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Mechanisms for NGO Accountability

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About the Autor

Lisa Jordan is a Program Officer with the Ford Foundation. Lisa started her career in 1987 as a Legislative Assistant to Congressman James H. Scheuer of the 8th district in New York. Lisa worked on environment legislation and development related foreign policy issues while with Mr. Scheuer. Lisa helped to establish the Global Legislators Organization for a Balanced Environment (GLOBE) an international environmental exchange among parliamentarians from Europe, Japan and the United States. She ultimately left Congressman Scheuer's office to found and direct the first GLOBE U.S. office. She was the Director of GLOBE-US from its inception to 1992, when she moved to the Netherlands. While living in the Netherlands, Lisa organized a Dutch-Eastern European civil society network aimed at instilling accountability to a public constituency that is represented by the Dutch Executive Director's office of the World Bank.

Lisa graduated cum laude with a Master's Degree in Development Studies from the Institute of Social Studies in The Hague, Netherlands. She has acted as a consultant for numerous foundations both in the fields of development and environment and has published articles in Dutch and English on the shifting development paradigm, the phenomena of non-governmental organizations and on the multilateral development banks.

GPPi Research Project on Accountability in Global Governance

In recent years, accountability has emerged as one of the key approaches in the search for new modes of democratic governance beyond the nation-state. The call for more accountability in global governance is now common in political debates, but it is noteworthy that the understanding of the term is more limited than its use. If the debate is to have meaning as well as useful practical relevance, the conceptual foundations of the term accountability need to be clarified: including the potential and limits of accountability in facilitating democracy, and how accountability of actors and processes of global governance can be improved.

The goal of this research project on "Exploring and Analyzing the Role of Accountability in Global Governance" is to take a first step towards developing a "pluralistic system of accountability" both conceptually and operationally. It seeks to contribute to a better understanding of the role and significance of accountability in global governance, and the various ways in which it is put in practice.

For more information on this project, please visit our website at www.globalpublicpolicy.net.

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Executive Summary

Today, global public policy is the product of negotiations between states, business and civil society actors, or NGOs. As the role of NGOs in policy formulation, implementation and enforcement has risen, so have questions concerning their effectiveness, reliability and legitimacy as actors in the governance process. In this paper, Lisa Jordan discusses the costs and benefits of ensuring NGO accountability, particularly with regards to the current practice that emphasizes 'upward' and 'external' accountability to donors. She proposes that NGOs and the academic community develop mechanisms that ensure NGO accountability to *multiple* stakeholders. These tools and processes must not only assure accountability to donors but also to NGO staff ('internal' accountability) as well as to the general public and the beneficiaries of NGO services ('downward' accountability').

Introduction

NGO Accountability is one of the hottest topics to accompany the rise of civil society. The discussions and debates around accountability suggest that NGOs have 'arrived' as an accepted form of civic expression. This paper seeks to lay out the basic parameters of the NGO accountability discussion in three sections. The first section places the question of accountability into a political landscape. It outlines the questions that are being asked, who is asking them and postulates as to why they are being asked now. The second section reviews the responses, the mechanisms that NGOs use to legitimize their work, evaluate and improve their work, and respond to attacks on their credibility. The third section analyzes the mechanisms and discusses ways to strengthen NGO accountability.

Who's Asking And Why Now?

In May of 2003 the American Enterprise Institute, a non-governmental organization (NGO) based in Washington D.C. with overt ties to the Bush Administration co-sponsored a conference on NGO Accountability. The title of the conference was: "We're Not From The Government But We're Here To Help You. The Growing Power Of An Unelected Few." The main issue of debate was whether or not civic associations had the right to participate in international political debates, global public policy or even operate internationally. The target of debate was international non-governmental organizations (NGOs) and the accusation stemming from the conference was that NGOs undermine national sovereignty and democracy (www.ngowatch.org). The conference papers constituted a political attack and the effort was ultimately received by the mainstream press as an attempt to discredit NGOs whose views American Enterprise Institute tends to disagree with. Nevertheless, the conference demonstrated two things: one, that NGOs are a potent political force and two, that there are some serious issues confronting civil society that need to be addressed.

One of those serious issues is a changing political landscape. Today, global public policy is formed through a negotiated process between states, civil society - the organizational associations between the state and the family - and the profit-seeking sector. NGOs have become a de-facto partner in the establishment of global norms and standards, negotiating, influencing and proposing policy solutions to social public problems like the spread of communicable diseases, poverty, housing and education crises, shrinking wages, ecosystem fragility and human rights violations. At the national level, many social services that traditionally were in the purview of government are today delivered by the private sector or through NGOs. Governance is practiced through a negotiated process between

political parties, the state, civil society and the profit seeking sector. There is a public perception or fear in many emerging democratic countries that the nascent civil society is developing in a vacuum or is somehow, undermining political society. In both global and national arenas NGOs are often demanding democratic practice in governance, yet they themselves are not democratic or are not clearly recognized as an important part of democratic practice.

