and direction of giving (UBS-INSEAD, 2011, p. 24). In discussions across levels of wealth, individuals continuously refer to the challenge of discerning who is a deserving recipient or not, and thus this pretext of mistrust reinforces the desire to control giving and keep it within known spheres and groups.

A third important boundary in philanthropy is the country's legal and regulatory framework. Donations in India are encouraged through

two main regulations: organization registration under Section 80G (of the Income Tax Act, 1961), which provides donors with 50% tax exemption; and project registration under Section 35AC, which is more difficult to obtain, but under which donors receive 100% tax exemption. The government also steers contributions using different levels of tax deductions; for example, contributions to government funds receive 100% tax deduction, to rural development programs 100%, to the scientific sector 125% and to the educational sectors at 175% (UBS-INSEAD, 2011, p. 75). For a not-for-profit or foundation to be eligible for tax exemption in India, it must be organized for religious or charitable purposes, namely for relief of the poor, education, medical relief, or the advancement of any other object of general public utility (Government of India, 1961, Section 2, Point 15). While philanthropy toward health, education, or humanitarian relief is 'safe' in regulatory and political terms, activities falling under the last category rely on the discretionary power of the tax authorities, leaving organizations to convince authorities how their socially innovative endeavour – whether a think tank or social enterprise – deserves charitable status.

Tax exemption status has a direct impact on NGOs, and is an incentive for middle-class givers, but among HNWIs, tax deductions are viewed as "hardly attractive" (Dadrawala, 2003, p. 67). Further, donations in the form of material goods receive no tax benefits. Gener-

ally, deductions for donations may not exceed 10% of the donor's total gross income,[13] which impacts large-scale giving.

The Indian government seeks to encourage businesses toward responsible distribution of wealth in the communities in which they operate. The National Policy on Voluntary Sector stated that "there is considerable untapped potential to channelize private wealth for public service. The Government will support and encourage existing, as well new, independent philanthropic institutions and private foundations..." (section 6.1 in *National Policy on the Voluntary Sector*, 2007, p. 10). The recently-passed Companies Bill 2013 prescribes that private corporations of a certain size spend at least 2% of their average net profit on CSR activities (Government of India, 2011). This reflects the existing mandatory CSR spending for Central Public Sector Enterprises (CPSEs), which once was 0.5% but was increased to 1% in 2012 and now to 2% to align with the new Companies Act (indiacsr, 2013). Further corporate-individual convergence is likely, as one foundation openly shared that any remaining funds from the mandated 2% CSR will be put toward the individual foundation established by the head of the company. While the objective of encouraging CSR is positive, it remains to be seen whether the amount of money involved may be more than the Indian third sector can currently effectively absorb and honestly manage.

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[13] Point 4 in Section 80G: "Deduction in respect of donations to certain funds, charitable institutions, etc." of (Government of India, 1961).

4. Why set-up a foundation (Motivations for giving)

While age, wealth, and ability define the nature of activities of hyper-agents, the reasons for initial engagement in philanthropy are complex, and not necessarily rooted in an individual's belief that he or she can incite dramatic social change. Over the past couple of decades a largely educated and globally-connected middle class in India entered entrepreneurship and became wealthy. In contrast to inherited wealth, which holds the expectation that most of it will be passed on to children, India's new wealth is arguably less 'sticky' due to the more modest background and influence of time spent in the West observing how giving occurs there. In the U.S. as in India, many philanthropists explain their motivation in terms of gratitude: my country "has been good to me, and made it possible for me to become successful and wealthy. Now I have an opportunity – and obligation – to repay the debt" (Fleishman, 2009, p. 94). One study found that inequity was a key motivator, as sixty percent of Indians cite "giving back to society" as their main motivator compared to about twenty-five percent who cite "effecting meaningful and measureable social change" as their top motivation (Reddy et al., 2012, p. 4). Reflecting on Prof. Peter Frumkin's functions of philanthropy, Indian donors seem more interested using private funds to create social change or to aim for some level of economic equity, than as a vehicle for "the pure and unapologetic affirmation of pluralism as a civic value" (Frumkin, 2006, p. 17).

