
UNIT 54 DIASPORA PHILANTHROPY

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54.0 LEARNING OBJECTIVES

After studying this unit, you will be able to:

- Understand the meaning and concept of Diaspora Philanthropy.
- Identify the types and nature of Diaspora Philanthropy.
- Discuss the role of diaspora philanthropy in Indian context

54.1 INTRODUCTION

‘Diaspora’ refers to a community who have settled permanently or relatively permanently in another country but have socio-cultural and emotional linkages with their home country. These linkages often translate in various individual or communities’ engagements in social and economic development at home country. These philanthropic engagements are not always with the intension of gaining recognitions, rewards or altruistic. It can be a long term investment for social capital that can translate into various other activities such as business, social and political leadership.

There have been several actors involved in the philanthropic activities including individual migrant, corporates, charity organizations, philanthropists, faith-based groups, diaspora foundation, organization and all other non-government partners.

54.2 DIASPORA PHILANTHROPY

Let’s first understand what is Philanthropy? The word philanthropy derived from a Greek term ‘Philanthropia’ which refers to the ‘love of humanity’. Philanthropy is an idea, concept and action which is performed for the betterment of humanity and it usually involves some sacrifice for the others. It is an act of benevolence and compassion carried out on humanitarian grounds to support the poor and disadvantaged (Niumai, 2011). The philanthropic activities include donating money, charity, volunteerism for social welfare, raising funds for the socio-economic and human development and so

on. Diaspora Philanthropy is characterized by wide variety of actors with different motivations, objectives, capacities and impacts. In broader sense, they have become engaged with socio-economic investment, cultural engagement, health-education-technical facilities, policy reforms and in recent time their participation in home country politics is increasing. Diaspora philanthropy is very diverse in the sense there are a wide variety of actors with different motivations, capacities and impacts.

Johnson (2007) have characterized the 'diaspora philanthropy' which comprises few fundamental elements. These include: 1.) charitable giving from individuals who reside outside their homeland, who (2) maintain a sense of identity with their home country, (3) give to causes or organizations in that country, and (4) give for public benefit. Flanigan (2016) argued that Diaspora philanthropy is defined as money, goods, volunteer labour, knowledge, skills and other assets which have been donated for the social benefit of a community in the country of origin.

Philanthropy may also be associated with any altruistic movement that is being anticipated to enhance the quality of human lives. Philanthropy is an act of giving for a broader aim of social cause which can bring social change in long run period. Philanthropy is a systematic, organized and scientific process of giving away for the larger society. The philanthropic activities have been mostly taking place for the betterment and development of serious issues (natural calamity, drought, refugees-crisis, disease, hunger, malnutrition etc.), grave sector (education, health, employment, infrastructure development) and region-wise (ethnicity, culture, religion and economic prosperity etc.). Therefore, the philanthropy indulges into wide and spectrum ranges of issues, sector and region of the society and country. There have been several synonyms inter-changeably used for Philanthropy are charity, social investment, donation and so on.

In current context, the involvement in philanthropy has become a new trend especially among the Indian engineers, celebrities, industrialists, businessmen, academicians and other professional groups. To a certain stage, the philanthropic activities are being perceived as a *social status* and *prestige symbol* (Niumai, 2011). Today, the global media has been highlighting philanthropic activities openly and exposed the philanthropic activities by rich and wealthy donors. For instance, the big business groups such as Reliance, Tata, Birla have been engaged in the corporate social responsibility specially in the area of education and skill-development, sustainable development, environment conservation, community health care, women empowerment, girls' education, water conservation, medical facilities as well as maintenance of roads and infrastructure and so on.

In the globalized world, the corporate social responsibility has become pertinent part of the business activities, however, their philanthropic role is being scrutinized under the ambit of effectiveness, accountability and legitimacy (Frumkin, 2006). However, the philanthropy has been considered as undemocratic and less transparent. It is largely depending on the donor's wish to give what and how much amount to the receivers. The scope of personal motives as well as business secrets are profoundly hideous and unidentified.

The effects of globalization have accelerated the pace of international migration in recent decades. Subsequently, the flow of remittances or philanthropy contribution by migrant and diaspora communities are increasingly recognized as an important component of national incomes of many countries of origin. The government in home countries have become concerned with the lack of developmental and welfare funds and are looking to gain philanthropic contribution from overseas communities for development purposes (De Haas, 2006). They have been engaging their 'diaspora communities by encouraging their patriotic ties and fostering new programmes and policies to attract their investment in commercial and philanthropic projects.