Part of the changing governance reality is a need for new social contracts as our existing contracts are no longer adequate for the challenges that we face either locally or globally. New social contracts are needed especially to address problems that extend beyond national borders like the spread of communicable diseases, the changing climate, the scarcity of fresh water, etc. To fulfill those needs we have generated new social actors, of which one is NGOs, who increasingly play a part in identifying and resolving these major global social dilemmas but do not have clearly defined rights or responsibilities. NGOs are often acting in public-private partnerships where they are appointed to deliver social services or monitor environmental health. They are also developing partnerships with the private sector to address a social need or monitor private sector practices. There are myriad accountability questions embedded in these partnerships and new roles.

The second realization and related to the rise of new social actors, is that civil society has replaced some functions traditionally carried out by the state. In this and other ways, NGOs have grown to a size and scale to rival the very government or intergovernmental agencies with which they interact. Solidarity in Literacy, a Brazilian NGO for example services 4 million illiterate individuals. Conservation International is currently an 84 million dollar operation and is active in 42 countries while its sister, The Nature Conservancy is a $3 billion dollar operation active in 30 countries. World Vision rivals the World Food Program in both financial size and geographic impact. No matter the humanitarian nature of these operations, the power represented within multimillion and billion dollar operations is substantial.

A third issue is scandals in the sector. The public, vis-à-vis journalists, has begun to ask some pointed questions. In the Netherlands, journalists made an issue of the salary of a senior NGO official who commanded more money than the Prime Minister. In the U.S., a series of reports regarding an environmental NGO noted that it was running mining operations in environmentally sensitive areas. And a third example came from Africa when the press exposed a practice of trading relief supplies for sexual favor. Self-dealing, conflicts of interest, complicated business deals, a lack of transparency, and fundraising schemes that leave less than ten cents on the dollar for ultimate beneficiaries have all been reported in the press as problems in the non-profit sector.

Lastly, the American Enterprise Institute bases its attacks on NGOs upon exceptions to the advocacy role undertaken when setting national and global policy. These latter political attacks are inevitable as NGOs move out of the fringes of political debate and influence decisions, either by sheer size or through concerted action.

The rise of questions of accountability is not in doubt. In part, it is a natural extension of the shifting role between the state and the private sector (of which NGOs are a part). As governments shrink and responsibility for delivering public goods and services is shouldered by NGOs the issue of responsibility to the public naturally stems from the roles NGOs have undertaken on behalf of, or instead of, the state.

However, there is more to it than that. NGOs are negotiating global public policy and often play an enforcement role once those policies are in place. For

example TRAFFIC, an international NGO, enforces the CITES treaty. Their power vis-à-vis sovereign governments comes into question especially when they make a decision that separates a nation-state from a potential source of revenue, or challenge the right of states to act in the 'national' interest. NGOs can make states and market players quite uncomfortable in reminding these powerful actors of a broader societal interest and the impact that decisions can have on a broad public. For example, debates raised by NGOs about which states have the moral authority or credibility to sit on the UN Human Rights Council call into question the value states place on conventions and treaties they pledged to enforce.

Types Of Accountability Questions

Today, NGOs are asked to address three types of accountability questions by a wide variety of actors - effectiveness questions, questions of organizational reliability and legitimacy questions.

The first type of question is embedded in the title of the American Enterprise Institute conference (We Are Not From The Government, But We're Here To Help You). This query questions the effectiveness of NGOs as a social service delivery agent arising from the prominent role that many NGOs play in delivering social services. Effectiveness questions usually have to do with the quality and the quantity of services offered like distribution of medicines, food, textbooks or other educational services etc. Quantity and quality of service delivery is under query here. Sometimes this type of question is accompanied by a question regarding the responsiveness of the NGO to the beneficiaries, but that is rare.

Donors most often ask these questions. Governments which would have once had responsibility for delivering the respective services, but whose role has changed to oversight might also ask these questions. In rarer instances they might be asked by the beneficiaries but it is not the most common source of query. These questions are currently very popular due to a shift in resources over the past decade from governments to NGOs for the purpose of delivering social services. There is an entire battery of administrative processes often designed by donors that NGOs employ in order to answer these questions. In almost all instances these administrative processes help to account for how money is spent. In large part, effectiveness questions embody a response to another agency which holds authoritative power over the NGO and thus can be seen as often generating accountability towards an external overseer or 'upward'.

