

Working with a Social Purpose: Why Altruism Alone is Not Enough

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By V Santhakumar

1. Introduction

We have discussed in another article the need to question ones' own motivation to participate in the development practice or to carry out an altruistic act. This may not be important for those who want to `do good' for some narrow self-interest, say, to become famous or to acquire money or power. The practice of doing good (or acting beyond one's own interest) has been a human trait throughout history. But is it completely beyond self-interest? See discussion in the box below.

Altruism and self-interest

When we consider altruism based on self-interest, we presume that a person's actions are driven by his/her personal gains, which may include higher happiness. However, one person's gain, say, in terms of satisfaction, may depend not only on one's own consumption but also on somebody else's consumption (or welfare). In fact, this drives altruism within a family.

Here, one may see some biological or other reasons which encourage people to be concerned about the welfare of others – spouse and children. Then, self-interest can be defined to include the interests of one's own future generations too, and in that sense, what is transferred within the family is driven by self-interest. However, the family is a unit within which resources are transferred from one to the other without the mediation of a narrowly-defined self-interest.

There can also be a charitable or altruistic transfer of resources by a person to a community or a wider section of the society, within or outside ones' own country. It is not that those who carry out such an altruistic transfer do not expect anything in return. It could be for a sense of belonging in the wider circle of the extended family, community, region or country.

Acts of altruism are also motivated by one's own satisfaction in doing the 'right' thing – right being defined by one's values. Protecting the environment and wildlife; minimizing the death of children; or, alleviating the sufferings of the poor or diseased can be seen as the 'right thing to do'. In doing such 'right things', the person derives satisfaction.

Source: Santhakumar (2013)

There are a number of reasons why working with a social purpose is a desirable approach even from the viewpoint of a person working for 'self-interest', especially in a country like India. Do we want to live in a society where poverty, malnutrition, and ill-health are widespread? Most people would not like such a situation even when they themselves are out of such difficulties, which is why they try to offer help when

they come across a poor or a hungry person. This desire to live in a society where most people live a reasonably comfortable life also influences our notion (subjective) of well-being and hence, whatever we do in this regard is also for improving our own well-being.

The miserable life of other people may have an impact on not only our subjective well-being but also on the objective conditions of our life. Each individual depends on others as potential providers of goods and services. Do people who enjoy a relatively comfortable life want to have a house-maid or car driver who lives in extreme poverty, ill-health or in other vulnerable conditions? The life situation of these poorer people is likely to have an impact on the services they provide. It is true that the cost of services such as those of a house-maid or a driver could be lower when many people are poor. However, these services require relatively close interaction between the service provider and the 'customer'. The vulnerability, anxiety, the attitude that there is nothing to lose; habits leading to or sustaining ill-health; uncertainty regarding the future; depression; willingness to tolerate anything for basic survival – all such features of the service provider could be costly for their customers too.

Life in a society depends not only on the goods and services that we buy from the market. It also requires what can be broadly called, 'public goods', which include a clean physical environment. Let us take a simple example. Would we, members of the middle-class, like to live in a neighbourhood where people practice open defecation? Where mothers throw the faeces of their babies on public streets? One of the features of a public good is that it is difficult (or costly) to exclude people from being a beneficiary of it. If a section of people wants others to be out of their immediate neighbourhood, then they have to form a gated community. Maintaining a gated community is costly. Even if such a closed space is maintained, there is an open space just

outside the gate where poor families live in unhygienic conditions and their demand for or willingness to sustain a clean neighbourhood is lower. Therefore, the lives of different people are inter-dependent through their use of public goods, and so the poverty of a few may have a bearing on the life of those who are better off.

Law and order are also public goods. These can break down, giving rise to criminal activities if the majority lives in desperation. There can also be a shortage of policing (due to the lack of resources) and even if there is policing, it may not be able to prevent such crimes. This is visible in many African cities including the relatively affluent ones, like Johannesburg. Many affluent and middle-class families live in gated communities or houses with a high level of security but it does not ensure the safety of life and private property. In such circumstances, development (or attempts to improve the life of people) has to be seen as a more desirable security than private investments.