Among Asian countries, China and India are the two largest recipient countries of philanthropic funds (Geithner et. al., 2015). The scope of diaspora philanthropy has been expanded beyond geographic locations where donors have ancestral roots to other locations hosting populations with whom the donor(s) shares ancestral ties, for example, Somalis in the United States giving to Somali refugees in Kenya, Syrians in Germany giving to conflict-displaced Syrians in Lebanon (Flanigan, 2016:3).

Diaspora philanthropy is driven by many factors such as (1) strong family and community ties, (2) religious, cultural ties and (3) the capacity of diaspora to contribute. Diaspora philanthropy has been influenced by various factors such as altruistic conduct, religion, finance, community development, tax provisions. Altruistic conduct is a feeling of selfless to give other people for their happiness and joy. Religion and spirituality motivate people to contribute for the wellbeing of poor and underprivileged people in the society for the purpose of holy deeds (punya karma). Financial status of a person determines one's capacity to engage in philanthropic contributions. Wealth and incomes of a person inspire to uplift others' life and social status. Community development is one of the important factors which motivate an individual to raise socio-economic and educational status of the community as a symbol of love and humility. Tax and excise laws have a direct effect on philanthropic contributions which influenced the organizational decisions to give funds and aid to various sectors accordingly.

The **Share and Care** Foundation is one such example of Indian American Diaspora Foundation. It was founded in 1982 by a small group of Indian Americans in New Jersey. The mission of this foundation is to create opportunities for deserving, economically challenged women and children of India by partnering with communities, philanthropists and local charitable organizations. This include developing and providing quality education, affordable healthcare and supporting skill development to improve the quality of life in rural India. It was established with a purpose of donating used clothes and equipment for the poor and needy people in India. Gradually, the organization target the other important areas for donation and aid such as the Bhopal Disaster (1984), sharing medical equipment for the life-saving action to several Indian villages, sponsoring education of student of the disadvantaged group, donating funds during the Gujarat drought (1987), adopting rural villages for the education, health and welfare of these remote sites, establishing hospitals, Cancer foundation and healthcare learning centre and providing aid for all the other crucial time in India.

There has been another NGO titled 'Achieving Sustainable Social Equality through Technology' (**ASSET**) which works for the socio-economic and cultural development in India. The ASSET was established by an Indian American woman, Nita Umashankar, a doctoral student at the University of Texas. The mission of the ASSET is to provide basic information technology skills and secure employment opportunities to the children of women in the sex-trade and those rescued from sex trafficking in India. This NGO provide computer skills, English language training and basic technological training so that they can prevent from trafficking business and attain a basic survival activity in the society. The ASSET has partnership with non-profit organizations in India such as Prajwala- Hyderabad, ApneAap- Delhi, Kolkata, Forbesgunj, Unnati-Bangalore, Chennai and Milaap. ASSET was associated with Global Giving, an international NGO. In 2007, it was partnered with a few NGOs in Chennai for pilot project, which subsequently expanded to Hyderabad, Bangalore, Mumbai, Kolkata and New Delhi.

American India Foundation is one of the important foundations. The mission of AIF is to catalyze social and economic change in India and building a lasting bridge between the USA and India. The AIF was founded amid the tragic devastation caused by the Gujarat earthquake in 2001. During that time, President Bill Clinton and Prime Minister of India Atal Bihari Vajpayee realized the significance of a philanthropy platform. AIF was established to provide a trusted bridge for meaningful participation in India's democratic and economic growth for both USA and India. The functions of AIF are to provide high quality educational opportunities and critical life skills to the marginalized children. It also creates inclusive and sustainable livelihoods for individuals, families and communities across India to facilitate equitable opportunities for all citizens. It promotes maternal and child health benefits through providing healthcare benefits, improved service delivery, innovative care-based approaches and capacity-building for healthcare professionals in highly remote areas. AIF has an important fellowship programme, known as Clinton Fellowship for Service. It is a ten-month volunteer service program matching young professionals with development organizations. It aims to nourish the next generation of leaders who are committed to bring positive change and strengthening civil society in both the USA and India.

Sidel (2003) argued that the Indian diaspora gives back to India through family members, relatives and friends for local religious, health, education and other social service projects, which often related to local areas of origin, ethnic or caste ties. Sidel (2003) further discussed that there are many Indian professional and occupational, ethnic and regional, religious groups in the United States, which mainly works for local and regional levels. He mentioned about the efforts of the American Association of Physicians of Indian origin (AAPI) and how it functions for the welfare of the homeland. He elaborated the significance of the AAPI and their philanthropic contribution in India. Basically, the objective of AAPI is to mobilize philanthropic resources for medical equipment and supplies to hospitals and clinics in various states such as Gujarat, Tamil Nadu, Haryana, Maharashtra, Manipal and Uttar Pradesh. They also provide physician fellowship and network with the other hospitals in India.