A second type of question is oriented toward the independence and reliability of the organizational structures of NGOs. For example, NGOs are frequently asked about the role and composition of the board, financial accounting, management structures, compensation policies, hiring and firing practices, etc. These kinds of questions are similar to questions that drove the 'capacity building' phase of NGO development in the nineties. However, they are clearly articulated today as accountability questions. Donor and aid agencies often ask these questions along with sector wide associations that are established by NGOs to strengthen the sector. These questions emanate from the rapid growth in the sector worldwide and help those who wish to strengthen the sector to suggest ways in which to improve NGOs. These questions help to define the sector (often called 'third' sector or 'independent' sector) and generate trust and accountability to the sector as a whole. Thus they stimulate some horizontal accountability toward other organizations of the same caliber. However, they may also be used to generate accountability towards a higher authority like effectiveness questions often do.

A third question surrounds the legitimacy of NGOs. These questions are oriented toward ties to the public, transparency and adherence to the

mission of an NGO, representative status (who do you represent?), relationship to community served, the value base of NGO, the relationship between NGOs and democracy or value to society as a whole. These questions are raised by both friends and foes to the NGO. Political opponents or those who disagree with a given mission expressed through an NGO action are likely to ask this type of question. A recent spate of claims that charities have been used to funnel money to terrorists falls into this category. The legitimacy of the entire sector has been questioned by raising the possibility that there may be links to terrorists. However, potential partners of an NGO who may wish to join the NGO in a coalition, network or campaign may also ask legitimacy questions. The press, when exposing a bad apple in the bunch could question the legitimacy of an NGO. And peers who are concerned about corruption within the sector are also likely to raise legitimacy questions. Legitimacy questions can stimulate upward, horizontal or broader societal 'downward' accountability.

Table 1: What questions, who is asking?

What kind of question?	Effectiveness	Reliability	Legitimacy
Who is asking?	Donors	Donors	Political Opponents
	Governments	Sector Associations	Advocacy partners
		Partners	Academics

Legitimacy questions often arise in political arenas where NGOs are playing advocacy roles or in arenas where NGOs have grown to become multimillion dollar operations. They are particularly prevalent in the nascent global political arena where NGOs are involved in global public policy discussions and in newly emerging democratic nation-states, like Indonesia or Mexico. As multiple forms of democracy are debated or jockey alongside each other, these questions are increasingly raised to challenge the right of NGOs to a voice in policy debates.

Who Is Not Asking?

Public perception of NGOs varies widely across the world, thus it is difficult to make statements regarding the intensity of the debate. In one country NGOs may not be well-known while in other countries they can regularly be front page news. The treatment of NGOs as a sector by national media also varies. It is rare to find news articles, radio programs, etc. that address NGOs as a sector in some countries like the U.S. where the term is not widely used. In Uganda, Bangladesh and Indonesia NGOs are widely reported on as a sector. In order of frequency, one could postulate that donors ask the most questions of NGOs, other NGOs ask the second most, and governments ask the third most. The private sector asks periodically and when they do it, is usually through associated organizations like European Policy Forum or the United Nations Global Compact. Academics are beginning to review these issues. Beneficiaries of NGO services, members, and the general public seem to ask the least often.

Regardless of the variations at national level, some organizations have attempted to conduct global polling that includes questions about trust in NGOs. The results would suggest that NGOs as a sector enjoy high levels of public trust, at least higher than corporations, churches and governments (Environics International and Edelman). A British based business, Sustainability, recently conducted an overview of the field and found that NGOs are held in high esteem with the public (Sustainability 2003). Nevertheless, amongst some circles accountability questions are on the rise.

Accountability Mechanisms

This section attempts to answer what accountability mechanisms are most pervasive. Are there differences in the use of accountability mechanisms across various types of NGOs?

There are reams of materials available on NGO accountability. Most of it starts with mechanisms that preface operational capacity, management structure, performance measurements, and accounting practices with an emphasis on legal obligations (Ball and Dunn 1995). Outcome tracking software has been developed to measure how many clients have been served by an individual caseworker (The Nonprofit Quarterly 2001). Proposals have been made to increase and improve accounting as a measure of accountability (International Journal of Civil Society Law, 2003). The tools used in the development industry are riddled with accountability mechanisms like exit strategies, participatory assessments, etc. In India, commercial ratings and certification systems have arisen in droves and they are beginning to be created at a global scale as well.

