

CHAPTER 7

ACCOUNTABILITY IN A GLOBALISING WORLD: INTERNATIONAL NON-GOVERNMENTAL ORGANISATIONS AND FOUNDATIONS

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Introduction

Demands for better governance and greater accountability have increased significantly in recent years at both national and transnational levels and across public, private and non-profit sectors. Originally, accountability, referring in a general sense to having to answer for one's behaviour, was a core concept of public administration and has been exported to other fields. The scandals that have rocked the business world, governments and non-profit organisations alike seem to have undermined public trust in many institutions. Prominent examples include the Enron debacle of 2002, mismanagement in the reconstruction of Iraq, corruption charges in the UN's Oil for Food Programme, the veracity of Greenpeace's information in the Brent Spa case in the mid-1990s, questions about the use of funds raised by the American Red Cross in the aftermath of 9/11 and issues about the transparency of some non-governmental organisation (NGO) operations after the 2004 tsunami in South East Asia.

Such incidents have brought the issue of accountability closer to the public eye. At the same time, they demonstrate the role of the media in detecting and publicising accountability issues. As the flows of media grow in scope and reach, the ability of interested bodies to hold guilty parties up to public scrutiny increases. As a result of congressional action, the Sarbanes-Oxley Act of 2002 (Mintz and Vail 2003; Board Source and Independent Sector 2003) became a milestone for the accountability debate among NGOs and non-profit organisations generally. Larger non-profit organisations and foundations are anticipating the implications of the Sarbanes-Oxley Act, which requires independent and financial audit committees, certified financial statements, policies on conflicts of interests and disclosure, and introduces protection for whistle-blowers. What is more, some states like California have introduced regulations that apply to tax-exempt organisations and others, like New York, have turned the keen eye of the Public Prosecutor's Office to philanthropic organisations.

Members of International Advocacy NGOs, a group made up of 11 large NGOs including Save the Children, Oxfam, and Amnesty International, adopted the INGO Accountability Charter in summer 2006 (International Non-Governmental Organisations Commitment to Accountability 2006), which includes many aspects of the Sarbanes-Oxley Act (see Box 7.1). Similarly, in May 2007, the European Foundation Centre and the US Council on Foundations issued the *Principles of Accountability for International Philanthropy* (European Foundation Centre and the US Council on Foundations 2007) to guide funders in making better decisions in pursuing their international missions and objectives and to provide a framework that will encourage and assist more foundations to get involved internationally (see Box 7.2). While the INGO Charter and the *Principles of Accountability for International Philanthropy* can be seen as steps forward, they also highlight some of the biggest challenges in defining and enforcing accountability in a globalising world, for instance, those centred around the multiplicity of stakeholders and the difficulty of enforcement and liability, which will be discussed later in this Chapter.

An additional challenge to NGOs working internationally came with the major change in the geo-political climate after the terrorist attacks of September 11, 2001. Legislation and guidelines issued by the US government and the subsequent declaration of a 'war on terror' by President Bush, put a much higher accountability burden on non-profit organisations than in the past. Issued first in 2002 by the US Department of the Treasury under the authority of the Patriot Act and updated since, the *Anti-Terrorist Financing Guidelines: Voluntary Best Practices for US-based Charities* address foundations and cross-border philanthropy. This measure takes the first step to put in place detailed regulations governing the operations of financial institutions, including foundations and NGOs. Similar and sometimes more stringent measures have been discussed at the European Commission, the Council



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A doctor examines the X-ray of a TB patient in Kenya

of Europe and the OECD (Anheier and Daly 2005) with regard to financial audits and the review of foreign organisations.

While these are major developments that will add to the 'accountability burden' of foundations in particular, it is equally important to recognise that the accountability challenges go beyond the regulatory compass of the Sarbanes–Oxley Act and anti-terrorist legislation. In fact, they are part of a wider, and perhaps chronic, 'accountability syndrome' facing cross-border organisations in a globalising world. Examining this accountability syndrome for transnational civil society organisations is the core purpose of this Chapter.

While many accountability issues can be broadly applied across all sectors, transnational civil society faces specific challenges in terms of governance, responsibility and liability. Indeed, we see the accountability challenges of transnational civil society closely linked to the process of globalisation itself. On the one hand, globalisation is characterised by democratic deficits and governance problems: disparate societies and communities engage each other and are made to interact with greater frequency and intensity, yet without adequate global supervisory mechanisms. On the other hand, accountability for

international NGOs is increasingly related to the cross-national dispersion of democratic values and the public expectations that come with them. In this model, global civil society organisations act as proactive instruments for exposing and demanding transparency and accountability across sectors.

Hence global civil society is on both sides of this problem: having normalised the previously alien notion that all kinds of power-holders, not just governments, have an obligation to 'render account' to stakeholders and the global public, international NGOs, as prominent actors of global civil society, also epitomise internal and external deficits in the form of disconnects between donors, members and beneficiaries. To whom these organisations should be accountable and through what mechanisms and enforcement, are questions central to this discussion.

The main argument

At the core of accountability is what economists call the principal-agent problem. How can owners (the principals) ensure that managers (the agents) run the organisation in a way and with the results that benefit the owners? In the business world, the owners/shareholders delegate the oversight authority to a board of directors. The board is then charged with

Box 7.1: INGO Charter

The heads of 11 large international non-governmental organisations endorsed the International Non-Governmental Organisations Accountability Charter (INGO Charter) in June, 2006. Signatories were ActionAid International, Amnesty International, CIVICUS: World Alliance for Citizen Participation, Consumers International, Greenpeace International, Oxfam International, the International Save the Children Alliance, Survival International, International Federation Terre des Hommes, Transparency International and the World YWCA. The INGO Charter, which is voluntary and not exclusive, outlines an accountability and governance framework for the participating organisations. Its mission states:

This Charter outlines our common commitment to excellence, transparency and accountability. To demonstrate and build on these commitments, we seek to:

- *identify and define shared principles, policies and practices;*
- *enhance transparency and accountability, both internally and externally;*
- *encourage communication with stakeholders; and*
- *improve our performance and effectiveness as organisations.*

The Charter defines the concept of stakeholders (including those whose rights the organisations seek to advance, ecosystems, members, donors, staff, regulatory bodies and the media) and outlines its guiding principles:

- respect for universal principles (such as freedom of speech and assembly)
- independence
- responsible advocacy
- effective programmes
- non-discrimination
- transparency (reporting and auditing, and accurate information)
- good governance
- ethical fundraising (the rights of donors, use of donations, gifts-in-kind and agents)
- professional management (financial controls, evaluation, public criticism, partners, human resources, bribery and corruption, respect for sexual integrity and whistleblowers).

