

**CHAPTER 01**

## Being Socially Accountable

*“I always like to walk in rain so that nobody can see my tears”*

Charlie Chaplin

**01.01** There is a Chinese curse which says, “*may you live in interesting times.*” Perhaps the curse has come true as the contemporary times are indeed interesting.

- Today we need arms to pursue peace.
- Today people starve amidst plenty, as Amartya Sen<sup>1</sup> pointed that during various great famines, food grain was actually exported from such places. “*That ‘famines’ had occurred amidst plenty because of lack of purchasing power. So ‘entitlement’ to food security is required to increase ‘capability’ to obtain the ‘primary goods’.*”
- Today we talk about cruelty to animals over chicken soup.
- Today water has become costlier than milk.
- Today the world is on the brink of disaster through global warming. America alone contributes 25% of the world’s pollution and continues to subsidise

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<sup>1</sup> From ‘Amartya Sen’s Economics’ - I, Rabindra Bharati University.

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its polluting oil companies. Kyoto protocol happens to be a helpless and cosmetic accountability measure.

- Today in Iraq people are suffering because America invaded and in Myanmar millions of people are suffering because nobody toppled the military regime.

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**01.02** In such an interesting and complicated scenario talking about social accountability could be a very relative and contingent exercise. Relative to our perceptions of accountability towards the society at large and contingent upon our ability and will to behave and evolve towards the desirable state of conduct. As individuals and also as organisations we have to benchmark our social responsibilities and accountability. When *Titanic* was drowning one Englishman gave his life jacket to a lady as his virtues did not permit to put his life ahead of the softer counterpart. Accountable behaviour is the innate or the latent ability which can only be invoked and harnessed, but cannot be invented.

**01.03** Once Sri Aurobindo was walking with the King of Baroda. Suddenly the King went across the road to help an old woman in lifting a bundle of firewood to her shoulder. The King was visibly pleased with his kindness and expected Sri Aurobindo to appreciate his gesture. Sri Aurobindo remarked that this is how we are live, first we take the burden of others and then again put it back on their shoulders. We tend to look for our social magnanimity for either something we ought to have been doing or some incidental/allied services. For instance if the train or flight is on time then we speak very highly of the service provider. Because we are so used to delays and inefficiencies. The Government of India regularly advertises appealing to the people to help the country by not evading taxes. Because the tendency to evade taxes is so rampant that the citizens who are voluntarily paying taxes are considered socially responsible without doing anything other than what they should have been doing.

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An NGO which I evaluated some times back did not realise that the cost per beneficiary was one million rupees. In another such instance during field visits it was noticed that crucial field areas could not be visited by the programme coordinators due to the need of travel allowance of Rs. 200/- per month, but the same NGO had incurred 1.5 million rupees on the travel of board members during the same period. When one comes across such instances there is a distinct feeling of frustration. Something somewhere has gone wrong with our clan, or the governance is not always in the hands of right people. Therefore it becomes imperative to innovate tangible and objective criteria which warrant social accountability.

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**01.04** Social accountability of an NGO need not necessarily be a ethical issue as commonly construed. For a corporate house social accountability may be a ethical issue because it is going a step ahead by doing certain welfare activities beyond its statutory and legal mandate. But for an NGO socially accountable behaviour is a legal obligation and the question of ethics arises only because we have taken our discretion and authority for granted.

**01.05** Ethics also called MORAL PHILOSOPHY, the discipline concerned with what is morally good and bad, right and wrong. The term is also applied to any system or theory of moral values or principles. How should we live? Shall we aim at happiness or at knowledge, virtue, or the creation of beautiful objects? If we choose happiness, will it be our own or the happiness of all? And what of the more particular questions that face us: Is it right to be dishonest in a good cause? Can we justify living in opulence while elsewhere in the world people are starving? If conscripted to fight in a war we do not support,

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should we disobey the law? What are our obligations to the other creatures with whom we share this planet and to the generations of humans who will come after us?

**01.06** Ethics deals with such questions at all levels. Its subject consists of the fundamental issues of practical decision making, and its major concerns include the nature of ultimate value and the standards by which human actions can be judged right or wrong.

**01.07** The term ethical and social characteristics or virtues of an individual or an organisation can have different connotations, for instance The Institute of Social & Ethical Accountability, London recognizes different traditions of organisational and individual behaviour on social and ethical issues :

**01.08** “The terms ethical and social have a number of theoretical and practical traditions in organisational accountability. For some, ethical (or ethics) refers to an organisation’s systems and the behaviour of individuals within the organisation, whereas social refers to the impacts of the organisation’s behaviour on its stakeholders, both internal and external. For others, ethical embraces both the systems and individual behaviour within an organisation, and the impacts of the systems and behaviour-on stakeholders, on the environment, on the economy etc.”

**01.09** For a corporate entity social accountability may denote sharing some of their wealth and resources with the deprived or exist in a responsible way so that they do not cause harm to the society and smaller stakeholders. Therefore for a corporate entity social accountability should be considered as an desirable practice not

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necessarily a mandatory function. The inefficiencies or efficiencies of corporate are normally judged by the profits and competitiveness. In fact profits are a necessity for survival of a corporate entity, without profits a corporate entity can not exist. An NGO on the contrary is formed with the not for profit objective, therefore its survival does not depend on profit making. But for an NGO the mandate itself is to work for the society with public funds. NGOs are the trustees of public money and like a good responsible trustee they should ensure that each penny is being used for the stated social purposes. Social accountability for an NGO is not a desirable practice to be aspired for, rather its very existence has an onus to be socially accountable. Therefore, there is a need to distinguish the context and implication of social accounting between corporate houses and the development sector. NGOs should not start perceiving social accounting as an annual declaration of various transparent practices or benevolent act which might be the case for profit making undertakings. Social accounting assumes a much significant and deeper role for NGOs.

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**01.10** NGOs have to justify their social relevance and come up with enough reasons to protect the trusteeship function and constantly strive towards ensuring greater rational, fair and responsible social behaviour. Some distinguishing features between NGOs and corporates in terms of social accounting are as under :

- for corporates social accountability is an ethical issue, but for NGOs it is a legal obligation.
  - for corporates social accountability generally will come at an additional cost, but for an NGO each and every penny and resources are available only under the condition of socially accountable ability and conduct.
  - For corporates profit making is a prerequisite for its survival, therefore social accountability comes as an allied condition. But for an NGO profit making can never be the objective and social accountability is the primary condition.
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