So far we have discussed the presence of the 'other' as a reason that motivates people to do good. There can be more intrinsic reasons. The additional benefit of having more money comes down as one person has higher amounts of money, so, one thousand rupees for a person whose monthly income is ten thousand is significantly more valuable than it is for someone whose income is two lakh rupees. This has an impact on the real cost of an altruistic action. When these two people spend the same amount of money (say one thousand rupees) on something (say, a gift for a needy child), the real cost for the latter is significantly lower than that for the former. This may encourage the latter to take such actions more often. When we do such comparisons, we do so by considering two people who are similar in various aspects (including the attitude towards helping others) other than their incomes.

There is also another dimension here. When people have more

money, what do they do to get more happiness? People attempt to get more happiness or additional satisfaction through different means. These may include buying ultra-luxury commodities, international tours, or buying art or antique items. In a world where there are many ways of getting happiness by spending money, some may spend it on those which lead to a meaningful life, such as helping others (or the society as a whole) too to lead a better life.

People tend to spend money on more and more luxurious consumption when they become affluent. A consumption-oriented lifestyle does not enhance happiness in society. One possible reason is that an increase in consumption (by the richer sections of society whose behaviours are copied by the others) may put greater pressure on the natural environment, and its negative impact will affect everyone, both the rich and the poor. This is not a hypothetical situation. When everybody wants to have and use a private car, the consequent pollution and traffic jams affect everyone. Then, society may be forced to restrict the use of private cars (as we have seen in the case of Delhi). A society where the majority depends on fast and efficient public transport is more desirable (environmentally, socially and even economically, if we consider the cost of traffic jams) than one where such public transport is absent and most people (have to) use private cars. Hence, social coordination (for the provision of say, public transport) is much more important than the ability to enhance private consumption, beyond a point. (Of course, enhancing private consumption is important for the poorer section of society).

Also, unrestricted private consumption as people earn more may enhance the ill effects of social inequality. People get to know of others' wealth by seeing their lifestyle, not by examining their bank deposits. It is this visible inequality that is more harmful¹. A high level of inequality can be harmful even for the rich. There can be a higher demand for

redistribution of wealth or policies that control the creation of wealth. Though the adoption of such policies may affect everyone, it could affect the rich more harshly. Political parties cannot neglect it when the majority or the electorally important sections have such a demand. In a highly unequal society, the majority is likely to be frustrated due to their position at the bottom of the income ladder and in extreme cases, there could be a demand for the nationalization (take over) of the properties held by the richer sections. Such a society may support or galvanize a restrictive political environment, which may affect other kinds of freedoms of the people (and not only on those which are directly related to the creation of wealth), such as those related to consumption, mobility, social interactions and so on.

The excessive focus on consumption should not be encouraged also because studies have noted that the happiness (according to what people report in surveys) has not enhanced despite an increase in income (or personal consumption) in many countries. Those who have analysed this highlight that there are two motivations for consumption. First is the innate need for satisfaction – when we consume to meet our own intrinsic needs without referring to the ‘other’. This consumption can be basic or luxurious. People may eat expensive food or may travel for tourism more. However, there could be another motivation for consumption – to enhance one’s status. For example, some people may want to buy a motorbike since others in the neighbourhood have one; some may want to have a private jet since people they hobnob with have one. These are ways in which they wish to establish their higher status in their social circles.

Since status consumption may not enhance satisfaction or happiness, a person who has struggled to buy a motorbike to emulate others may next see others around him/her driving cars. So, for such people, despite their having acquired what they desired, happiness may not go up significantly, due to

the change in their benchmark of upward mobility. Achieving a higher level of happiness through the route of status-enhancing consumption can be a mirage. When one is on the list of global millionaires, he/she could be unhappy being at the lowest position. (There was a news item about one such person who told his wife that he would not embarrass her again by being at the bottom of such a global list, and eventually, he ended up in jail in trying to climb up this ladder using unscrupulous means). Hence, excessive status consumption could be costly for the rich and the middle-class. (On the other hand, such a desire to copy others could be beneficial for the poor, and we discuss this in the following section.) Such an orientation of the richer sections would encourage the middle-class to copy them and the society may end with no additional happiness even after tedious struggles to achieve higher incomes. Hence, there is some virtue in people focusing more on the innate needs of consumption.