The next steps for the INGO 11 will be to consider reporting mechanisms and review the Charter, along with issues of liability and enforcement.

Source: INGO Accountability Charter (2005), http://www.amnesty.org/resources/downloads/INGO_Accountability_Charter.pdf

the responsibility to make sure that management acts in accordance with the principal's goals and interest. In the public sector, voters (the electorate) elect politicians who then exercise oversight over public sector performance; in addition, the media, agencies like the US Government Accountability Office, and many interest organisations monitor the conduct of government.

By contrast, in non-profit organisations and philanthropic foundations in particular, the situation is undetermined and it is unclear who should be regarded as, or function as, the owner, particularly in cases where the members do not exercise direct democratic control. Trustees are not owners in the sense of shareholders, and while different parties could assume or usurp the role of a principal, such a position would not rest on property rights but on some form of politically negotiated or imposed legitimacy.

The key to understanding the governance and accountability requirements of non-profit organisations is to recognise the special importance of multiple stakeholders rather than owners.

The application of the principal-agent dynamic is limited in the non-profit world, where information about performance is not as clearly and keenly demanded, required, assembled and analysed to the same extent as in the for-profit and public sectors due to weaker signals and incentives in the former. In other words, accountability is less linked to incentives in response to owner/stakeholder signals than in the other sectors, which makes information management and sharing potentially problematic.

However, in a transnational context, the weak signal/incentive problem that applies as well to domestic accountability assumes a new quality. We also argue that in transnational contexts,

accountability is increasingly becoming a problem in search of a solution, rather than a solution in response to problems that are well understood and accepted by stakeholders. What is more, it is increasingly difficult for non-profit organisations that operate cross-nationally to be or become accountable relative to growing public and political expectations. Ultimately, the accountability syndrome of transnational civil society organisations embeds accountability in legitimacy.

There are several features of this syndrome, some of which are well known and certainly not new, including the presence of multiple jurisdictions with divergent oversight regimes, reporting systems, professional claims and expertise and the overall 'culture' of accountability and transparency (van Veen 2001; the International Center for Not-for-Profit Law URL). Other factors are less understood, particularly when they begin to interact with the former, including the presence of multiple stakeholders and the notion that accountability goes well beyond donor-recipient relations (Jordan 2004; Bendell 2006). Many stakeholders today have stronger voices and are heard more frequently than in the past. They generate accountability claims and demand their enforcement, as a result of several processes that include a greater political mobilisation and awareness in many parts of the world, the emergence of a global civil society and a value shift in many countries from generalised institutional trust to the culture of the audit society (Power 1997a).

Illustrating the accountability syndrome

The Aventis Foundation (AF) is a French-German corporate foundation of the Sanofi-Aventis pharmaceutical corporation located in Frankfurt, Germany. Its main areas of interest are health related, in particular public health and the intersection of society, culture and health behaviour. One of the AF projects funds the German Diabetes Association for developing and launching an awareness campaign for increasing public knowledge about the relationship between lifestyle choices (such as nutrition and exercise), obesity and diabetes. The Foundation and the Association work closely with public health authorities, other relevant organisations (largely professional associations in the fields of health, education and nutrition) and advertising agencies. What are the accountability issues in this case?

Assuming that the AF as well as other relevant organisations receiving foundation funds, in particular the German Diabetes Association, file the appropriate tax returns, disseminate information about the project in ways deemed adequate domestically, and also assuming that stakeholders believe that the project is transparent by local standards, there should be no intrinsic issues about accountability. The AF is accountable according to law and public expectations. The fact that Sanofi-Aventis manufactures diabetes drugs would not be seen as something to be questioned; on the contrary, most stakeholders would see the support of public health efforts to generate greater awareness about diabetes as an exemplary act of good corporate citizenship and enlightened corporate philanthropy.

Against the diabetes case, a purely domestic project, consider another AF grant – this time a transnational project in the sense that it involves devolved authority and responsibilities across borders. The project is 'TB Free,' which aims at reducing tuberculosis (TB) infection rates in South Africa by involving local communities through volunteers, traditional healers, grassroots groups, churches and so on, to (a) help administer and complete the treatment course for TB patients as part of a so-called 'directly observed treatment system' (DOTS), (b) fight the stigma attached to TB at the community level and (c) create better public awareness about the disease and its relationship with HIV/AIDS.

As a foreign foundation, the AF decided to establish and work through a non-profit organisation created for the purpose of the project called 'TB Free', in a partnership that includes the Nelson Mandela Foundation and with the Government of South Africa as the main public sector partner, to set up up training centres for DOTS as well as for administering AF funds locally. The Foundation signed a contract with the National Department of Health to make sure that the government would take over the programme after five years and ensure its long-term sustainability. Parallel to, and independent of, setting up TB Free, the Sanofi-Aventis corporation bid for a government contract to sell anti-TB drugs to the South African health authorities, successfully outbidding competitors like Sandoz from Switzerland (which supports a smaller project of this kind in Soweto), and those from other countries, including India.

Box 7.2: European Foundation Centre and Council on Foundations

The following principles of accountability were developed by a Joint Working Group of the European Foundation Centre and the Council on Foundations, Brussels, 2007.

Principles of accountability for international philanthropy

Cross-border philanthropy is exciting and rewarding, with benefits far outweighing the challenges. In view of the distinct complexities facing independent funders working across national borders, the European Foundation Centre (EFC) and the Council on Foundations created a joint working group to develop a set of principles of accountability specifically for international philanthropy. The result is this voluntary, aspirational document that is intended to educate, guide and help EFC and Council members be more accountable and effective in their cross-border activities. In early 2005 the Working Group undertook the extensive process of consulting members of the two organisations as well as other philanthropic networks and experts. In addition, consultations were held with groups of grantees and philanthropic partner organisations in Latin America, Eastern Europe, and Africa, including a three-day workshop with 25 African non-governmental organisation (NGO) leaders in South Africa. The Working Group recognises that legal compliance, fiduciary responsibility, and administrative oversight are essential components of philanthropic accountability. These 'givens' are therefore not the focus of this document. The Working Group's primary concern was to come up with a set of principles and good practice options addressing the issue of accountability to mission, grantees, and partners and, ultimately, to the intended beneficiaries of transnational philanthropic activity.

The Seven Principles of Accountability for International Philanthropy are:

1. Integrity

Engage in international philanthropy in a way that is in line with and truthful to your mission, values, vision, and core competencies. Show that you are genuine in your intentions throughout all aspects (programmatic, operational, and financial) of your international work. Be honest and transparent with your stakeholders.