Alongside a horizontal type of pressure – of HNWIs noting who in their peer-group is engaging in philanthropy (Andreoni and Scholz 1998) and that 'everyone must have [a foundation]' (R. Nilekani, 2008) – there is pronounced vertical pressure. The Indian public, increasingly educated, skilled and with rising aspirations, is mounting expectations that companies and business leaders will contribute to social development. In India, the wealthiest 5% of the population controls 40% of the country's wealth (Sheth, 2010), and inequality is growing. Through some combination of fear and enlightened thinking, HNWIs are increasingly aware of the risks of inequality. One billionaire notes: "With so much poverty, how long will people keep quiet? I wouldn't keep quiet if I were them; I would resent it like mad." For Anand Mahindra, creating opportunities in education is a way to avoid rebellion, anarchy and violence in India from unequal wealth distribution (Dadrawala, 2003, p. 34). There is a general sense that something needs to be done to avoid social unrest, and a situation in which high security is needed around homes and businesses – in other words, a country that looks like Brazil or South Africa.

5. Foundation models

The motivation, capabilities, and area of interest of an individual will influence the type of vehicle used to channel his or her philanthropic acts. The decision to establish a foundation is rooted in a variety of causes, including the inability to find an organization (in terms of

size, focus, or effectiveness) that meets the HNWI's goals, the inability to choose between several recipients, lack of trust in other organizations, or the desire to avoid passing on excessive wealth to children and other heirs (Fleishman, 2009, p. 97). Commonly, however, a foundation is intended as "a vehicle for promoting large-scale, lasting social change" (Fleishman, 2009, p. 99).

A foundation, according to Joel Fleishman, with reference to the U.S., has three main – not necessarily distinct – roles. First, the most time and labour intensive and difficult form is as a Driver, in which the foundation maps and directs change toward a particular and carefully chosen social, economic, or cultural good, by giving grants to organizations (Fleishman, 2009, p. 60–62). Second, foundations play a Partner role when they share power and make key decisions together with partner organizations that will implement the strategy, and thus can save time, energy, and money (Fleishman, 2009, p. 62–64). Third, foundations have a Catalyst role when existing strategies are inconceivable, inappropriate, or premature, or problems are too big or complex, and so foundations give grants to organizations but do not specify outcomes and play a hands-off role (Fleishman, 2009, p. 64–66).

The preferred model for Indian foundations is operational, combined with elements of grant-giving, and on occasion partnership with other organizations or funders. This in some ways parallels India's inclination to provide very little development assistance in the form

of cash grants (Agrawal, 2007, p. 7). The most commonly cited reason for choosing an operational (or hands-on) approach is the desire to be engaged and in control, which reflects the entrepreneurial spirit of business leaders in ensuring that something they develop is successful, and they can then take credit for. The hesitation to entrust money with an NGO lies in part with perceived and real non-professionalism of Indian NGOs. The average number of paid staff per society is three employees, with the remainder as volunteers (Central Statistics Office, 2012, p. 47). One incident to severely damage trust in NGOs by both the government and private actors was when a famous corporate group tried to siphon money to the naxals in Chhattisgarh through a local NGO, aiming to promote naxalism-free industrialisation in the region – and thus illustrating how small NGOs may compromise their values and morals to access money (Goswami, Tandon, and Bandyopadhyay, 2012, p. 16).

Indian preferences correspond with a broader Asian bias of family philanthropic initiatives maintaining operational control, rather than working collaboratively or as grant-making entities (UBS-INSEAD, 2011, p. 42). One study found that in India in 2010, two-thirds of private foundation funding went to their own operational activities and one-third as grants to other organizations[14]. Take the Avantha Foundation, which operates as a funding agency with some direct implementation and occasional partnerships: under its Governance

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[14] As a percentage of respondents. (UBS-INSEAD 2011, p. 50).

program it provides direct funds to elected representatives, but also works with NGOs to help elected representatives gain expertise. The Bharti Foundation started out granting initiatives in the area of education for underprivileged children before deciding to build schools themselves (the Satya Bharti schools, from 2006). The Narotam Sekhsaria Foundation stands as one of the rarer examples of a granting foundation – although the family is also behind various other philanthropic foundations, which run on more operational and partner-based models[15].

