Excerpts: Their Highnesses the Aga Khans III and IV on Imamat finances

Margot Dougherty/Richard B. Stolley: The subject of money inevitably comes up when your name and your foundation are mentioned. Could you put to rest some of the myths?

Aga Khan: A lot of stories have been told. My grandfather’s jubilees were events which the Western media thought were very spectacular. The impression was given that very substantial amounts of money went straight into his personal wealth. These funds are offered to the Imam because he is the Imam, and he uses these funds for the benefit of the community. My grandfather left me some wealth which I use for my own living. I have some institutional expenses. If I didn’t occupy the office of Imam, I wouldn’t fly on a private aircraft, I wouldn’t have a secretariat of some 100 people. You really should apply to the Imam the same criteria you would apply to any public office. But that’s never been done, because there has been a sort of inheritance of gloss. Maybe I should have addressed that issue more quickly. I have felt that the area of the world I work in has not had the misperception; that’s much more a Western misperception.

His Highness the Aga Khan’s 1983 Life Magazine Interview with Margot Dougherty and Richard B. Stolley (New York, USA)
http://www.nanowisdoms.org/nwblog/2997/

Rajiv Mehrotra: Forgive the irreverence of the question, but where do you get the funds for -- from your business, from your personal
assets -- for the development initiatives that you have supported?

**Aga Khan:** Well, we have probably 4 types of resources: There are the institutional resources of the community which the community makes available to the Imam. There are the secular resources which the community institutions develop. There are external resources from grants which institutions give us, governments, development agencies etc. And then there are my own personal resources which I have from my family and which I use as I see appropriate; and so long as the principles of propriety are respected, those resources are all used.

*His Highness the Aga Khan’s 1989 All India TV and Radio Interview with Rajiv Mehrotra (India)*
http://www.nanowisdoms.org/nwblog/4296/

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**ITV:** You have immense wealth, both private and institutional. Where does all that wealth spring from?

**Aga Khan:** Well, the institutional wealth is that which comes from people who practise the faith. It comes from the institutions themselves which, if they are successful develop their own wealth in the economic field. Personal wealth I inherited from my father and my grandfather. And the institutional wealth is used exclusively for institutional development. And this I think has been demonstrated by a lot of what has been done in the recent years.

*His Highness the Aga Khan’s 1985 Independent Television (ITV) Interview (2nd) (London, United Kingdom)*
http://www.nanowisdoms.org/nwblog/3134/

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**Question:** Now could I ask a rather important question here because reading the circumstances of your grandfather’s death, it seemed that his fortune was not left to you. It was left partly to your step-grandmother and partly to your father in the customary way.
Does this mean that you are not able to control the funds of the Imamat yourself?

**Aga Khan:** No, because my grandfather left, according to the Shia law, his secular property to the heirs but the Imamat property stays with the actual position of Imam.

**Question:** So that you are not obliged to ask either your father or your step-grandmother before you can take a financial step in the Imamat?

**Aga Khan:** No, because the Imamat property is something which the Imam controls.

**Question:** You control that yourself?

**Aga Khan:** Yes. The Imam controls it himself.

**Question:** It is very difficult to assess the actual value of all that property isn’t it?

**Aga Khan:** Practically impossible.

**Question:** Apart from the sort of wild dreams that have been made about it, are there any sort of ways one could reach any estimate of it?

**Aga Khan:** No, because the properties are changing the whole time. The schools are being built and sold, hospitals are being built and sold, the community is moving the whole time.

**Question:** Well let us put it this way. Your grandfather was often called one of the richest man in the world. Was that true?

**Aga Khan:** I don’t think so.

**Question:** Is it true of you?

**Aga Khan:** No, I don’t think so either.
"There is a great difference between wealth which comes from the
faith and is used for the faith and personal wealth used for the
individual. The Imam has responsibility for significant resources but
they in no way cover the needs we have, and never will."

His Highness the Aga Khan's 2008 Financial Times Interview with Rachel
Morarjee (London, United Kingdom)
http://www.nanowisdoms.org/nwblog/9028/

Roy Bonisteel: That your leadership wasn't just spiritual it was
also financial support there too -- tell me, does the community still
tithe to you?