2. Understanding

Take the time to research and understand the political, economic, social, cultural, and technological context in which your international philanthropy will take place. Tap into expertise that already exists, including at the local level, and develop a philanthropic strategy that is realistic and appropriate.

3. Respect

Avoid cultural arrogance by respecting cultural differences and human diversity. Recognise local knowledge, experience, and accomplishments. Be modest about what you know, what you can accomplish with the resources you have, and what you have yet to learn. When visiting international grantees and partners, always keep in mind that you are a guest in someone else's country.

4. Responsiveness

Listen carefully to your international grantees and partners in order to understand and respond adequately to their needs and realities. Be open and prepared to adjust your original objectives, timeline, and approach to the local context and capacity—resist the temptation to impose your own models or solutions. Build a relationship of trust with your international grantees and partners and with the communities where you work.

5. Fairness

Be reasonable and flexible in what you require from your grantees and partners, ensuring that your demands are proportionate to the level, purpose, and nature of your support. Be mindful of their possibly limited capacity to deal with multiple funders, and do not demand of them what you would not demand of yourself.

6. Cooperation and Collaboration

Recognise that international work calls for a high level of cooperation and collaboration among funders themselves and with a variety of actors, including non-governmental organisations (NGOs), businesses, governments, and multilateral organisations. Strive to work collaboratively in order to maximise resources, build synergies, boost creativity, and increase learning and impact.

7. Effectiveness

Assess whether your international philanthropy is effective by engaging in a process of mutual learning with your peers, grantees, and partners. Demonstrate how your international philanthropy contributes to the achievement of your organisation's mission and the advancement of the public good. Plan for sustainability and commit to staying long enough to be effective.

Source: *European Foundation Centre and the Council on Foundations (2007: 8, 11–12)*



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The result is a complex public-private partnership that works rather well and is beginning to show results (TB Free URL; Aventis Foundation URL). At the beginning, however, the project faced major and chronic accountability challenges, and managing them consumed a considerable amount of managerial effort and resources. These tensions were often between 'doing the project,' and 'accounting for it' to different stakeholders, especially at the local level in South Africa. Being accountable is a way of building legitimacy. It becomes an investment into something that, while legally granted, has to gain political acceptance, even legitimacy, across a broad spectrum of actors and interests, as shown below. Early on, three major organisational project components were put in place that together laid the foundation for the accountability infrastructure of the project. The first was reconciling the German and South African legal requirements for the transfer (from Germany to South Africa) and disbursement (inside South Africa) of funds. The second was establishing overall and local responsibilities vis-à-vis government and public health officials, and the third was securing a local legitimacy base for TB Free (the Nelson Mandela Foundation).

As a result, the project developed several important accountability lines: in TB Free (which operates a central office in Midrand, Gauteng, and in

the country's nine provinces where TB Free centres operate) and in the AF in Germany; between TB Free and three layers of government (local, provincial and national); between TB Free and the Nelson Mandela Foundation and between TB Free and the AF. Next in importance are the secondary accountability lines between the AF and Sanofi-Aventis, the Nelson Mandela Foundation and the Government of South Africa, as well as internal governmental accountability.

Moreover, the project required several tertiary accountability lines that were not fully anticipated at the beginning of the project. One was the relationship between hospital staff and the DOTS volunteers, many of whom are traditional healers practicing African medicine; Western-trained doctors required the traditional healers to report to them but did not have to reciprocate. Another was the relationship between medical nurses and the DOTS volunteers: the former either felt threatened or over-burdened by the latter in a health crisis in which there is an acute scarcity of resources. Added to all this was the highly politicised nature of the TB-HIV/AIDS policy field in South Africa; the tensions that existed at that time between the Nelson Mandela Foundation and the government in power; and the presence of other pharmaceutical corporations, foundations, NGOs and government entities involved in related programmes and projects.

The challenge of being accountable to, and among, multiple stakeholders is thus clear.

Accountability and global governance

The difference between domestic and transnational accountability arises from the complexity in attempting to promote change across borders. In the transnational arena, questions of legitimacy are raised because the funding and impetus for projects originate from a foreign source. Civil society actors working across borders typically want to change current conditions in the foreign country towards some kind of improvement or to develop better capacity to deal with problems of many kinds. Because of this, relationships among stakeholders are likely to undergo some form of transformation or tension that may or may not have been anticipated.

At its core, this difference is largely a result of what is known as the global governance problem, that is, weak, patchy, loosely coupled and sometimes contradictory policies, regulatory frameworks and enforcement institutions relative to the needs of stakeholders, as well as actual and potential accountability failures (Held 2003). Global governance refers to the

government, management and administration capabilities of the United Nations, World Bank and other international organisations, various regimes, coalitions of interested nations and individual nations when they act globally to address to various issues that emerge beyond national borders. (Yakota 2004)

The governance debate is about the efficacy of this system in ensuring 'a degree of co-operation sufficient to bring about order in human affairs' (Smith and Stacey 1997).

In transnational arenas, accountability exists in a world of multiples (including jurisdictions and legal systems, reporting and oversight regimes and stakeholders) dispersed across countries and cultures. Consequently, accountability tends to be fluid – even ambiguous – in terms of the expectations and standards involved, both legally and politically complex and, given the emerging nature of global civil society, subject to change. What is more, there are no quick policy fixes in sight, although a number of policy options exist. We explore this argument and its implication below in a series of four theses.

Thesis 1: Accountability is the problem, not the solution

We need to rethink accountability and move away from a position that sees accountability as a fix, as we do at domestic levels, towards an understanding of the endemic accountability problems of many types of non-profit organisations, epitomised by independent grant-making foundations. These foundations are among the freest institutions of modern societies: free in the sense of being independent of market forces and the popular political will. This enables foundations to ignore political, disciplinary and professional boundaries if they choose, to take risks and consider approaches that others cannot. As quasi-aristocratic institutions they flourish on the privileges of a formally egalitarian society and, while they exist in a democracy, foundations are themselves not democratically constituted.

As others have pointed out, foundations have no 'demos' or membership equivalent, and no broad-based election of leaders takes place that would aggregate preferences and hold those elected accountable. Unlike firms in the marketplace, membership-based non-profit organisations or government agencies, foundations have no equivalent set of stakeholders that would introduce a system of checks and balances. Grantees have little influence, and no explicit vehicles for redress and grievance. Expressing primarily the will of the donor or deed, the organisational structure of a foundation does not typically allow for broad-based participation and decision making outside the limited circle of trustees. In a domestic context there is usually a supervisory or regulatory office looking after foundations. By imposing certain rules and regulations for the establishment and operations of foundations, countries try to compensate for the lack of checks and balances and accountability. The Sarbanes–Oxley Act is as an example of this regulatory compensation. However, cross-nationally, the regulatory regimes and the institutions involved, together with the extent and frequency of reporting and audits vary widely (van der Ploeg 1999; van Veen 2001), as does the balance countries are able to strike between encouraging foundation growth and activities on the one hand, and controlling, even curtailing, them on the other.

