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India's philanthropy sector lacks scale, needs to be better equipped to handle giant initiatives: Navneet Chugh

By: Jayshal - Sood - October 19, 2017



Navneet Chugh delivering the keynote address at the American Bazaar Philanthropy Dialogue and Dinner in Washington, DC, on October 14, 2017.

LA-based attorney and philanthropist delivers keynote at American Bazaar Philanthropy Dialogue and Dinner.

Lack of scale is one of the biggest challenges facing India's philanthropic sector, said Indian American philanthropist Navneet Chugh.

Delivering the keynote address at the fourth American Bazaar Philanthropy Dialogue and Dinner in Washington, DC, on October 14, he said most Indian nonprofits are not equipped to handle big projects and initiatives.

"There are no charities in India that are [big enough] that an Indian company thinks they wanna write a [big] check to," he said. "There is no big charity that can take a \$1 billion donation and do something with it."

Chugh, founder of the Los Angeles-based law firm Chugh LLP, said the country should focus on building and developing charities to handle every kind of scale.

During his roughly 18-minute address, the attorney — who's a member of the board of directors of Pratham USA — Chugh also compared the philanthropic landscapes in the United States, India and globally. as well. He pointed out that the United States, which has five percent of the world's population and 20 percent of its wealth, has 10 percent of the country's population working for non-profit organizations.

"One trillion of [the US] GDP, out of 18 [trillion dollars] — five percent plus — [comes from] the non-profit sector of the United States," he said. "One out of 10 people in United States [16 million people] works for a non-profit."



"Last year Americans gave \$500 billion in donations ... to the 1.5 million charities in the United States," he said. "Seventy percent of this 500 [billion dollars] was given by individuals, [which amounts to] \$350 billion, almost \$1,000 per person; 10 percent of it came from bequest, 15 percent came from foundations and, contrary to what you might think, only five percent of the \$500 billion came from corporations."

Chugh also talked about the philanthropic efforts of Indian Americans.

"Last year we [Indian Americans] in United States raised a \$100 million bucks and sent to India," he said. "Pratham raised \$20 million; AIF raised \$8 million bucks; Ekal Vidyalaya raised \$2 million; Akshay Patra raised \$4 million."

When compared to Americans, Indians give a lot less, the lawyer pointed out.

It was only recently, after the introduction of a corporate social responsibility law that was enacted in 2014, that India started witnessing an increase in donations. According to the Global Giving Index, out of the total 196 counties, India ranked 134 in the year 2000. However, the country made some progress and was ranked 69 last year.

Still, when compared with the United States, which was ranked 8th in Global Giving Index in 2016, India is still far behind, he said.

Pointing out that the top five charities in the world – YMCA (Switzerland), Goodwill (US), Catholic Charities (US), United Way (US) and Salvation Army (UK) — are all based in the West, Chugh said Indians, who make the one-sixth population of the world, should contribute more toward philanthropic causes. The goal should be at least one charity from India in the top 100 charities in the world, he added.



The event also honored Ajay Raju, Chairman and CEO of the Philadelphia-based law firm Dilworth Paxson, with the third <u>American Bazaar Philanthropy Award</u> for his efforts to re-establish Philadelphia as a global center of policy, commerce and culture.

In a "fireside chat" with well-known journalist and author Larry Platt, who's cofounded The Philadelphia Citizen, an initiative of the Pamela and Ajay Raju Foundation, Raju spoke about his philanthropic efforts, including the Germination Project, a signature initiative aimed at developing next generation of Philadelphia's leaders.

Indian American philanthropist Frank Islam, who was another prominent speaker of the evening, spoke about "purposeful philanthropy."

Elaborating the concept, he said: "Purposeful philanthropy is making investments directed at creating a positive and meaningful difference in pivot point areas that matter to the future of society. The returns on those investments are changes to problematic conditions and/or the creation of individuals who will become change agents to address those conditions."

Safe Water Network Vice President Venky Raghavendra moderated the proceedings of the Philanthropy Dialogue.



Other prominent speakers of the day included American India Foundation President and CEO Alex Counts, Sehgal Foundation Trustee Jay Sehgal, Voice Of SAP founder Pranav Desai, Executive Director of the Vicente Ferrer Foundation USA Angelina Klouthis, former CEO of SM Sehgal Foundation Jane Schukoske, BBC journalist Brajesh Upadhyay, and political strategist Puneet Ahluwalia, who representative Sulabh International in the United States.

More than a hundred delegates representing dozens of foundations and nonprofits attended the fourth edition of the Dialogue.

Launched in 2014, the event is aimed at bringing together important thought leaders, practitioners and donors under one roof and enabling new avenues for philanthropy.

The sponsors of the event included Frank Islam and Debbie Driesman Foundation, Sehgal Foundation and Javad K. Hassan Foundation.