Geographically, many Indian foundations initiate their programs locally and spread further afield with time. In the case of one corporate foundation, they were clear that "you don't want to start a project of this scale and size and intent somewhere where it could be a failure" – so they started close to their headquarters, where they understood the region and language, and could have the "maximum possible chances of success." From there they have spread nation-wide, often in response to requests from company branch CEOs or local constituents and politicians. Alternatively, other foundations focus on the region of the founder's origin – such as the vocational college and school set-up by Café Coffee Day founder V. G. Siddhartha in Chikmaglur, the coffee-growing region he comes from[16]. Even if philanthropists ultimately hope to see ecosystem or institutional

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[15] Salam Bombay Foundation and Ambuja Cement Foundation.
[16] Shankarakudige Veerappa Gangaiah Hegde (SVGH) Education Trust. http://www.cafecoffeeday.com/foundation.php.

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changes, the size and diversity of India forces foundations to start with a more modest and manageable scale.

Indian foundations shape themselves predominantly around the personal convictions, preferences, and strengths of the founder. For example, Shiv Nadar has a passion for education, remembering how he benefitted from it himself; and as a result his foundation works primarily in education. In many cases, foundations are family- or individually managed rather than professionally managed[17]. This is more pronounced among smaller foundations. Large Indian individual and corporate foundations, such as those led by hyper-agents, are strongly "guided by the commitment of top managers" (Sood and Arora, 2006, p. 55) but a management team works to implement the founder's vision. Many philanthropic organizations in Asia have a relatively low administrative cost – yet considering the preference for operational models, it reflects under-investment in professionalization and institutionalization rather than a sign of efficiency (UBS-INSEAD, 2011, p. 45). One Indian foundation, established with personal funds, is so closely integrated with the founder's company that not only does it share the same name, but also has some of its back-office support work (such as finance or legal work) done by departments within the company. In many cases the founder may discuss decisions with a board, but ultimately has the freedom to run the foundation as desired. By contrast, non-family corporate foundations

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[17] In 2010, 62% of respondents said family- or individually managed and 38% said professionally managed. (UBS-INSEAD 2011, p. 43).

tend to have more structured internal decision-making processes, and limitations on the power of the CEO. The combination of operational foundation and engaged founder ensures the HNWI knows where every rupee is spent – a non-arms-length philanthropy that is both positive and negative. While theoretically "nobody 'owns' a foundation those funds are being stewarded for the public good," (Majeska, 2012) in reality in India, philanthropy is intrinsically personal and may only become more transparent and professional over time in response to external pressure.

While the expansion of philanthropy in India is welcome, the tendency to create new foundations, rather than fund existing organizations, is drawing some criticism. The proliferation of owner-operator foundations reinforces cross-sector non-cooperation and can lead to monopolies over certain sectors, weakening the already underdeveloped philanthropic sector infrastructure. Further, if philanthropists offered greater support to existing foundations, scaling-up could be faster. Within Fleishman's framework of foundation roles, most Indian foundations currently fall between Driver and Catalyst role. India's social problems are large and complex and require partnership with the government and private sector. While Indian foundations are trying to develop new strategies to address these problems, they are not always keen on partnering and sharing power with other organizations. At the same time, Indian philanthropists are highly involved in their foundation activities, sometimes to the extent of mi-

cro-managing, counter to the hands-off approach of catalysts. Therefore, while the social atmosphere in India requires catalytic approaches, Indian foundations are trying to act as operational drivers.

5.1 Relationships & partnerships

Many Indian philanthropic experts believe that in the future, foreign funding will decline and Indian NGOs will need to shift their dependence to domestic individual and corporate foundations. While some HNWIs are inclined to collaborate with partners, as long as they are transparent and like-minded, other philanthropists are clear that they prefer to implement programs themselves. Arguments used by foundations against partnering with NGOs include the view that Indian NGOs are unprofessional, or that they are middle-men taking away a percentage of hard-earned money before it is passed on to the community (Dadrawala, 2003, p. 67). Further, as each actor has a different set of goals, engagement between sectors means compromise. Yet as projects geographically expand and become harder to monitor from the foundation's headquarters, local partners look more appealing. As in other emerging economies, Indian foundations established by the wealth elite prefer to support the largest and high-profile NGOs, passing over smaller NGOs even if they operate in non-political or controversial areas. Despite the history of mistrust between the private sector and NGOs, found globally and especially embedded in India, as the need for collaboration grows, adjustments

will have to be made from both sides (Goswami, Tandon, and Bandyopadhyay, 2012, p. 15). In addition to NGOs becoming more professional and accountable, foundations should also become more open, for example about their internal dynamics, to build trust and partnerships, rather than paternalistic relationships.