The point is that in a domestic context today, we tend to have some sort of workable congruence between the regulatory frameworks in place to

demand, channel and enforce accountability in relation to the accountability deficit of foundations in legal and political space. By contrast, we do not have similarly adequate accountability agreements and mechanisms in place when it comes to transnational activities. To grasp the scale of this problem, consider what kind of accountability exists of the large-scale activities of the Bill and Melinda Gates Foundation in addressing HIV/AIDS in Africa with a budget that exceeds that of the World Health Organisation (WHO) in the same field. Compare the complex governing structure of WHO and its elaborate accountability regime with that of the Bill and Melinda Gates Foundation. Consider also the activities of US foundations supporting democratisation movements such as anti-apartheid organisations in South Africa during the 1980s and 1990s, or the activities of the Open Society Institute in Central and Eastern Europe during the 1990s and in Central Asia and Russia today. Who empowered or entitled Ford, Gates or Soros to become active in supporting causes and addressing problems abroad, many of which are transnational in nature? In whose name and for whom are they active? At a formal level, legitimacy questions are not problematic at all; accountability becomes an issue only when it relates to the highly politicised arenas that characterise global problems such as HIV/AIDS, poverty, economic and democratic development or environmental degradation. In such fields, multiple jurisdictions and stakeholders (typically with different accountability expectations and standards), high levels of politicisation and legitimacy challenges, the impact of anti-terror legislation and other developments, make it increasingly difficult to be accountable.

Thus, in the context of globalisation, accountability is a persistent and growing problem in search of a solution rather than a solution in response to a problem, in part because it relates to questions of legitimacy. Accountability becomes part of the global political economy: some stakeholders have more voice than others and are the preferred audience of accountability for legitimacy reasons; some jurisdictions are more 'hands off' and others are more controlling, even restrictive; some audits in some countries are demanding, others are easy. Accountability becomes a political issue that reflects power differentials among stakeholders, and an economic issue that reflects transaction and compliance costs.

Thesis 2: Accountability expectations increase while global governance institutions weaken

Not only are we dealing with the very high transaction and compliance costs of full accountability but also with a need for strategic answers on behalf of boards and management that go beyond the technical aspects of accountability to anticipate complex scenarios that combine legitimacy, governance and accountability, as illustrated by the TB Free project above. Accountability has become a major policy issue because the lack of accountability is believed to have many negative consequences, as the debacles in the business and non-profit worlds have shown, including corruption, lower efficiency and effectiveness, greater inequities and other negative externalities that have to be borne by the public at large. Several forces, some at cross-purposes with each other, are at work in this context:

Role of the media

The expectations of being (or having to be) accountable are rising among stakeholders and across borders. This seems to have increased in recent times, coupled with lower institutional confidence (Power 1997a), perhaps because of the increase in democracy and associated values, greater awareness of the media and the role of the media, and institutionalised suspicion of watchdog groups, among other reasons. Unethical behaviour is often uncovered by responsive media entities rather than by formal audit bodies and other traditional authorities, even in developed democracies. The media thus acts as a watchdog, even monitoring the formal auditing authorities themselves.

The implications that this has on public expectations of accountability are profound. Though this type of media-based accountability offers certain benefits, especially because of the growing capabilities of globalising mass communication streams and technologies, relying on the media as the prime watchdog is not dependable, because media bodies themselves can have political and economic motivations, and can lack access to relevant information. Furthermore, reports from small media outlets may be ignored or overlooked, while larger, more politically embroiled mainstream media sources supply the bulk of accountability reports. The question of who should regulate the regulators comes into play

here. Another complication is that while media-based accountability implies aspects of liability (because a public that is aware of corruption is more likely to act to punish the guilty party), it does not guarantee actual enforcement.

Enforcement

Because of globalisation and corresponding governance problems, accountability is more difficult to enforce than in the nation-state frameworks of the past (Held 2003). Being accountable in a transnational context implies relatively high transaction and compliance costs. The capacity of organisations for being or becoming unaccountable is often greater than their capacity to enforce accountability.

Detection

While globalisation expands opportunities for being unaccountable, it also increases the likelihood of detection due to improved communication and the denser network of the media, information technologies such as the Internet, watchdog organisations and the rise of transnational civil society institutions (see for example, Kaul et al. 1999).

Policy void

A policy void is created as globalisation challenges conventional accountability mechanisms and practices, and civil society and the public at large simultaneously demand more accountability (see Kaldor et al. 2003). As a result of these processes, accountability becomes easily entangled with legitimacy questions about the role and performance of foundations and other non-profit organisations.

Thesis 3: Accountability is a multi-dimensional concept that requires unpacking before becoming a useful policy concept and management tool

The use of accountability in transnational contexts has led to multiple definitions and meanings. Indeed, Koppell (2005) suggests that conflicting expectations borne of disparate conceptions of accountability undermine organisational effectiveness; he proposes a five-part typology of accountability: transparency, liability, controllability, responsibility, and responsiveness.

1. **Transparency: did the organisation reveal the facts of its performance?** Transparency is an important tool

for assessing organisational performance and includes giving access to audit results, internal reports, and other evaluation documents to the press, the public, and other interested parties.

2. **Liability: did the organisation face consequences for its performance?** This dimension attaches consequences for an organisation’s performance. Liability can come in the form of setbacks, such as diminished budget authority and increased monitoring or positive reinforcement, such as cash bonuses to employees and other rewards.

3. **Controllability: did the organisation do what the principal desired?** Many analyses of accountability focus on this dynamic of controllability: how much control the stakeholder has over the organisation or principal, for example, the view that government bureaucracies, as their representatives, should carry out the will of the public.

4. **Responsibility: did the organisation follow the rules?** This aspect of accountability includes being lawful, adhering to professional or industry standards and behavioural norms, and being morally sound.

5. **Responsiveness: did the organisation fulfill the substantive expectations?** Responsiveness works horizontally and refers to the levels of attention that organisations give to their clients and stakeholders’ needs and demands. It implies accountability outwards rather than upward.

Koppell’s five dimensions of accountability are not mutually exclusive: the first two, transparency and liability, are foundational supporting concepts on which the other three aspects of accountability rest. Each dimension denotes a particular aspect of accountability: while a US foundation can be transparent about its grant-making to recipient X in country Y for the purpose of Z, and may indeed be responsible for the grant and perhaps even liable, it may neither have the controllability nor the necessary responsiveness in place to prevent abuse. This suggests that we should approach accountability from a more refined perspective that includes the organisation and its many diverse stakeholders. One organisation can have overlapping accountabilities on different levels.