Check your progress I

Note : Check your possible answers in the end of the unit.

1. What do you understand by Diaspora philanthropy?

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2. What motivates diaspora to engage in philanthropy?

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54.3 INDIAN DIASPORA'S PHILANTHROPIC CONTRIBUTION

Indian diaspora is one of the largest diasporas with about 25 million people. The relation with India varies in terms of their condition of living, economic and political status of their host country. While the NRIs have linkages with their home and have continuous interaction the fourth and fifth generation of diaspora may not have such strong relation. In this section let's examine some of the areas of philanthropic engagement of Indian diaspora with the home country.

Indian diaspora Philanthropic work focuses on social concerns particularly health, education, ethnic and natural disasters. To study the role of Indian diaspora in the field of health and education, Sahoo (2008) has discussed about the L.V. Prasad Eye Institute (LVPEI) in Hyderabad and Sri Sathya Sai Institute of Higher Learning in Puttaparthi which were being supported by NRIs through diverse ways. He further analysed that the role of philanthropic activities in the development of education sector in India. In his study, he articulated that how does alumni contribute to their alma mater. With the example of Vinod Khosla, General Partner at Kleiner Perkins Caufield & Byers and Co-founder of Sun Microsystems and Avinash, Advisory Director of Goldman Sachs, contributed \$5 million and \$1 million to their alma mater, IIT-Delhi and IIT Mumbai respectively. The trend of Diaspora philanthropy by Non-resident alumni have increased in most of the universities and institutions in India. There are many other Indian diaspora who have contributed to the eight IITs across India. The efforts to revive the IITs have attracted worthy funds from their affluent alumni who are scattered in various places across the globe. They have been facilitating funds to enhance the infrastructure, scholarships, maintenance of libraries and computer laboratories and all other facilities to the IITs that can improve them to a world class level.

Indian American diaspora is considered as one of the most significant overseas communities, particularly in terms of obtaining foreign exchange (Sahay, 2009). In order to attract diaspora funds for investment in India, the Indian government established a scheme leading to 'non-residential external accounts', which allowed free transferable accounts in foreign exchange (Kanjilal, 2004). In 1950, the government of India introduced the policy of tax exemption for the overseas Indians willing to return home with their accrued savings. Subsequently, the government liberalized the remittance facilities in 1970s. Under the UPA (United Progressive Alliance) government, the then Finance Minister P. Chidambaram launched scheme which can help in easy to use electronic, integrated remittance facility developed by Ministry of Overseas Indian Affairs and UTI Bank, at the Pravasi Bhartiya Divas, in Hyderabad on January 7, 2006. Cumulatively, all these policies attracted an inflow of remittances to India.

54.4 INTERMEDIARIES AND AGENCIES OF DIASPORA PHILANTHROPY

There are several intermediaries that facilitate diaspora philanthropy. These intermediaries are diverse in terms of their capacity, objectives and network.

1. Diaspora Foundations American India Foundation, Alumni Associations (IIT Heritage Fund)

Case Study I: Give 2 Asia

Give2Asia is based in the San Francisco Bay Area. Its is an international nonprofit that serves as a strategic partner and ally working on the ground in more than 23 countries across the Asia Pacific. The objective of the platform is to strengthen the work of local organizations and mobilize support through philanthropic giving from Individuals, Family Foundations, and Corporations.

Give2Asia has been channelising the fund and other forms of contribution and engaging in philanthropic work in many areas such as empowering entrepreneurship, education support, disaster relief in all countries in Asia. Some of their ongoing works includes India Flood Relief in 2022, Pakistan Foundation Fighting Blindness, Sri Lanka Economic Crisis Response Fund etc.

Source: <https://give2asia.org/>

Alumni and Professional Associations

The Case of IIT Delhi Alumni

The IIT Delhi which has more than 54 thousand Alumni spread across the globe provides a platform for philanthropic engagement. The webpage states that the total donation collected from their Alumni are Rs 371 crores. These are segregated further into various hostels and batches. As it is evident the Alumni have more nostalgic connection with their hostels. According to the website hostel Shivalik received Rs 138.5 crore INR. The page mentioned that these donations are used for the following:

- 1) Deliver greater value and attain higher levels of quality in their teaching and research than possible otherwise.
- 2) Take greater risks in undertaking innovative projects, developing stronger teaching programs and increasing student aids.
- 3) Engage in long-term planning confidently without risk of sustainability to critical projects.