Aga Khan: There is, like in I think all faiths, a form of religious
due which is voluntary, which is institutional income. It is given
within the context of the link between the Imam of the Time and the
individual, or the family, and I think that it is been a source of
strength both to the community and to the institution so long as
those resources are used in a manner which is appropriate to the
role of the Imam as an institution and is understood as such.

His Highness the Aga Khan's 1986 Canadian Broadcasting
Corporation
(CBC) Man Alive Interview with Roy Bonisteel (Canada)
http://www.nanowisdoms.org/nwblog/3268/

Michael Charlton: How is your institution organised, the Imamat
of the Ismaili sect? For example, is your own property inseparable
from the property of the Imamat itself?

Aga Khan: The Imamat revenue is given by the community to the
Imam. He has a responsibility to manage the Imamat revenue. Now, in Shia Islam, and this is true of the Twelvers and of the Seveners, the Imams or the Ayatollahs, as it would be in Twelver Shi'ism, are allowed or authorised to retain certain percentage of the Imamat revenue.

**Michael Charlton:** Can you tell me how much that is?

**Aga Khan:** In Ismaili tradition, because there is nothing which I have seen in writing, it is 10% at the present time, but the interesting thing is that, in effect, I would say easily 98% of those funds, and in fact at times much more than 98%, in fact probably of the order of 150%, goes back to the community. The reason for this is that...

**Michael Charlton:** And just tell me...

**Aga Khan:** I just want to finish this ... is that, it is extremely difficult for the Imamat to programme development the way it should be programmed. I will give you an example: the situation like the war between India and Pakistan, and the creation of Bangladesh, Uganda. Situations like that are extremely difficult to handle.

**Michael Charlton:** What do, what do these people as individuals contribute? How much of their income? Is it, is it...

**Aga Khan:** I would not really be in a position to discuss that because what they contribute is entirely at their discretion, in effect you know.

**Michael Charlton:** And what are the obligations placed upon you when it does come to redistribution? How do you interpret it, because as you realise too, in the contemporary world, you must seem to many people discreditably rich.

**Aga Khan:** I think that if representing an institution which has an income and which manages that income in the interest of the people which it represents is discreditable, then I think practically every institution in the modern world is discredited, because there is no institution in the modern world which does not have its income. The question is, is that income used appropriately? I think the Ismailis
today would say that, if you look at the last twenty years of
development, there has been more development than ever before. At
the present time and in recent years, we have made an enormous
effort in health, education, housing. There is a $300 million teaching
hospital coming up in Karachi; there is a 5-6 million pound Ismaili
Centre in London; there is a teaching college which we are
envisaging in India, and in fact, as I said, the Imamat is spending
on many occasions more than it actually has, and as I mentioned,
the difficulty we have is actually planning the use of the funds
because we are working in the developing world with its ups and
downs and political problems, etc. Education is nationalised one
year, and new government comes and it's free; banks are
nationalised one year, then the new government comes in and they
also are free.

His Highness the Aga Khan's 1979 BBC Radio 4 Interview with Michael
Charlton (London, United Kingdom)

António Marujo/Faranaz Keshavjee: [Y]ou are invited by
Governments, you have a diplomatic statute, and you are known for
your personal wealth ...

Aga Khan: [F]rom what people say about my personal wealth. I
can assure you that they do not have access to my accounts. I can
also say that, if at any given time, the banks would lend me money
based on what the news reports say, I would be very rich! (Laughs)
However, I could not compete with Mr. [Bill] Gates in this area, I
can assure you.

His Highness the Aga Khan's 2008 Paroquias de Portugal Interview with
António Marujo and Faranaz Keshavjee (Lisbon, Portugal)
http://www.nanowisdoms.org/nwblog/8861/

Caroline Pigozzi/Jean-Claude Deutsch: Where do you obtain
the resources necessary to finance the development programs of your institutions?

Aga Khan: There are multiple sources for funding. Among of the most important are the direct contributions in the work of the Imamat, the partnership with the big national and international development agencies, the local state subsidies, and naturally our own revenues from our enterprises and endowment funds. The money is divided among the diverse types of programs which are subject to rigorous audits for the donors....