Applied to the TB Free case above, Table 7.1 offers

Table 7.1: Accountability dimensions and stakeholders in the TB Free project

Stakeholders	Transparency: reveal performance?	Liability: face consequences?	Controllability: principal control?	Responsibility: follow rules?	Responsiveness: meet expectations?
Aventis Foundation	Yes	No	Yes	Yes	To be seen, as project is ongoing
TB Free	Yes	Yes	Yes	Yes	
Local DOTS Training Centres	Yes	Yes	Yes	Yes	
National Department of Health	No	No	No	Yes	
Regional Departments of Health	Yes	No	No	Yes	
Nelson Mandela Foundation	No	No	No	Yes	
Sanofi-Aventis Corporation	Yes	No	Yes	Yes	

a schematic overview of the various accountability dimensions, following Koppell, for a number of stakeholders. Each cell could be further differentiated according to project needs and information requirements:

- The primary target or addressee involved, for example, the German tax authorities for the liability of the AF, as opposed the South African tax and public health authorities for TB Free.
- The range of demands and strength of expectations in terms of transparency, liability, controllability, responsibility and responsiveness, for example, what are the expected responsibilities of the Nelson Mandela Foundation and how responsive to accountability demands is it expected to be?
- The actual performance in terms of the five accountability dimensions, for example, how transparent is the National Department of Health in relation to its project responsibilities, or to what extent have the local training centres been able to control the flow of information relevant for discharging its accountability obligations?

A somewhat different typology was introduced by Radin and Romzek (1996). They differentiate between the source and the degree of control of accountability. This yields four basic accountability types, as shown in Table 7.2.

Hierarchical accountability can be seen in organisational roles such as supervisory relationships, standard operating procedures, and the monitoring of agency or employee performance. Obedience is the key concept here. Legal accountability implies supervision and monitoring activities by an actor external to the agency or organisation, such as an auditor or legislative review body. There is little room for discretion in these two types of accountability, but the monitoring that does occur is sporadic. Professional accountability comes from within the organisation or agency in terms of standards and expectations. Political accountability comes from external sources that have a low degree of control. These external sources/stakeholders have expectations of the agency, but the agency or individual can decide how much they want to respond to the expectations of such external stakeholders. The role of the media as monitor fits in the Radin and Romzek framework here.

Table 7.2: Types of accountability relationships

	Source of control	
Source of control	Internal	External
High	Hierarchical accountability	Legal accountability
Low	Professional accountability	Political accountability

Thesis 4: We should encourage innovation around accountability

NGOs are not alone in seeking solutions to the accountability syndrome of organisations working transnationally. Different actors, including international organisations like the World Bank and transnational corporations, are seeking new ways and means of accountability, trying to create what Selznick (1994: 397) called ‘regularized forms of openness’ that could make transnational organisations more sensitive and porous to information needs about their performance, and at the same time also generating a feeling of ownership and control for stakeholders. As Bovens (2005) explains, accountability is important for three main reasons. First, it is an essential component of the democratic process in which voters/stakeholders are made aware of the conduct of the organisational body in question. Second, it helps prevent corruption and abuses of power, and third, it leads to improved policies and decision-making processes.

The field of accountability is currently a crowded one, containing many models that attempt to set standards but with no actor/coalition strong enough to impose its will. Table 7.3, from the UN Non-Governmental Liaison Service (NGLS) Development Dossier on Accountability (Bendell 2006), shows just some of the accountability mechanisms that NGOs currently use. Some methods are pure window-dressing, others are sincere; some are naive, others well-grounded and workable. Most initiatives work outside informal networks of accountability such as those practiced by the media and watchdog groups, though some, such as One World Trust’s Global Accountability Partnership Initiative (GAP), acknowledge the role of the media in disseminating information about an organisation to facilitate transparency.

Tables 7.4 and 7.5 present examples of accountability initiatives for international NGOs in terms of the five Koppell dimensions and the Radin/Romzek framework. What is immediately apparent in these applications is that the accountability initiatives for NGOs differ in scope, target, method and motivation. Most initiatives, however, lack specific enforcement mechanisms. While transparency and responsibility are dynamics that are included in almost every accountability initiative, liability and enforcement are not. These are especially contentious topics in the accountability debate for the non-profit sector, because creating instruments of enforcement puts the control of organisations into the hands of a third party and usurps many of the rights that non-profit organisations rely on to do their work. The question remains of who this third party should be.

Thesis 5: We should move from an NGO-centred notion of accountability to an understanding of social accountability, even moral accountability in a broader sense

Social accountability is an approach in which citizens and civil society organisations participate directly or indirectly in exacting accountability from private and public institutions, including NGOs. Businesses, governments and NGOs are held accountable for their actions and the social, political, or environmental impact they may have. Social accountability refers to a broad range of actions and mechanisms that citizens, communities, independent media and civil society organisations can use to hold public officials and civic leaders accountable (Malena et al. 2004). Such mechanism include participatory budgeting, public expenditure tracking, monitoring of public service delivery, investigative journalism, public commissions and citizen advisory boards. They complement and reinforce conventional mechanisms of accountability

Table 7.3: Types of voluntary NGO accountability mechanisms

Accountability Mechanisms	Definition	Example
Elections	Elections of board members by NGO members	World Development Movement (WDM), Friends of the Earth (FOE)
Board Appointments	Appointment of independent board members from key stakeholder groups	World Wide Fund for Nature (WWF)
Monitoring and Evolution	Assessing performance against a set of pre-defined goals for the funded activity	A requirement of most bilated aid agency funded projects (OECD-DAC)
Standards and Codes of Conduct	Documented statements of how an organization and its staff should operate adopted by one or a collection of organizations	Human Accountability Project (HAP-I), People In Aid
Certifications	Auditing organizations against, and endorsing them as in conformity with, specific standards or codes	Société Générale de Surveillance (SGS) NGO Certification, Philippine Council for NGO Certification
Ratings	Assessing organizations against a standard or code, and rating their performance, whether requested or not	Global Accountability Project (GAP), Charity Navigator
Reporting	Publishing of performance sometimes against using a specific standard, to a specific organization or the public	Financial reports are required in most countries, and most large NGOs publish annual reports on progress, for donors or members
Dialogue and Participation	Involvement of affected persons in decision making on, or implementation of, specific projects	ActionAid