Altruistic actors or development practitioners have two possible roles in this. First is to follow a path of consumption driven by innate needs. Though there could be a sacrifice (or self-disciplining) that is needed initially so as not to be persuaded by a status-oriented consumption, it may not be that difficult to derive a higher level of happiness mostly (if not solely) from the consumption driven by innate needs. There need not be any major cost-saving through such a strategy since there can be expensive items (commodities and services) as part of such a consumption basket (which meet the innate needs). However, if such a consumption leads to a meaningful and joyful life demonstrable to others, this itself can be part of doing-good or development practice. This is so since it may encourage others from moving away from a focus on status-oriented consumption. Secondly, the money saved through this strategy, if any, (and there will be such additional savings for richer sections of society through this way) can be part of the resource pool for altruistic actions or development practice.

There could be others who are interested in altruistic actions for moral and/or religious reasons. It could also be part of a culture or a set of norms inherited by them and not necessarily based on reflective, rational thinking. Such a route for altruistic actions is desirable if it creates outcomes which are beneficial to society. There could be an issue with moral/religious motivation if it leads to specific strategies, which are not beneficial to society. For example, a person can contribute to the schooling of children from poorer families due to moral/religious reasons. However, what if the moralists (or religious followers) have specific forms of education in mind, say, of a religious character? Hence, it would be ideal if these moral/religious altruists too question their self-motivation in selecting their specific paths (if not the goal of their actions).

Therefore, there are different factors that motivate an individual to take altruistic actions or be a development practitioner. But there is a need for rational thinking in making the right choices and priorities for a greater impact of their efforts and resources.

2. Is altruism enough for social change?

When we talk about social purpose and altruistic actions and their importance, we should not underestimate the importance of self-interest of individuals in improving human development and enabling social change. There is a need for self-interest-based actions in economic and political spheres to create a society which generates not only enough resources but an institutional structure wherein most people's right for a decent life is respected.

It is the desire to do well for oneself that drives changes in behaviour, improvements in consumption and investments in capital (including human capital) that enable individuals and societies to improve their status of development. We have talked about the undesirability of status-based consumption in

the previous section. However, such a desire for higher status encourages many poor people to work hard to acquire higher incomes, and this may improve their living situation. People learn to use (and struggle to acquire) certain commodities or services when they see others in the community using them (Santhakumar, 2013). This is evident in the use of electricity, clean toilets, hygienic houses, vaccination, healthy food, education, and so on. People adopt family planning mostly by seeing others who have benefitted from having fewer children. Though we may say that status-oriented consumption is harmful to a higher level of happiness, it has played an important role in achieving a desirable status for the majority in society.

The desire to have a better life for oneself or for one's own children also has a desirable effect on society. Because of this desire, those who have earned some money through self-employment or small ventures may save as much as they can by reducing current consumption, reinvest it in entrepreneurial activities, and expand economic activities. They enhance their capital investment, thereby enhancing productivity and incomes. One can see this reflected in the education of children. Poor or lower middle-class parents (who are aware of the importance of education for their children) try very hard to save money to facilitate the education of their next generation. This is also one form of capital investment which increases productivity and incomes for individuals and families. This is an important driver of human development.

Self-interest is important for the economic and social development in another way too. Most private firms want to enhance their profits. If they are not working as a monopoly sanctioned by the government (possibly through corrupt means), they cannot enhance profits without adopting innovative practices, reducing their own costs or finding newer markets. These may give them higher profits until the time their competitors adopt similar practices. There are two benefits

here, competition among firms to reduce the cost benefits the consumers; and, more importantly, innovations benefit not only those who initiate these but also others who copy these. Hence, the interest to make higher profits plays an important role in facilitating innovations and that too benefits economic and social development.