The institute also recognize the contribution of their alumni and mention the names in the institute webpage under the heading “Recognition Board”

The website also gives instructions for the diaspora donors i.e. for US Donors, the donations made through IIT Delhi Endowment Fund (US) is tax exempted in the US under Internal Revenue Code (IRC) Section 501 (c)(3). For UK Donors, the donor shall provide a Gift Aid declaration to IIT AA UK which will then claim Gift Aid tax benefit from HMRC at the basic rate.

2. Community Associations: Besides, pan Indian diaspora organisations, there are also local level organisations based on caste and local organisations who are involved in diaspora philanthropy in their local areas.

Case Study II: Philanthropic Activities of Telugu Association of North America

The organization claims that it is the oldest and biggest Indo-American organization in North America. TANA was founded at a convention in New York in 1977 of

Telugus from all over North America and was incorporated in 1978 as a not-for-profit organization. TANA's main objective is to perpetuate, integrate, and assimilate the cultural heritage of the Telugu-speaking people into the mainstream of North America. It is also engaged in various philanthropic activities back home in Andhra Pradesh such as orphanages. The organisation claims that it has started an endowment of One Crore rupees which will feed these 1000 children for at least one month every year and seek donation for that.

The organization also claims to provide scholarships to poor forward caste students. It also involves in health camps such 500 eye camps in various parts of Andhra Pradesh covering more than 35000 people.

Source: https://www.tana.org/about/about_TANA

Diaspora organisations in the home country or Home Town Associations or local associations receives funds as well as

1. Families/ personal ties. There are individual trusts or societies run by family members of diaspora. A story of an NRI family whose parents live in India also provides insights into how a family involves in philanthropic work.
2. Religious or Spiritual Philanthropy. Philanthropic giving is deeply rooted in religious and spiritual heritage. Religious institutions in Hindu, Sikh, Islam and Christian are major receiver of donation from diaspora communities. The Sathya Sai Ashram has a world-wide network of devotees, so also the Sikh network that support several philanthropic works in Punjab. A recent report by Indiatimes (Jul 14, 2021) mention that Lord Sri Venkateswara temple at Tirumala in Andhra Pradesh receives donation from as many as 157 Countries across the globe. Some of the donations are in foreign currencies. The report states that Malaysian Ringgit accounts for 46%, while 34,659 US dollars make for 16%. While the Tirumala Tirupati Devasthanams (TTD) has exchanged the currency in good condition, it has a large pile up of 2.44 lakh soiled foreign notes.
3. Online Platforms: Since the advancement of Information and Communication Technology (ICT) especially the social media, the engagement of diaspora at the global scale is possible. There are numerous online platforms where the Indian diaspora can raise funds. ChaloGive for COVID-19 is one of such platforms. During COVID-19, a platform called ChaloGive for COVID-19 launched by Indiaspora has raised USD 500,000 from its leadership network.
4. **Diaspora Associations:** Many diaspora associations are also engaged in philanthropic work. One of the professional bodies based in USA is American Association of Physicians of Indian Origin.

Case Study III: American Association of Physicians of Indian Origin

Founded in 1982, the American Association of Physicians of Indian Origin (AAPI) represents the values and interests of more than 80,000 practicing physicians in the United States. AAPI's Charitable Foundation (AAPI-CF) supports free clinics and health fairs in India.

AAPI also promotes awareness campaign on health and contribute to the clean water projects. The website mentioned that AAPI supported many projects related to mentorship, clean drinking water, medical care, telemedicine etc.

Source: <https://aapiusa.org/>

Therefore, there are many ways Indian diaspora engages in the philanthropic works. The real challenge in the accurate and aggregate data on the philanthropic work. In context of Indian diaspora philanthropy, there have been several attempts to provide statistics and data on Indian diaspora philanthropic funds flowing into the country. Several reports and bulletins of the Reserve Bank of India (RBI) have discussed the flow of philanthropic funds, attempting to separate them from remittances. Despite this, India has no accurate figures for diasporic philanthropic funds as these continue to flow through both formal and informal channels. Due to the greater amount from NRIs through informal channels, those funds remain undocumented. India has no official institutions and formal organizations that particularly documents on Indian diaspora philanthropy (Kapur et. al. 2004).