The government in India remains the dominant player in providing social welfare. As the government has more money than private philanthropists ever will, alongside control over laws and policy, they are essential partners to achieve scale. A majority of operational foundations feel that it is their role to pilot models that the government can replicate – as "innovation will not come from the government". Conversely, some feel that the government will not be spurred in this manner, and the private sector may be better at scaling-up. Nonetheless, foundations and NGOs are keen on leveraging government schemes. Public-private partnerships (PPPs) are only feasible among the ultra-HNWIs and the largest foundations, as they hold sufficient assets to be a real shareholder. With over 1.2 billion people in India, everything is on a large scale; thus in a country were the Midday Meal Scheme (a PPP) feeds 120 million children daily (Government of India, 2013), even a multi-million dollar donation to health or education no longer seems so grand. Given the close ties between politics and business in India, business leaders have the potential to play a key role between government and philanthropy; in other words, if so inclined, hyper-agents are spatially empowered to

influence others – in the realm of philanthropy as much as in their business.

An interesting parallel can be drawn to India's actions on the international stage, where "India has virtually no history of cooperating with other countries in development assistance" and "in fact, the country has given very little thought to the subject" (Agrawal, 2007, p. 12). Yet senior Indian officials are becoming increasingly aware that cooperation has political and economic merit (Agrawal, 2007, p. 12). To date India has largely participated in multilateral groupings to have its voice heard; but now spurred by its emerging economy status and confidence in global affairs, India is shifting how it projects itself as a major power (Agrawal, 2007, p. 12). Similarly, as Indian HNWIs become more comfortable in their wealth and status, so too may they acknowledge the benefits of cooperation and partnership toward development goals.

6. The business connection

Hyper-agents, as self-made wealth owners, act in philanthropy with defining aspects of entrepreneurship (Schervish, 2003). Corporate foundations are a form of corporate philanthropy, which differs from CSR, and are typically formed as a dedicated body when the philanthropic activities are not compatible with core business activities (Minciullo and Pedrini, 2011, p. 8). Corporate foundations are distinguished by: i) their dependence on a firm for funding; ii) their

close ties with this firm, including non-financial resource dependence such as employees, staff support, and knowledge; and iii) they almost always have corporate executives as members of their board of directors (Minciullo and Pedrini, 2011, p. 8). In many cases, if an Indian business leader, as the head of a corporation, establishes a foundation using either corporate or personal funds, the foundation regardless maintains a close connection with the firm.

A foundation is not-for-profit by nature, yet several business leaders run their foundations in the same way as if it was a for-profit business. One example can be seen in the Bharti Foundation's Standard Operating Procedures (SOP) Manual used in all of its schools. The corporate GMR Varalakshmi Foundation employs a public-private partnership (PPP) model and focuses on vocational training programs, which mirrors the PPPs the company utilises in its projects as an infrastructure firm. Foundations also draw on business strengths; for example, Shiv Nadar has applied his experience in institution building to his Shiv Nadar Foundation, particularly the higher education institutions (Shiv Nadar University and SSN). Another aspect is name-recognition and branding. One philanthropist deliberated whether to use the name of his company for the family's personal philanthropic foundation, in the end deciding yes, as it would help leverage existing partnerships with NGOs and villages it had established under the company's CSR program. This is also logical if the company is likely to contribute to the foundation in the future, as

many may with the Companies Bill 2013. Terminology has also jumped across sectors, with reference to 'value', 'profit', and 'return on investment' used by Indian philanthropic foundations – although the business side and philanthropic side may not always hold the same understanding of these terms.

The growing emphasis on discipline, accountability, planning and results, direct involvement, and entrepreneurial culture that is seen among foundations globally (Jarvis and Goldberg, 2008) is also being integrated in India. Nonetheless, as what is understood as 'normal business conduct' varies greatly by region of the world, Indian foundations in fact reflect Indian business mentality and conduct more than any other. In India, as elsewhere, "self-made rich people not only have pots of money to give away but are often in the habit of measuring results: they will fund what works and cut off projects that do not" (Guest, 2010). This is positive for improving the efficiency of the social sector, and yet not everything is quantifiable, tangible, or measurable. As one foundation head admitted, "I think we have even gone a bit over-board on measuring systems and processes." Some Indian foundations set one- to five-year grants and plans, which are broken-down to annual targets and monitored monthly, providing a basis for deciding whether to renew a grant or not. This 'three-year' mindset, some experts argue, is limiting, as problems in India were not created over a year or two, and thus will

also not be solved in a couple of years. Corporate foundations are more likely to implement such rigid structures.