Source: Bendell 2006

Table 7.4: Accountability initiatives for NGOs using Koppell's framework

				Transparency	Liability	Controllability	Responsibility	Responsiveness
InterAction	△	□	↔	2	4	3	1	5
One World's GAP ^a (also for TNCs)	△	■	○	1	-	3	-	2
Global Reporting Initiative	△	■		1	-	3	2	3
Keystone Reporting	△	■		1	-	2	3	2
Draft EC Code	△	□	○	1	^b	-	2	-
Humanitarian Accountability Partnership Int.	△	□	■	1	-	2	3	4
WANGO	△	□	■	1	5	4	2	3
Independent Sector	△	□	■	1	-	-	2	3
MANGO: Who Counts	△	■		1	-	-	2	3
SA8000 (also for TNCs)	△	□	■	1	-	-	2	-
Sphere Project				1	-	2	4	3
People in Aid		□		1	-	-	2	3

Note: Nos 1 to 5 indicate the relative importance of this indicator to the initiative, with '1' indicating the highest and 5 the lowest importance, based on our qualitative assessment of the available material. - in the cell indicates that the initiative does not address the corresponding accountability dimension. See Box 7.3 for information on the initiatives named here, and for other accountability initiatives of interest.

Key to symbols

^a The GAP framework can also be applied to the accountability of transnational corporations.

^b Although liability controls are not explicit in the code, they are implied in it.

□ the organization relies on some sort of certification process

△ the initiative emphasizes reporting

○ the initiative was created by a government agency

↔ the initiative incorporates within it a component of sharing best practices, information exchanges, and meetings between NGOs,

■ and/or training opportunities regarding accountability.

such as political checks and balances, accounting and auditing systems, administrative rules and legal procedures.

Social accountability affirms and operationalises direct accountability relationships between (a) citizens and the state, (b) citizens and businesses, (c) businesses and the state and (d) NGOs and relevant stakeholders (Social Accountability International URL). The globalising media plays an increasingly dynamic role in this, not only helping to broaden the capabilities of social accountability movements but also as an actor itself in holding the parties in question to account.

Social accountability both complements and enhances conventional mechanisms of accountability so that internal (state) and external (social) mechanisms of accountability could be mutually reinforcing. Similarly, while social accountability emphasises vertical bottom-up action, it also reinforces accountability mechanisms that are vertical, top-down (from regulatory agencies or boards) and horizontal (from peers or other similar organisations) as people demand more access to information. Another key feature of social accountability mechanisms is their use of a range of formal and informal rewards and sanctions, including public pressure.

Social accountability has become an important policy issue for three reasons (Malena et al. 2004). The first is the crisis of democratic governance and the growing disillusionment among citizens with governments that they perceive as unresponsive and given to corruption and favouritism (World Bank 2001). In many developing countries the effectiveness of conventional mechanisms of accountability such as elections has proved to be limited, as has the capacity of governments to hold businesses accountable. Social accountability mechanisms are intended to allow ordinary citizens to access information, voice their needs and demand accountability between elections, and to strengthen calls for greater corporate social responsibility and business ethics. Emerging social accountability practices enhance the ability of citizens to move beyond mere protest toward engaging with bureaucrats, politicians and business leaders in a more informed, organised, constructive and systematic manner, thus increasing the chances of effecting positive change.

Second, social accountability is an important tool for increased development effectiveness by improving

public service delivery and more informed policy design, particularly in the context of new public management (NPM). As governments fail to deliver services and to adhere to terms of contracts or formulate policies in a discretionary and non-transparent manner, social accountability mechanisms promote dialogue, consultation and learning. In particular, as NPM frequently involves the privatisation of public functions, social accountability mechanisms become important in monitoring non-profit as well as for-profit service delivery.

Third, social accountability initiatives can lead to empowerment, particularly of poor people, for instance, through the expansion of individual freedom of choice and action. By providing critical information on rights and entitlements and soliciting systematic feedback from poor people, social accountability mechanisms provide a means to increase and aggregate the voice of disadvantaged and vulnerable groups. With the rise of information and communication technologies, this ability increases. An enhanced voice empowers the poor and increases the chance of greater responsiveness by the state to their needs.

In a recent article Kaldor (2003) introduced the notion of moral accountability to complement what she calls measures of procedural accountability. Indeed, most, if not all of the accountability measures referred to in this chapter and presented in the various boxes, are procedural in nature, including social accountability. What sets moral accountability apart, and thereby elevates the debate to a normative level, is the value base of NGO activities and the extent to which NGOs live up to the standards they set for themselves and for others. Moral accountability arises from the mission of the organisation (Kaldor 2003) and is closely related to its legitimate right to speak for and on behalf of others. Put simply, if an NGO seeks to promote democracy and the rule of law, it must itself be democratically organised and soundly governed. Otherwise, the organisation faces accountability deficits and can easily be affected by the accountability syndrome described earlier that will threaten its legitimacy.

Accountability and democracy-as-debate

An increasing number of different accountability frameworks exists (as depicted in Box 7.3), especially for organisations and foundations working

internationally. The accountability syndrome facing global civil society actors is a by-product of the governance problems of a globalising world. Accountability regimes are tied to a world of nation states but economy and society, and increasingly civil society and philanthropic institutions, no longer fit into this framework. Anti-terrorist legislations in the USA and Europe, laws like the Sarbanes–Oxley Act and the multiplication of watchdog groups add to the accountability complexity of transnational civil society. While we may feel uncomfortable with the multiplicity of accountability initiatives in our increasingly globalised world, there is no single approach that can appropriately dictate how every organisation should seek accountability. A multi-pronged approach to accountability is more appropriate. A first step towards finding solutions is to acknowledge, as we have argued in this Chapter, that accountability is a growing problem that requires a strategic political perspective rather than a procedural, regulatory point of view alone. We also need to see accountability more broadly in relation to negotiated legitimacy and institutional trust, rather than in terms of proven impact, efficiency and fiduciary compliance. Indeed, as Kaldor (2003) suggests, the balance among different accountability approaches used will differ across types of NGOs and fields of activity, in particular in the relative emphasis given to procedural and moral accountability.

In this respect, NGOs will certainly benefit and



Pen Benet/Panos Pictures

learn from the various accountability projects and approaches presented in Tables 7.4 and 7.5. However, the various options are unlikely to offer a quick fix on their own for addressing the accountability syndrome. By contrast, when taken together with other measures, they may indeed offer ways forward. Among these are:

- to acknowledge that full accountability lies beyond what NGOs can and should do. Instead, external bodies or agents should be encouraged to offer accountability services to stakeholders on a for-profit or not-for-profit basis, to increase the mechanisms available to organisations and the public. One option

Table 7.5: Accountability initiatives for NGOs using the Radin/Romzek framework

	Hierarchical	Legal	Professional	Political
InterAction	x		x	x
One World's GAP	x		x	
GRI	x		x	
Keystone Reporting	x		x	
Draft EC Code	x	x	x	
HAP-I	x		x	
WANGO				
Independent Sector	x		x	
MANGO: Who Counts	x		x	
SA8000	x	x	x	x
Sphere Project	x		x	
People in Aid	x		x	

Note: A blank cell means that the particular accountability initiative does not have that particular dimension of accountability. See Box 7.3 for information about the initiatives named in this table.