54.5 DIASPORA PHILANTHROPY IN MULTILATERAL CONTEXT

In recent times many UN agencies are also encouraging diaspora engagement. It is seen as gap filler by many international agencies that can bring development in various regions. There are already evidences that diaspora philanthropy can help communities to improve their life in large areas such as education, financial inclusion, health, skill development etc.

UNDP is engaged in facilitating various diaspora engagement programme since last four to five decades. The United Nations Development Programme (UNDP) has introduced Transfer of Knowledge Through Expatriate Nationals (TOKTEN) Project in 1977 to help reduce adverse effects of the “Brain-Drain” phenomena or “reverse transfer of technology” in many developing countries. TOKTEN offers a window of opportunity for expatriate nationals with lengthy experiences in their fields of specialization to return to their home countries, for an agreed period of time and on voluntarily basis.

The International Organization for Migration (IOM) is another UN organisation which also took diaspora engagement very seriously. It has a dedicated platform called iDiaspora to engage, empower and facilitate diaspora engagement through capacity building and connecting with various stakeholders in both diaspora and home country for sustainable development.

One of its flagship programme of IOM is Connecting Diaspora for Development (CD4D) programme. The programme facilitates the diaspora returnees contribute to knowledge transfer and capacity building in the country of origin. The main objectives of the programme is to find priority areas of engagement where diaspora can make some differences.

EU Global Diaspora Facility (EUDiF) is another project by European Union to facilitate diaspora engagement for development. EUDiF has worked with a team of researchers with regional expertise to gather information on 50 countries. It has created an open-access knowledge hub on diaspora engagement with updated factsheets.

Check your progress II:

Note : Check your possible answers in the end of the unit.

1. Explain various intermediaries engaged in diaspora philanthropy

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2. What is TOKTEN Programme?

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54.6 LET US SUM UP

There are legal and institutional challenges for better diaspora engagements and mobilising philanthropy. For long term and sustainable diaspora philanthropy there has to be both social-cultural and psychological reward for the diaspora. The important policy challenges is to prepare a conducive atmosphere to engage diaspora in a transparent manner where the diaspora can monitor their work on realtime basis. The globalization, immigration, and the expansion of transnational networks through social media, easy transport and communication will further intensify. There is a need for increased professionalism and institutionalisation both home and host countries to tap the diaspora resources.

54.7 KEYWORDS

Diaspora Engagement: It is a broader concept of engaging diaspora communities to their respective people, culture and society in the homeland through social-cultural and economic ways.

Homeland development: It encompasses socio-economic, cultural, educational, health, public policy areas and many others. Homeland development refers to the continuous process of all-round progress of the homeland through diaspora engagement. Homeland development takes place with a feeling of motherhood and humility with native land or people.

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54.9 CHECK YOUR PROGRESS WITH POSSIBLE ANSWERS

CHECK YOUR PROGRESS I

1. Diaspora philanthropy is an act of benevolence by the diaspora communities for the welfare and development of their homeland. It is one of the important parts of diaspora engagement. Diaspora philanthropy is not a new concept, but it has roots connected with several socio-economic and cultural dimensions. Diaspora philanthropy is an organized, systematic and dynamic process of giving back to the homeland for the larger benefits of the native people, community and society. It can be through individual, organization and community level in any field or area.
2. Diaspora philanthropy is driven by many factors such as (1) strong family and community ties, (2) religious, cultural ties and (3) the capacity of diaspora to contribute. Diaspora philanthropy has been influenced by factors such as altruistic conduct, religion, finance, community development, tax provisions. Altruistic conduct is a feeling of selfless act to give other people for their happiness and joy. Religion and spirituality motivate people to contribute for the wellbeing of poor and underprivileged people in the society for the purpose of holy deeds (punya karma). Financial status of a person determines one's capacity to engage in philanthropic contributions.

CHECK YOUR PROGRESS II

1. There are several intermediaries that facilitate diaspora philanthropy. These intermediaries are diverse in terms of their capacity, objectives and network. Some of them are 1. Diaspora Foundations American India Foundation, Alumni Associations (IIT Heritage Fund), 2. Religious organisations, 3. Alumni Associations, 4. Hometown and local community associations, 5. Online Platforms etc.
2. The United Nations Development Programme (UNDP) has introduced Transfer of Knowledge Through Expatriate Nationals (TOKTEN) Project in 1977 to help reduce adverse effects of the "Brain-Drain" phenomena or "reverse transfer of technology" in many developing countries. TOKTEN offers a window of opportunity for expatriate nationals with long experiences in their fields of specialization to return to their home countries, for an agreed period of time and on voluntarily basis.