



The Institute of Ismaili Studies

Speech By
His Highness Prince Karim Aga Khan
at the Conference on Indigenous Philanthropy
Islamabad, Pakistan, October 17th 2000

Your Excellency General Pervez Musharraf
Honourable Ministers
Your Excellencies
Chairman and Members of the Steering Committee
Distinguished Ladies and Gentlemen

Asalaam wa Alaikum.

Let me please begin by adding by welcome and congratulations to all the participants in this path-breaking meeting. His Excellency Rafiq Tarar, President of the Islamic Republic of Pakistan, honoured this gathering with his presence and presentation yesterday. General Pervez Musharraf, Chief Executive of the Islamic Republic of Pakistan, has honoured us by participating today and we look forward to his comments later in the programme. Their willingness to join these proceedings and hereby lend their support to its deliberations underscores, in the strongest of terms, the importance and potential of indigenous philanthropy in Pakistan at this moment in history. I thank them both, for fitting this conference into their busy schedules, for their valuable suggestion's, and for their vital encouragement.

I would also like to commend everyone who has worked to make this conference a success. The breadth of support it has enjoyed from government officials and institutions and from individuals and organizations representing all segments of society is in, itself, a singular achievement. Indeed, I would venture to suggest that the organisation and conduct of the conference may be a model for new venues to grapple with many of the challenges confronting positive social and economic change in Pakistan today. Partnerships that bring together the government, the private sector and civil society institutions have great potential. I am impressed by how the Steering Committee, with its diverse composition in terms of backgrounds and perspectives, has been able to reach a clear consensus on such a complex set of issues, in such a short period of time and I express to them my gratitude and my warm congratulations.

I would also like to recognise the donors who have made this conference possible. The Canadian International Development Agency merits special mention in this regard for its long-standing support for the development of civil society institutions in Pakistan, and for the work of the Aga Khan Development Network more generally. Thank You.

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The creative leadership of the Steering Committee, the original and very, interesting research papers, and other conference documents, the deliberations of the working groups, and the presentations at the plenary sessions have, in combination, laid a basis for formulating plans for the immediate future. I would add my endorsement to the recommendation to establish the Pakistan Centre for Philanthropy as a means to institutionalise some of the processes that have been put in motion by this conference. I am sure that the work of the proposed centre would move philanthropy in Pakistan to new levels of giving, new forms of activity, and new heights of accomplishment.

I am convinced that the potential for future development of this movement is enormous because it builds on the strongest of foundations. Philanthropy and charitable giving hold a very central place in the teachings of the Holy Quran, the writings of Islamic teachers, and the history of Muslims in all parts and all cultures of the Islamic World, including here on the sub-continent. Islam's clear and explicit injunction is to share resources beyond ones reasonable commitments, and to care for those in need. I will not speak further about them this morning as they received attention in yesterday's presentations. There are, however, some specific aspects of the teachings of our faith that are worthy of additional comment. They deal with the ethical basis for important policy decisions relevant for the future of philanthropy in Pakistan, and the duty to insure the integrity of philanthropic organisations.

Religion and generosity -the gifts of time, of funds, and of material - have been closely linked throughout human history. Religious institutions, buildings and activities have been a major focus of giving in virtually all religious traditions and in countries at all stages of development. Charitable support for the poor and for the victim of disasters has an equally long and widespread history. In the Islamic World, from the earliest days, wealthy donors evolved a special form - endowments (*Awqaf*) - to address charitable needs on a sustainable basis. Philanthropic funding for social development (as distinguished from charity) is a somewhat more recent phenomenon. Support for schools and hospitals, often through endowments, were its first forms. The funding of institutions engaged in human resource development came later but is beginning to grow rapidly.

The Quran, the Hadith, the sayings of Hazrat Ali, and many scholarly sources make numerous references to the forms and purposes of philanthropy. Human dignity - restoring it, and sustaining it - is a central theme. Enabling individuals to recover and maintain their dignity as befitting their status as Allah's greatest creation, is one of the main reasons for charitable action. There is dignity in the individual's ability to manage his or her destiny. That being the case, the best of charity, in Islamic terms, can go beyond material support alone. It can take the form of human or professional support such as the provision of education for those otherwise unable to obtain it, or of the sharing of knowledge to help marginalised individuals build different and better futures for themselves. Thus conceived, charity is not limited to a one-time material gift, but can be seen as a continuum of support in a time frame, which can extend to years. This means that multi-year support for institutions that enable individuals to achieve dignity by becoming self-sustainable, holds a special place amongst the many forms of charity in the eyes of Islam.



There is another precept found in the Quran and Islamic philosophical text of great significance that is particularly relevant in this context. It is the emphasis on the responsibilities placed upon those charged with the management of philanthropic gifts and the institutions supported by them. The duty of responsible stewardship is very clear a concept that can be equated to the notions of trust and trusteeship in today's modern legal language. The obligation to maintain the highest level of integrity in the management of donated resources and the institutions benefiting from them, is grounded in our faith. It is critical to the realisation of the purposes of all gifts, to the conclusion and continuation and growth of philanthropic giving, and for credibility in the eyes of the public. Muslims societies have the moral right to expect and demand that philanthropic donation be managed according to the highest ethical standards.