Alnoor Ebrahim notes that NGOs respond to issues of accountability with both tools and processes (Ebrahim 2003). Tools are often oriented towards external stakeholders that have considerable leverage over an NGO like a donor or a government regulator. Tools are often created by these stakeholders for purposes intrinsic to donor or regulator needs. Familiar tools are annual reports, financial accounts, performance assessments, quarterly reports, independent evaluations, audits, metrics, logical framework analysis, etc. They make available to oversight bodies and the general public (if released) data pertaining to the governance and performance of an NGO (Ebrahim 2003).

These accountability tools are most often employed by NGOs in the business of social service delivery. They are an integral part of the principle-agent contracting relationships which exist between many NGOs and donor agencies. They span across the North-South global divide. They result in clarity as regards the relationship and well defined performance benchmarks.

However, they are not without defects. What they do not allow for is a negotiated process of what is to be measured. For example, an NGO engaged in health education may be most interested in measuring behavioral changes while the donors that provided funds for health equipment or medicines may want to measure how many units of medicine were delivered. The needs of the donor to be able to account for medicines, bed nets, needles, condoms, etc. often prevail over the desire of the NGO to measure or evaluate its programs results or structural behavioral changes. Reports are time-consuming and expensive. One type of reporting often precludes the possibility of undertaking other types of reporting. A lack of flexibility within donor agencies and the need to keep the resources flowing results in the NGO prioritizing donor needs over its own. Even further down the chain is the community, which may want entirely different types of health services or may be most interested in holding the NGO to account for how many illnesses are cured.

However, when applied with finesse these types of tools can strengthen the infrastructure of an NGO and serve multiple purposes for both internal and external stakeholders. For example, Solidarity in Literacy spent three years developing a software program that allows stakeholders that have rights to financial resources or have provided financial resources to the organization to trace the money flow throughout the transaction. Teachers and students can at any time see where their money is in the system and can hold administrators or municipal officials to account when the money owed to them is 'stuck'. Donors can trace how, when and where their donations are allocated or spent. A hotline has been established to help stakeholders access resources. The introduction of this transparency mechanism has helped Solidarity in Literacy demonstrate their responsibility both to donor and to beneficiary with a single tool. Furthermore, when all the information gathered is made public through a website, it tends to strengthen the NGOs considerably, as it suggests

that the organization in question has nothing to hide (SIL website).

Tools are beginning to be consolidated through a process of accountability accreditation in many countries. Perhaps the best known is the Philippines NGO Certification Council which certifies NGOs by measuring or examining the information provided by the tools above and includes a review of the governance structure of an NGO. Once certified, the NGO is able to receive donations that are tax-exempt. Similarly, some members of Interaction, the development industry association, are about to undergo a social audit that would verify whether they adhere to the accountability standards developed to guide member's actions. However, the costs to certification/accreditation can be prohibitive for smaller NGOs. Very few of the more than 8000 NGOs in the Philippines have actually received accreditation as of yet, which in some circles, is seen as proof that the process is too complex and costly for many non-profits to undergo. Similarly, NGOs that are based on child-sponsorship have recently agreed to act as guinea-pigs in a social audit in the United States undertaken through Interaction and SAI will spend tens of thousands of dollars on the process (Interaction 2004).

Other tools that have recently been employed by NGOs comprise an array of management practices that strengthen the focus of an organization on its mission. These include: strong oversight boards that are independent from management and include key stakeholders affected by the organization's operations; complaints procedures oriented toward internal and external stakeholders; conflict-of-interest policies; officers to make sure the organization pursues only those opportunities that speak directly to the core values or mission of an institution; whistleblower protection policies; and ombuds functionaries who can respond to concerns from external stakeholders.

Accountability is more of a process, however, than a set of tools. Two primary stakeholders that accountability tools need to respond to are those that are internal to the organization or network and those that are external yet impacted by the actions of an NGO. The accountability process often undertaken by NGOs begins with developing a clear mission statement, then undertaking a broad stakeholder assessment, i.e. determining who is important to the ability of the organization to carry out its mission, a focused effort to solicit the views of those stakeholders, a learning process that would include real time independent evaluations or social audits, review of concerns or issues that may arise or have arisen in the operations of the organization or network, oversight mechanisms like sector wide self-regulation; a communications process with all critical stakeholders and a corrective procedure to help maintain flexibility (mid-course corrections) when actions fail to achieve desired results, or problems arise.