Box 7.3: Examples of accountability initiatives

Active Learning for Accountability and Performance in Humanitarian Action (ALNAP URL). ALNAP is an international, inter-agency forum, established in 1997 after a multi-agency evaluation of the Rwandan genocide. The network currently has 51 full members and 450 observer members. ALNAP's annual Review of Humanitarian Action monitors the performance of humanitarian action through its members' evaluation reports, as well as the quality of these evaluations using an ALNAP quality pro forma, and it works with agencies to improve their evaluation skills.

Association of Leaders of Local Civic Group (SLLGO). This Polish non-profit and non-partisan organisation has put together a manual on local government transparency (SLLGO 2006), which discusses cooperation between local governments and the third sector. Specifically, the manual explains how local governments should implement transparent rules for distributing public funds to public service organisations and how they can establish a monitoring and evaluation system.

Australian Council for International Development Code of Conduct (ACFID URL). The Council is an independent national association of Australian NGOs working in the field of international aid and development. The ACFID Code of Conduct lays out standards for public reporting and fundraising. Currently over 110 organisations have signed the code; being a signatory is a prerequisite for applying for Australian Government funds through AusAID.

Bank Track (URL). Bank Track is a network of civil society organisations and individuals who monitor the private financial sector. The network runs international accountability campaigns, conducts research, produces reports and educational materials, operates training programmes for NGOs that are monitoring the financial sector, and gives related direct support.

Canadian Council for International Cooperation (URL). The Council comprises around 100 civil society organisations that must comply with a code of ethics. The Code deals with matters such as finance accountability, governance, management practices and fundraising, and is operated through a self-certification scheme in which organisations can assess their own levels of compliance. An Ethics Review Committee advises them indirectly (but does not take any disciplinary action).

Central and Eastern European Working Group on Notprofit Governance. The working group developed a Handbook of NGO Governance (Wyatt 2004), which lays out ideal governance practices for non-profit organisations in Central and Eastern Europe. It includes information on board structure, delegation of duties, roles of staff members, organisational missions, evaluation, codes of conduct, conflict of interest, audits and reporting, among other topics, and includes an implementation checklist for organisations. The Handbook can be applied to not-for-profit sectors around the world and has been translated into many languages.

Credibility Alliance (URL). The Credibility Alliance is a grouping of over 450 civil society organisations in India who are dedicated to accountability and transparency. The organisation has created credibility alliance norms of good governance, which are voluntary and self-regulated standards. For an organisation to belong to the Alliance it must adhere to standards that include basic legal requirements, optimal governance structure, management and human resource standards and required reporting. The Alliance is currently developing a formal accreditation mechanism.

EC Code (EC 2005). The recommendations regarding a code of conduct for non-profit organisations to promote transparency and accountability best practice is a voluntary initiative that was drafted in 2005. It focuses solely on the financial accountability and annual reporting of organisations in the voluntary sector and strives primarily to guard against the exploitation of organisations by terrorism.

Ethical Corporation (URL). The Ethical Corporation, founded in 2001, is an independent publisher and conference organiser that focusses on issues surrounding corporate ethics. The Corporation is owned primarily by First Conferences Ltd, an independent, privately owned London-based media company.

Extractive Industries Transparency Initiative (EITI URL). The initiative supports improved governance in resource-rich countries through the verification and full publication of company payments and government revenues from oil, gas and mining. It works to build multi-stakeholder partnerships in developing countries in order to increase the accountability of governments. The assumption underlying EITI is that good governance is a precondition for converting the large revenues from extractive industries into economic growth and poverty reduction.

Global Reporting Initiative (URL). An international network of business, civil society, labour and professional institutions with a reporting framework (G3 Guidelines) that is applicable to organisations regardless of size, sector or location. The Guidelines include principles, guidance and standard disclosures that can be voluntarily adopted.

Government Accountability Project (GAP URL). A whistleblower protection agency created in the late 1970s as a public interest group, GAP deals with government and corporate accountability.

Help Argentina (URL). This non-profit organisation has a self-evaluation tool that allows organisations to analyse their programmes qualitatively in order to become more transparent. Help Argentina created the tool in April 2007 with the support of the Tinker Foundation and the World Bank Small Projects Fund.

Humanitarian Accountability Partnership International (HAP-I URL). HAP-I, the humanitarian sector's first self-regulatory body, is a partnership of 15 member agencies. The HAP 2007 standard in humanitarian accountability and quality management lays out principles for humanitarian action and benchmarks for performance and verification for organisations to become certified. The initiative focuses on accountability to beneficiaries.

Independent Sector (URL). Independent Sector is a leadership forum for charities, foundations and corporations that has an accountability checklist for NGOs to assess their own accountability. The checklist includes criteria such as staff and board training, the publication of a code of ethics and values, a conflict of interest policy, independent auditing of financial statements and a whistleblower policy.

InterAction (URL). InterAction is the largest alliance of US-based international development and humanitarian NGOs such as the Christian Children's Fund, the Aga Khan Foundation, Action Aid International, Catholic Relief Services, Heifer International, Oxfam, United Way and others. All InterAction member organisations (over 160) have to certify their compliance with private voluntary organisation (PVO) standards, which cover topics like management practices, financial integrity, communications and reporting.

International Advocacy NGOs. The INGO Accountability Charter (2005 URL) is a voluntary accountability charter for international advocacy NGOs adopted in summer, 2006. Members include 11 large NGOs such as Save the Children, Oxfam, and Amnesty International. The charter outlines governing principles, such as respect for universal human and social rights, responsible advocacy, non-discrimination, transparency in reporting and auditing, ethical fundraising and professional management.

ISEAL Alliance 2006 (URL). The International Social and Environmental Accreditation and Labelling Association of voluntary international standard-setting organisations (from private and manufacturing industries) focuses on social and environmental issues. ISEAL helped to develop a code of good practice for setting social and environmental standards, to which all ISEAL members adhere and are evaluated against through self-assessment and peer review.

Keystone Reporting (URL). Keystone offers an open source model for civil society accountability that can be adapted by each organisation according to their needs. The model covers self-assessment techniques, stakeholder engagement methods, monitoring and evaluation and reporting techniques.