While entrepreneurial spirit and close business ties can bring many benefits to philanthropy, there are also certain drawbacks. In the case of family-owned companies – of which there are many in India – individual or family philanthropy is often substituted for CSR, even though CSR entails a wider sense of practices compatible to core business activities (UBS-INSEAD, 2011, p. 74). Conversely, one philanthropic expert expressed concern that over time the family foundation could be consumed by CSR, which is undesirable as each has a strong and separate purpose in society. At present in India, many personal foundations end up doing CSR work for the company. Certain business practices do not work so well in the realm of philanthropy, including overly ambitious time-frame and micro-managing. This detracts from the foundation's autonomy and reflects how Indian businesses houses are run on close kinship and micro-managed lines. Unlike hyper-agents in the U.S., active risk-taking does not seem to have transferred, as many Indian corporate foundations tend to fall back to safer and well-known need areas (which some may consider pragmatic), rather than find and target emerging problems. Further, the hands-on approach of hyper-agents is double edged, as it can potentially offer great benefits, but also heavy-handed intrusion and "an overbearing assertion of domination" (Schervish, 2003). In-

dian philanthropists need to continue reassessing the benefits and risks of trying to run their foundations like their corporations.

Indian business leaders have been riding a wave of confidence over the past two decades, which has spilled over into the philanthropic sector. Indian philanthropists are often confident that given their business success, they know how to solve problems. Consequently, they may be less likely to seek advice or lessons from others. India holds a long tradition of giving, to some extent fuelling a 'we know what to do' attitude against Western suggestions. Even if visits to India by Bill Gates and Warren Buffett are widely covered in the media, many Indian business leaders admire them more for the way in which they made their wealth than the philanthropy they now engage in. For hyper-agents, "their self-assurance, can-do attitude, and relative inexperience can lead them at times to be arrogant and presumptuous" (Schervish, 2003, p. 23).

Collaboration is still the exception rather than the rule in India, because it does involve giving up some individual control. Ultimately, no sole actor, no matter how large their assets or efficient their processes, is able to single-handedly produce widespread, meaningful change (Fulton, Kasper, and Kibbe, 2010, p. 8). Even with the large amount of resources the Indian state dedicates to social projects, combined with years of assistance from multi-lateral and bilateral agencies, the impact has been modest; "It would be naïve, therefore, to think that increased funds from philanthropy, whether domestic,

foreign, or diaspora, will 'solve' India's poverty problem" (Kapur, Mehta, and Dutt, 2004, p- 205). Amid all the hype around dramatic multi-million dollar donations, being realistic about the contribution private actors can make toward India's development may help shift focus toward greater collaboration with government and empowerment of civil society.

7. Focus of foundations

While philanthropy of high-tech donors in the U.S. is characterized by the targeting of neglected niches where there are great needs but scarce resources (Schervish, 2003, p. 13), in India this is not the case. Across all levels of giving, religious organizations receive the largest share of charitable donations, both in India and the U.S.[18] (Giving USA, 2012). The next largest sector in both India and the U.S. is education. The philanthropic focus on education, as the panacea for India's problems, draws back to the colonial period (Sundar, 1996, p. 414). While education has traditionally been a public sector service, the public system has struggled in reach and quality; and with an overall literacy rate in India of 62.8%, it is clear more needs to be done. Due to the scale of India, a number of foundations have opted to partner with the government to expand their education activities. Further, "in a democratic society, education is an essential pressure-release valve" as it can help reduce inequalities (Dadrawala, 2003, p.

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[18] Around 32% of donations, or $95.88 billion, goes to religion in the U.S. Specific rates unknown for India.

34). Education is appealing to HNWIs as it is non-controversial, supported by government policies, easily measurable and tangible (in metrics such as number of students enrolled or passing exams). The majority of philanthropic attention is dedicated to primary education, with secondary and higher education, and special needs (learning or physical disabilities) receiving relatively less attention[19]. There are countless models and competing ideas about how to approach education. As one expert quipped, "There isn't any more money that you can throw on children and education that is going to solve the problem" in India – suggesting the sector is already saturated and the problem is one of inefficiency, poor quality, and lack of coordination.