Caroline Pigozzi/Jean-Claude Deutsch: Why does it displease you so much when you see your name ranked among the names of the richest men in the world?

Aga Khan: Because that immediately creates the image of an inconceivably large mass of money wasted in any which way. The Western world has enough trouble defeating the simplistic and unoriginal image of the prince of the Thousand-and-One Nights. I carry the responsibility of certain institutional activities of the community -- in the matters of social, cultural and economic development -- which certainly requires the use of many institutional resources. I also have separate, private family investments, and some members of the media cannot stop themselves from considering the whole collection of funds that I manage as one figure, from which they make estimates that are way out of proportion.

His Highness the Aga Khan's 1994 Paris Match Interview (1st) with Caroline Pigozzi and Jean-Claude Deutsch (Paris, France)
http://www.nanowisdoms.org/nwblog/850/

"In the Western world not in the Eastern world. Let me add, however, that the Aga Khan Fund is an institution I created but not for my personal benefit. The purpose of that institution is to sustain the economic performance of the countries in which my community lives. The reason is very simple: If the economies of these countries don't develop, the quality of life can't change. There wouldn't be the
resources necessary to improve education, to improve health care, for all the things that people expect.

"So the Aga Khan Fund for Economic Development is not a personal asset, it's an institutional asset and its goal is to increase its capacities and to reinvest those capacities in the countries in which it works or in new countries. Secondly, it looks for areas where normal, capitalistic entrepreneurs would not go. Because our goal is not exclusively profit, we invest in high-risk areas where nobody else is going."

His Highness the Aga Khan's 2011 The East African Interview with Peter Mwaura (Nairobi, Kenya)
http://www.nanowisdoms.org/nwblog/9958/

Nicholas Tomalin: You've said you consider making investments of two or three million pounds in individual African countries of which you approve. You must be very popular there when you do that.

Aga Khan: Obviously if the Community decides to move in one direction or another this will affect the politics and the economy of different countries. If the contacts we have made make the situation look favourable to the type of investment I have in mind, then I would put money in if I also felt it would help the Community that's living there. But this would be my own investment, a personal thing.

His Highness the Aga Khan's 1965 The London Sunday Times Interview, Part II, with Nicholas Tomalin (London, United Kingdom)
http://www.nanowisdoms.org/nwblog/10176/

"About my own personal wealth a great deal of nonsense has been written. There must be hundreds of people in the United States with a larger capital wealth than mine; and the same is true of Europe. Perhaps not many people, in view of the incidence of taxation, even
in the United States, have the control over an income that I exercise; but this control carries with it -- as an unwritten law -- the upkeep of all the various communal, social and religious institutions of my Ismaili following, and in the end only a small fraction of it -- if any -- is left for members of my family and myself.

"When I read about the 'millions of pounds a year' I am supposed to possess, I know only that if I had an income of that size I should be ashamed of myself. There is a great deal of truth in Andrew Carnegie's remark: 'The man who dies rich, dies disgraced.' I should add: The man who lives rich, lives disgraced. By 'lives rich', I mean the man who lives and spends for his own pleasure at a rate and on a scale of living in excess of that customary among those called nowadays 'the upper income group' in the country of which he is a citizen. I am not a communist, nor do I believe that a high standard of private life is a sin and an affront to society. I feel no flicker of shame at owning three or four cars; in India, where a great many people from outside come and go, I always have more cars for their use....

"I would have been a profoundly unhappy man if I had possessed one tenth of the fabulous amount of wealth which people say that I have at my disposal, for then indeed I should have felt all my life that I was carrying a dead weight -- useless alike to my family and my friends or, for that matter, to my followers. Beyond a certain point wealth and the material advantages which it brings do more harm than good, to societies as to individuals."

http://www.nanowisdoms.org/nwblog/1225/

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See also: His Highness the Aga Khan on his private aircraft
See also: His Highness the Aga Khan on the tithes (dasond) given to him by Ismailis


See also: Their Highnesses the Aga Khans III and IV on their breeding and racing thoroughbreds


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