Management Accounting for Non-governmental Organisations (MANGO). This charity launched its Who Counts (URL) campaign in April 2005. MANGO helps NGOs to strengthen their financial management by providing training and guidelines for best practice. The campaign encourages NGOs to implement transparent and comprehensive financial reporting to beneficiaries.

NGOwatch (URL). The American Enterprise Institute (AEI) for Policy Research and the Federalist Society developed NGOwatch.org. This evolving website provides NGO-monitoring tools and related information. In 2003 AEI and the Institute for Public Affairs (Australia) held a conference on NGOs, 'the growing power of an unelected few', from which NGOwatch emerged. Instead of advocating a particular accountability initiative, NGOwatch lists information about hundreds of NGOs, with links to their websites and their tax forms. Critics of NGOwatch call the project 'a clear example of a right-wing campaign designed to monitor and critique "liberal" U.N.-designated NGOs' (The Political Research Associates 2004: 3).

One World Trust (URL). This organisation focuses on education and research in relation to three main areas: sustainable development, accountability, and peace and security. One World runs the global accountability project (GAP), a framework that considers accountability in four dimensions: transparency, participation, evaluation and complaints and response. Inter-governmental organisations, transnational corporations, international NGOs, and other organisations, can use the GAP framework internally to increase their accountability. In addition, it can be used by stakeholder groups to advocate for the accountability of these organisations.

Pakistan Centre for Philanthropy (PCP URL). The PCP non-profit certification programme is the first of its kind in Pakistan and, in fact, in the whole of South Asia. It evaluates an organisation's governance and the transparency of its financial management together with the effectiveness of its programme delivery. Certification is awarded after a desk review and a field visit, with scoring done by professionals, followed by a review by an evaluation panel (two members of which are from the Pakistani government).

Parliamentary Network on the World Bank (PnoWB URL). This international network of parliamentarians strives to increase transparency and accountability in the World Bank and other multilateral and bilateral donor organisations. The PNoWB runs annual conferences, dialogues, and field visit programmes, and has national and regional chapters. It has run a parliamentarians' implementation watch since 2002, which produces updates, connects parliamentarians with NGOs, private sector organisations and the media, creates action plans and builds the capacity of parliamentarians to enforce and pursue the goal of accountability in the World Bank and other similar organisations.

People in Aid (URL). People in Aid is a support organisation for a global network of development and humanitarian assistance agencies. The code of good practice in the management and support of aid personnel (People in Aid 2003) helps these agencies enhance the quality of their human resources management in terms of health, safety, security, training, communication, leadership, policies and practices. It is geared towards all development and humanitarian relief organisations and is the result of collaboration between international and national NGOs from around the world.

Philippine Council for NGO Certification (URL). The Council was initiated by six large Philippine NGOs and is a private non-profit organisation that certifies other non-profit organisations in terms of their financial management and accountability. The Council is authorised by the Department of Finance to carry out this certification process. NGOs can apply for certification, are evaluated and if successful, awarded certification for three to five years.

Social Accountability International (SAI URL). SA8000 is a standards and verification system mainly for private business but also for any organisation with a supply chain, such as a non-profit organisation. The programme relies on certification by certain SAI-accredited bodies and deals with workplace standards. It is based on International Labour Organization conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child, and covers topics like child labour, forced labour, health and safety, and freedom of association. SA8000 mandates certain management requirements, involvement by stakeholders, public reporting through SA certified facilities and annual reports, training partnerships, and complaints and appeals processes.

South African NGO Coalition (URL). The Coalition, created in 1995, is the largest grouping of NGOs in South Africa. Its members adhere to a code of ethics, which covers such matters as values, governance, accountability, management and human resources, finance and resources.

Sphere Project. The project was developed by the Red Crescent Movement, the Red Cross and other humanitarian NGOs and includes the a handbook, the Humanitarian Charter and Minimum Standards in Disaster Response (2004) which lays out what people affected by disasters should expect from humanitarian assistance and how accountability in disaster response can be enhanced.

Standards for Excellence (USA). As part of an initiative by the Standards for Excellence Institute, the Standards include a certification component and are based on a code developed by volunteers several years ago from the not-for-profit sector. The Standards cover eight principle areas, such as conflict of interests, missions and programmes, fundraising and transparency, which lay out how responsible non-profit organisations should operate. Over 60,000 copies of the Standards Code have been distributed. Non-profit organisations can use the Code as a guide for best practice; versions of the code tailored to the needs of different US states also exist.

World Association of NGOs (WANGO). WANGO is an international support organisation uniting NGOs worldwide, with members in over 150 countries. The code of ethics project was initiated by WANGO in 2002 and the current version of the code was completed in March 2005. It lays out a series of guidelines that an organisation should follow to be accountable, in terms of governance structures, human rights, fundraising, mission statements, human resource development, reporting and public information, partnerships and financial and legal responsibility.

would be for foundations or government funders to allocate a portion of each international grant to this purpose, perhaps by adding a line item to the project budget.

- to require international organisations to play a greater role and encourage the UN, EU and similar bodies to address the accountability syndrome under conditions of weak global governance. Discussions in Europe to establish the legal instrument of a European Association/Foundation, and having the European Commission serve as regulator and supervisory body, is one example of this option.

- to introduce and encourage the use of standards (ISO) for international NGO activities based on established and proven good practices. This option entails that foundations and organisations will engage in the necessary research and fact-finding needed for developing best practices and standards, and also that they will think about appropriate ways and means of certification and auditing.

- to develop transnational NGO audits, conducted by independent institutions (public or private) that mediate between 'general principles of control and accountability which have a populist basis, and internal procedures capable of uniting technical and moral competence' (Power 1997b: 21).

- to view accountability in the broader context of social accountability. An example of this is that organisations can run versions of town hall meetings and forums at regular intervals to give relevant stakeholders the opportunity to share information, ask questions, voice concerns and make suggestions about such matters as the project's goals, performance and accountability. Such forums are also a good way to detect potential conflicts, and for discussing and settling them in an open manner. Related to this is the need to investigate both the potentials and limitations of the media as accountability monitor and transparency enforcer. There is, of course, a bridge between social/moral accountability and democracy, in particular the notion of democracy-as-debate. Indeed, of the five types of accountability Koppell identifies, transparency and responsiveness relate most directly to this conception and, as it turns out, are among the most popular of

the initiatives we have looked at. By contrast, controllability, which is closest to the traditional conception of democracy-as-representation, does not fare so well and shows the inherent weakness of civil society organisations in this respect. Thus, if social accountability approaches could be developed into the direction of democracy-as-debate and therefore more into the direction of moral accountability, the accountability syndrome we have identified in this chapter could move from an emphasis on technocratic supervision and control to more devolved and open transnational accountability networks.

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