Following education, Indian donors and their foundations are most likely to focus on health and livelihoods. There is huge demand from the Indian job market for skilled labour, and many corporate foundations organize vocational training programs (in areas ranging from computer literacy to carpentry), because it both trains future employees and is supported by the government[20]. In this sense domestic donors follow the actions of India's international development assistance, which "seem to be primarily motivated by strategic interests"

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[19] Certain exceptions exist, notably the Azim Premji University and Shiv Nadar University.

[20] Regardless of whether or not the foundation takes advantage of the National Skill Development Corporation initiative (a Public-Private Partnership), vocational training for livelihoods is a focus for the government. See: www.nsdcindia.org/.

(Agrawal, 2007, p. 15). Numerous Indian foundations argue that by providing quality education, healthcare, or livelihoods, there is a spill-over of benefits and other development objectives are advanced. There is, therefore, the tendency for most foundations to loosely operate in more than one area, or very broadly defined areas, with rare examples (such as the Bharti Foundation) of clearly defined and focussed channeling of energy and funds.

In a country where many individuals can only think about day-to-day survival, areas with a longer-term focus, without government commitment, or associated with a social taboo, receive less philanthropic attention. This runs counter to the trend among U.S. hyper-agents of targeting under-invested areas. In India, these areas include mental health, sex education, sexual abuse, arts, traditional crafts, water, environment and natural resource management, consumer rights, and legal aid, to name but a few. Among many Indian circles, the rural poor are still viewed as more noble or virtuous than the urban poor. Politically sensitive or controversial areas, such as governance and reform of the political system, corruption and transparency, human rights, ethnic issues, insurgencies, and inequality, are also generally avoided by HNWIs. Being in 'the eye of the storm' is far from desirable, particularly for business leaders with political connections or ambitions. Even higher-risk approaches, such as venture philanthropy, are only beginning to gain traction in India. The younger generation, however, tends to be more inclined to support more pro-

gressive causes involving civil and political rights or advocacy, or the environment (UBS-INSEAD, 2011, p. 9, p. 22).

The preference for Indian philanthropists to experience tangible outputs means less funding for think tanks, research institutes, and knowledge space – particularly as researchers are often viewed as an 'administrative' cost in themselves. Domestic think tanks are largely avoided by Indian donors for their perceived cosiness with government and politics. Evidence-based research with practical implications, and documentation and analysis of the successes and failures of foundations and philanthropic initiatives – which could greatly advance the field – are sorely missing. Most foundations undertake some sort of 'dipstick' surveys to help design their programs, but do not position research as a central objective. Connecting research to policy change is a challenge in any context and, particularly in India, may seem too distant of an objective, especially as life-and-death matters are on the doorstep. There is also under-investment in building philanthropic infrastructure, funds for institutional support, and organizational development. Interestingly, while India's international development assistance to South Asian nations focuses on infrastructure, health, and education, and in Africa largely on technical training of civil servants and managers working in state-owned enterprises and government-run institutions, there is overall a clear absence of the research for development sector (Agrawal, 2007, p. 7, p.

10). Ultimately, determining where to give is both easy and difficult, as "you name any area in India… and it is a crying need."

Literature on NGOs operating in the international arena suggest that these organizations replicate location choices of official 'backdonors', tend to follow other NGOs so aid gets clustered, and overall keep a low profile rather than distinguish themselves from other donors (Koch et al., 2009). Just as international NGOs tend to follow rather than compliment official aid, Indian foundations seem to do the same on a domestic scale, largely following government priority areas. Additionally, the Indian foundations closely tied to a corporation also tend to fund social areas – such as vocational training – where there may also be a commercial return, in terms of future trained employees or health communities that can act as customers.

8. Conclusions

India's business leaders have the potential to play an instrumental role in their country's social and economic development, if they leverage their foundations and distinct position as hyper-agents. HNWI philanthropists may act in a manager, entrepreneur, or venture role (Schervish, 2003, p. 17–18). In India, most reflect entrepreneurs in how they provide not just financial capital but also actively engage in their philanthropic activities. The greatest advantage is the broad degree of choice hyper-agents hold (Schervish, 2003, p. 10). Their confidence as business leaders gives them the psychological empower-

ment to have a philanthropic vision and the conviction that they are capable of carrying it through. Spatially, Indian business leaders already hold influence in political and community spheres, allowing them to strategically expand their philanthropic influence geographically beyond the immediate surrounding area of the company and its operations, should they wish to. Temporally, Indian philanthropists have the potential to incite positive disruptive change that reshapes the past, present and future – but this will take time. In India, advancing education, healthcare and livelihoods is seen as key for driving the country's economic growth. While in the U.S. granting foundations are widespread, in India the lack of trust in NGOs, need for a more established philanthropic infrastructure, and greater absorptive capacity of large-scale donations hinders the ability of the third sector and hyper-agents to drive change.