Needless to mention that the ability of a set of individuals to contribute to altruist activities also depends on this economic or income growth. A government, which is concerned about the welfare of all (and there are elements of self-interest here, which we will discuss in the following section), could use a part of these enhanced incomes for the benefit of all in the society.

3. Self-interest drives political development

We have discussed the broad contours of political development and its relationship with development practice in this article. It is this political development that enhances citizens' access to public resources and their ability to influence public policies. Two kinds of self-interest drive these actions. Those non-elites who are usually marginalized from the power structure which controls the government have the interest to mobilize themselves (with the help of self-interested and/or altruistic politicians) and through this, they may be able to capture control over governance through democratic or non-democratic means. Such capture is an important means for increasing resources available to them, which in turn could enhance their development status.

The self-interest of political parties and politicians to retain or come to power plays an important role in the expanded provision of resources to most sections of the society in a competitive democracy. The interests of groups of all kinds, which may include non-elite sections like workers, farmers or poor people living together in a region may play out in the bargaining with such a political formation that is

interested in retaining its power. The political parties/coalitions compete in offering more goods and services to almost everybody, resulting in more resources for the majority in the society – an important determinant in enhancing the quality of their life. Hence, a major driver of human development in most societies is the growth of incomes and its distribution facilitated through a political development which enhances the inclusiveness of the common people in governmental decision-making.

This kind of an expansion of the basket of commodities and services (including education and health care) available to common people (and the consequent improvement in the quality of their life) cannot be achieved through altruism. However, it can play a complementary role.

4. What is the role of altruists in social transformation?

There are activities where the needs of people at large can be met by the government or by non-governmental organizations (driven by altruism). For example, in a village where most people are poor and there is a need for a school or a hospital, these can be provided by either the government or an NGO. The choice of incentives and disciplining mechanism may vary depending on which type of organization provides it. Social change requires actions by both and each may be better placed to focus on specific domains of action. Let us consider schooling as an example. In order to encourage children from the poor and vulnerable backgrounds to acquire schooling, as we have mentioned earlier, its provisioning per se, though very important, is not all. Parents and children have to be motivated continuously. The provisioning part (running a school) can be carried out by either a governmental or a non-governmental organization. However, organizationally, the former may not be best equipped to create the demand for schooling. It may be better if the local community or social and political organisations take up this challenge. However,

in a context where the awareness of the importance of education (schooling requires sacrifices on the part of parents even if it is available free and is nearby) is poor, the local community, social or political organisations too may lack awareness, making it necessary for an external NGO to intervene. Historically, altruistic-cum-religious actors like the Christian missionaries have played an important role in this regard. Well-motivated NGOs can facilitate the creation of the demand for schooling.

These NGOs have several advantages. They can be flexible in terms of the composition of the personnel needed, timings and sequence of actions to meet the actual circumstantial needs, need not be rule-bound (as government organizations, which have to follow stipulated rules due to inherent incentive problems); the people in these organisations may bring in an emotional element to their work by encouraging people to overcome the structural barriers that exist in their surroundings (such an encouragement can be provided by governmental organizations only with an appropriate institutional or legal backing). Some of the actions initiated by the external NGO can be continued by the local community/social organization after they become adequately aware of the importance of education. I am not saying that government organizations are inherently incapable of creating the demand for education. One can see certain schools and teachers taking the initiative to see that most children in their catchment area attend school. However, in this case, these teachers are going beyond their stipulated duties. It may not be realistic to expect all school teachers or all government employees to do the same. Hence, there are cases where a combination of governmental or altruistic NGO actions is needed. In the case of health-care too, though both government and private firms may run hospitals, certain activities like rehabilitation or care of leprosy patients, the aged, and so on, are usually undertaken by altruistic NGOs.

There are cases where altruistic actions may turn out to be ineffective. The altruistic objective of the person may not be always in tune with (or may not be adequate to meet) the requirement of the society even within the limited sphere of his/her action. The objective of deriving joy and happiness may encourage them to focus on certain goals and strategies, which may not be the most appropriate from a societal point of view. What is this societal point of view? See the discussion in the box below.