The teachings of Islam and the history of Islamic civilisations give us direction and courage to take on the challenges and responsibilities of active engagement in philanthropic work. The world in which we live today provides additional stimulus to us as well. Self-reliance at the national and local levels is a theme that is now receiving greater emphasis than at any time in the last fifty years. This is a significant departure from development thinking in the 20 century, with it emphasis on state and international organisations as “nannies”, what we sometime refer to as “wet nurses”, to which citizens could look for everything. It also represents a move away from “special” relations between individual countries in the developing and developed world, with their overtones of dependency and patron client relations. My sense is that in Pakistan today, the urgency of reducing dependency on external resources is widely appreciated. It will be equally important for the general public to understand and appreciate the requirements and consequences of the shift in responsibility for social services from government to private and community organisations as well.

As governments pass more and more development responsibility to private, and community level initiatives, countries must improve existing social and development institution, and create many new ones, building and strengthening institutions and sustaining them on a continuing basis, will depend primarily on the availability of philanthropic resources. The provision of such, resources through multi-year grants is the optimum form of support. It enables institutions to plan and develop in an orderly and methodical fashion, rather than existing from year to year.

The question before this conference is how the movement toward self- reliance can be effectively supported and encouraged at the national, community and individual levels. The establishment of a Centre for Philanthropy, as recommended by the conference, would be a concrete step in that direction. Another would be to look for ways to strengthen an “enabling environment” of beneficial tax and regulatory conditions to stimulate philanthropic giving. Creating fuller public understanding of the role of philanthropy in the support and development of activities formerly offered exclusively through government funding are also important.

My own engagement in international development work now extends over more than forty years. This experience, which has included establishing the agencies of the Aga Khan Development Network to mobilise domestic and international support for a wide range of projects and activities, has yielded some important lessons.



The first is that funding is generally forthcoming when the conditions are right. Solid institutions with committed leadership that inspire trust and confidence, an enabling legal and regulatory environment that welcomes and encourages philanthropic action, and programmes and activities that are grounded in local needs and initiatives and are informed by the latest thinking and experience where ever it can be found.

The second lesson is that giving can take many forms -- funds, time, ideas, and professional skills. Everyone can and should be a donor, not just the wealthy, and all forms of giving should be encouraged and recognised. Volunteerism is critical and is obtaining, fortunately, greater and greater recognition and encouragement. One indication is that the United Nation has designated the year 2001 as the International Year of the Volunteer.

The third lesson is that new forms or objects of giving do not take place at the expense of more traditional forms, and should not be seen as competing with them. More funding for institutions engaged in social and human development does not, if experience elsewhere is a guide, mean less giving for traditional forms of charity or for religious institutions. An invigorated culture of giving, supported by appropriate institutions and an enabling environment, benefits all institutions supported by philanthropic giving.

Experience around the world, in developed and developing countries suggests that partnerships involving the government, the business sector, and the wide variety of institutions of civil society, have enormous potential for finding innovative solutions to the delivery of social service, and the development of a nation's human resources. New institutions will emerge, and existing institutions can be improved and in some instances take on new areas of activity. Opportunities will develop to create capacity to look beyond the pressing concerns of the day, and to address problems that are chronic or emergent.

Let us dream a little bit about some of the beneficiaries of a vigorous and maturing philanthropic movement ten or fifteen years from now. Endowed professorships, providing resources to attract and retain Pakistan's very best talent in critical fields of teaching and research, could be a feature of major government universities, not just a small number of private institutions. Funds for medical research or health problems and needs that are particular to Pakistan's different regions and that can never be fully resolved by depending on the international research system, could be made available on a competitive basis to research in public and private universities, and in the commercial sector. Sustaining cultural integrity is a major issue in many parts of the non-western world today. How can these cultures survive in the face of the globalisation of communications and the huge resources of the western media giants? Cultural institutions could be funded to develop material on all facets of Pakistani culture designed for use in the new media and directed to both domestic and international audiences.

These are only a few examples of what might be considered in the future. I am sure that this audience could think of many more. I also suspect that all of you know at least one or two very good institutions in this country that do very important work, and yet are extremely fragile for want of better financial support. They too would be appropriate beneficiaries of a maturing philanthropic system.



It is also important to recognise that needs will change because conditions themselves will certainly change. The experience of the Aga Khan Development Network in the Northern Areas is that the social services and development needs today are very very different from what they were fifteen years ago. Philanthropic institutions have the opportunity, and I would say the responsibility, to be observers of the trends and to anticipate emergent needs. They can support activities that focus on the kind of longer-term requirements of the nation that are difficult for the government to consider, given the breadth and depth of its role in dealing with the pressure of all its everyday responsibilities.

But now let us return to the present. Given what this conference has been able to accomplish, I am very encouraged about the future of indigenous philanthropy in Pakistan. The movement has a firm foundation on which to build. Giving in all forms is already much higher than many would have imagined. Fostering the expansions and development of philanthropic action will require continuous and vigorous attention. It is a source of confidence and inspiration that the ethical premises for philanthropy, from the time of the Revelation and throughout Islamic history, legitimise the application of charitable giving that has been the subject of this conference. That is important for all us Muslims in this country and everywhere else in the Ummah. I trust that some years ahead we will be able to look back at this gathering as something of great significance in the development of self – reliance and sustainability for this nation and all of its peoples.

You and I will recognise in General Musharraf's presence the importance he attaches to the subject of this conference, and his willingness to move its agenda forward. I thank him for sharing his time with us, and look forward to hearing his comments with great anticipation.

Thank you.