In terms of models of foundations, in India most are somewhere between a driver and catalyst role – intervening as drivers but wanting to create catalytic change in an atmosphere where problems are complex and existing strategies not working. Given the scale of India and its problems, it would seem wiser for foundations to have a more modest mission and focus on local results, or enter major partnerships; but in reality, a more complex theory of change is often aspired to, even if they independently don't have the resources to pursue it. This reflects broader Asian preferences to maintain operational control of family philanthropy. With the proliferation of

NGOs and foundations in India over the past two decades, the challenge may lie with "too many actors, too many chiefs, and too much mission" (Werker and Ahmed, 2008, p. 87).

Indian philanthropy, operating within the boundaries of religion, culture, and legal structures is only in part comparable to philanthropy elsewhere. The experience of India's economic liberalization and increasing globalization over the past couple of decades has impacted Indian business and in turn HNWIs who decide to establish foundations. While Indian business leaders in some ways reflect high-tech donors in the U.S., philanthropy in India is more closely comparable to that of other large emerging economies. In these emerging economies there is typically loose regulation, close business-political ties, opaque privatization, monopolistic business practices, and uneven and rapid creation of wealth. While this may seem comparable to the American fortunes made around the turn of the 20th century, and the philanthropy of the Rockefellers, Carnegies and Morgans used to "sooth the rough edges of their cutthroat business reputations", emerging economy billionaires are also seeking targeted, return-driven philanthropy along the lines of Bill Gates and other global billionaires (Thomas Jr., 2007).

Reflecting on the recent escalation of the newly wealthy in India setting up trusts and foundations, and on who are the agents of social change, Indian philanthropist and writer Rohini Nilekani has openly asked fellow philanthropists: "Do we want to address the symptoms

of social inequity? Or do we want genuine social transformation?"
(R. Nilekani, 2008). Similarly, writer and activist Michael Edwards
argues that "the best philanthropy does deliver tangible outputs like
jobs, healthcare and houses, but more importantly it changes the so-
cial and political dynamics of places in ways that enable whole
communities to share in the fruits of innovation and success" (Ed-
wards, 2008). These are clear policy calls for Indian foundations to
invest in empowering others to bring social change, rather than
themselves operating in the relief of social ills.

The Indian government has already taken policy strides to encourage
the use of private funds toward social good with the Companies Bill
2013; now the challenge remains to effectively monitor and channel
the money for maximum and strategic social impact. Similarly, the
Indian public needs to demand transparency and accountability from
all types of private and corporate foundations. Both the government
and the private philanthropists need to step forward to open more
spaces for collaboration, built on trust regarding issues such as cor-
ruption and bureaucratic processes (red-tape), to encourage an ex-
pansion of public-private partnerships. Additionally, organic plat-
forms that bring philanthropists together to discuss experiences
should be expanded, following on initiatives such as the annual
Dasra Indian Philanthropy Forum and the Azim Premji-led meeting
in Bangalore in early June 2012. Indian hyperagents are spatially

empowered to influence the business, political, and philanthropic sphere – and should use this to leverage action.

Indian philanthropists should consider how they can bring true leadership to philanthropy, going beyond just achieving benchmarks such as how much money they donate, or how many schools are built. Research leading to awareness of underfunded sectors should be conducted, and incentives provided if necessary, so private foundations indeed go where the government and markets do not. In the future, Indian foundations may even expand their activities abroad – as Indian corporations operating abroad have already undertaken CSR activities in those countries. The structures and ease of undertaking such initiatives should be there for foundations to expand their reach.