How is society's overall welfare enhanced?

There are different ways of answering this question. One approach is called utilitarian (in economics), which would argue for enhancing the happiness or satisfaction of the members of society without affecting (the happiness or satisfaction of) any person negatively. When one person's happiness increases without reducing others' happiness, the total or aggregate happiness of the society increases. Another version of this approach would argue that it is desirable to increase the happiness of A, even if it reduces the happiness of B (or others), provided A can compensate B (and others) fully for the reduction in their happiness. Based on such a utilitarian approach, there is a generic justification for altruistic action – intervene in those cases where the actions of people (including their voluntary exchange of goods and services) are not adequate to enhance the welfare of the society. Though this is a reason for and the domain of governmental action, altruists can complement and supplement these. Hence, altruist can intervene where government should act but is not acting enough or where its action is not enough to address the need. The creation of the demand for schooling mentioned earlier is an example.

The rights-based approach is another one. There are different dimensions to human rights. There are certain rights – the right to life and property, the right to pursue actions without harming others – which are justified in the context of individual freedom. There are also positive rights – each society may consider (and institute) that each and every individual should have certain minimum entitlements, like access to primary education, basic health care, employment or unemployment benefits, and basic social security. A number of these positive entitlements also have positive externalities or their absence may be costly not only to individuals but also to the society as a whole. However, the rights-based approach determined mainly through politics and democracy need not limit itself to the provision of such basic entitlements alone. It may widen as part of the development of society. A similar approach rooted in the philosophy of justice is to view social welfare from the point of the most deprived or vulnerable person. In this framework, social welfare of an action depends on the improvement in this person's life. (This is also the approach advocated by Mahatma Gandhi.)

Sometimes altruists do not have the willingness to through to the end of an action to see that the whole effort and spending are leading to the targeted goals. Giving money for an altruistic action is relatively easy. It gives immediate

rewards (of joy and happiness), even if we neglect the social recognition for such giving². However, seeing that the money is spent effectively in achieving societal goal requires greater effort and time. There can also be possibilities of failure in this regard (or negative rewards). These may encourage people to focus more on giving and less on the process of actual use of money.

We have already discussed the rewards for altruists. We have focused more on the intrinsic rewards (joy and happiness), and have somewhat overlooked the external ones (like social recognition). An altruist focusing on external recognition may face frustration since he/she may have to compete with many others who too are struggling to get this 'social recognition' for genuine or not so genuine reasons. Hence, there is some merit in focusing on internal rewards. As part of development, a society may not differentiate between altruists and non-altruists or self-interested actions (carried out within the acceptable institutional framework). Not-for-profit actions may be interrogated as vehemently as for-profit activities. There may not be any additional social privileges for do-gooders. Hence, there should be reasons beyond social recognition that should motivate altruism or actions with a social purpose. Then these shall become part of our normal life, our 'culture'.

Altruism need not necessarily mean 'helping others' directly. One may incur a significant cost (or face substantial risk) in doing certain activities for the overall welfare of the society. Whistle-blowers who help in improving governance can sometimes pay a heavy price for it. Though one should be careful in undertaking such social actions³, sometimes actions which are carried out without thinking about personal consequences may help the society. Hence, rational thinking is not to discourage people from taking such an action but to enhance its social usefulness.

In fact, an ideal society is where people forgo opportunities for private gains and give equal weight to overall social welfare as they give to their own. (Interestingly, such behaviour is good to enhance the private gains too.) Though one may see such sacrificing behaviour in underdeveloped societies, these are mainly for the welfare of one's own kinship, community and close networks. However, such concern is not extended to the unknown, stranger, or the 'other'. On the other hand, a generalized social trust is likely to evolve in a developed society. This trust depends on people's willingness to place overall welfare above private gains. This is a situation where altruism is not carried out by a few people in the society; it becomes the culture of the majority.

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