In many ways, India does not need greater sums of money as much as it needs to develop the infrastructure to channel its resources more strategically. There is a lot of money within India for its own social and economic development, and some strong examples of the power of private philanthropists. Yet the precedent set by the Shiv Nadars, Azim Premjis, and Nilekanis cannot be generalized to all private Indian philanthropy – in many ways, they remain exceptional, just as the Tata Trusts have for over a century. Equally, it is important to look beyond large institutions or foundations to the many new forms of philanthropy emerging in India; "it is a serious mistake to reduce the 'new Indian philanthropy' to the work of certain individuals or certain companies" (Sidel, 2000, p. 5). While British economist Al-

fred Marshall noted that "a score of Tatas might do more for India than any government, British or indigenous, can accomplish" (Dadrawala, 2003, p. 120), the reality is that in order to address India's complex problems, hyper-agent philanthropists and their foundations need to collaborate and partner with both the government and the private sector. Even as vast sums of money from both individuals and companies is becoming available for social welfare initiatives, there is still a long road ahead as Indian business leaders use their foundations and take advantage of their full role as hyper-agents.

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NOTE: *Below are the baseline interview questions posed to over 45 individuals in India. The questions were nuanced according to the participant; individual- or organization-specific questions, as well as clarification and follow-up sub-questions, were added throughout the course of each interview.*

1. What motivates Indian business-leaders to engage in philanthropy?
2. What are the top priorities to achieve India's social and economic potential?
3. How has philanthropy in India changed over time? What has caused such change?
4. What considerations or factors influence Indian business leaders to pursue a certain type of philanthropy (in terms of structure or area of focus)?
5. Are there factors that limit philanthropic activities in India? Are there factors that enable philanthropic activities in India?
6. What is the place of Indian philanthropists vis-à-vis:
   a) The state (government – public sector);
   b) The private sector (business);
   c) Foreign donors;

d) Religious organizations;

e) Voluntary sector?

7. Where are Indian philanthropic endeavours heading in the future?

Appendix B: Overview of Foundations

Summary of some features of the 18 foundations focussed on (2012):

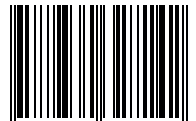|	Range	Average / Total	Percentage (out of 18)
Year Foundation established	1991-2011	2004	-
Age of HNWI	51-69 years	59 years	-
Age of Company	1926-2012	1975	-
Business Area	Biotechnology	1	5.56%
	Energy / Environment	1	5.56%
	Finance	4	22.22%
	Food and Beverage	2	11.11%
	Healthcare	1	5.56%
	IT (and related)	4	22.22%
	Telecommunications	1	5.56%
	Manufacturing / Engineering / Infrastructure	4	22.22%
Model	Granting	6	33.33%
	Operational	7	38.89%
	Mixed	5	27.78%
Registration	Section 25 Company	4	22.22%
	Trust	10	55.56%
	Unknown	4	22.22%
Geographic Focus	Near headquarters	9	50.00%
	Nation-wide	8	44.44%
	Near home village	1	5.56%
Main Focus Area	Education	9	50.00%
	Health	2	11.11%
	Livelihoods	1	5.56%
	Combined education / health / livelihood	5	27.78%
	Other	1	5.56%

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Working Papers

1) Emilio Colombo - Patrizio Tirelli, *Il mercato delle banane e il commercio equo e solidale*, giugno 2006.

2) Emilio Colombo - Patrizio Tirelli, *Il mercato del caffè e il commercio equo e solidale*, giugno 2006.

3) Gian Paolo Barbetta, *Il commercio equo e solidale in Italia*, giugno 2006.

4) Antonella Sciarrone Alibrandi (a cura di), *Quali norme per il commercio equo e solidale?*, giugno 2006.

5) Emilio Colombo - Patrizio Tirelli, *Il valore sociale delle attività del commercio equo e solidale: l'impatto sui produttori*, maggio 2007.

6) Giacomo Boesso, Fabrizio Cerbioni, Andrea Menini, Antonio Parbonetti, *Foundations' governance for strategic philanthropy*, aprile 2012.

7) Stefan Einarsson - Jasmine McGinnis - Hanna Schneider, *Exploring the talk-action gap: a qualitative investigation of foundation practices over three regime types*, aprile 2012.

8) Marco Minciullo - Matteo Pedrini, *Knowledge transfer methods between founder firms and corporate foundations: upshots on orientation to effectiveness*, maggio 2012.

9) Gian Paolo Barbetta - Luca Colombo - Gilberto Turati, *The impact of fiscal rules on the grant-making behavior of American foundations*, luglio 2012.

10) Raffaella Rametta - *Regulation and the autonomy of foundations:a comparative analysis of the Italian and U.S. Patterns*, aprile 2013

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