Different types of NGOs rely on different types of mechanisms. Ebrahim has conveniently separated out three types of NGOs that rely on differing mechanisms. (Ebrahim 2003). Membership organizations for example are principally accountable to their members and they use franchise, reform and dues as accountability mechanisms. Consumers International and Women's League of Voters are both primarily responsible to the General Assembly, a meeting of their members which occurs every year or every other year. Sierra Club members vote not only on the topics to be undertaken by the club but also on the positions to be advocated. Friends of the Earth International also has elaborate voting procedures among its federated global structure that govern its actions. Not all members enjoy the same rights. Some member based organizations do not offer accountability mechanisms to the membership. Greenpeace, for example, in which one can become a member by sending in a donation but membership does not entail

an active say in the operations of the organization.

Service organizations usually are principally accountable to their donors and they use performance assessment, evaluation, reporting requirements, laws and self-regulation as principle accountability mechanisms.

Ebrahim notes that networks of NGOs are principally accountable to the organizational members, but I would argue that they are generally not accountable to each other but often feel a responsibility to the shared mission, values or goals of the network. Examples of accountability mechanisms in networks, or in even more tenuous relationships like coalitions, are difficult to find. When network members are accountable to one another mechanisms that are employed between network members can span five areas: clarity in who is the primary actor or voice in any given political arena; clarity in agenda setting and strategy building; robust, frequent, useful and transparent information flows; transparency in resource distribution; and agreement on how to characterize the relationship among network actors (Jordan and Van Tuijl 2000). Accountability in networks, federations, coalitions and partnerships is the most muddled of areas, but perhaps the most critical as these relationships are very modern and have arisen in response to complex global crises that cannot be solved through command and control hierarchical relationships. Questions of accountability in partnerships become even more complex when one realizes that these partnerships are often formed to deliver a social service in lieu of state or local government action. Beneficiaries, who relied upon their representative democratic process to hold actors to account, no longer have those options, when delivery of services is carried out through a partnership of an array of global private actors.

Are There Costs Associated With Accountability?

This section queries what do accountability mechanisms "cost"? Are there any trade-offs in addressing accountability, e.g. with program implementation effectiveness? Are such trade-offs pervasive, and how do NGOs try to address them? What are the built in biases and towards whom are they biased?

Accountability (the obligation to report on one's activities to a set of legitimate authorities) is the basic principle of responsible practice for any institution, public, private or NGO (Edwards, 2002). And it matters who is asking the NGO to be accountable. Almost all mechanisms now employed at the organizational level and sector have arisen predominantly from queries from government or other donor sources and have led to a series of accountability mechanisms that include log-frames, certification systems, complex reporting requirements, reams of forms, rating systems, infrastructure and management capacity building tools and codes of conduct.

These types of accountability mechanisms can be helpful in creating a standard in particular fields (like the child sponsorship field), clearly defining expectations in a contractual relationship, clarifying the role of an NGO and allowing the public or the donor to evaluate the NGO on terms set by the donor.

The downside to these mechanisms is that they prioritize the needs and desires of donors and governments over those of other stakeholders within and surrounding NGOs. They do not always address the immediate knowledge needs of the NGOs, they rarely reflect the value-base of NGO activities, they can be quite expensive and when they become the standard for the industry they can lock out smaller NGOs. They can often seem to NGOs to be quite divorced from the mission of the organization. Accountability mechanisms as they now

exist rarely address the rights of NGOs to operate (for example the right to associate freely) nor the responsibilities of NGOs to a wide array of stakeholders. They can fail to recognize the context within which NGOs operate, especially when developed in one context but then utilized in another national or local setting. Lastly, the complex web of relationships that mark the role of NGOs is not reflected in many accountability mechanisms. In part the inadequacies of these mechanisms reflect the source from which they have arisen. More worrisome, however, is that they suggest a lack of serious discourse amongst NGOs themselves.

As noted by Alnoor Ebrahim 'accountability in practice has emphasized 'upward' and 'external' accountability to donors while 'downward' and 'internal' mechanisms remain comparatively underdeveloped. NGOs and donors have focused primarily on short-term 'functional' accountability responses at the expense of longer-term 'strategic' processes (Ebrahim 2003). NGOs typically have relationships with at least six identifiable stakeholders of which donor and governments are two. The others are its own staff, the general public, other NGOs, social movements, beneficiaries of services, global organizations and the private sector. Not every NGO has a relationship with each of these societal sectors, but one or more come into play with almost every NGO. Accountability mechanisms as they now exist often do not prioritize these other relationships.

The needs of donors are driving an 'accountability industry.' Global market solutions to the NGO accountability question are on the rise and are divorced from context and the values base of much NGO practice. Certification standards are being proposed by the private sector to 'certify' NGOs. Societe Generale de Surveillance markets the 'SGS Solution', based upon the so-called 'NGO 2000 Standard', to governments and donors (SGS 2000). It appears that SGS hopes to create a market demand for ratings and certification systems amongst donors so as to force NGOs to undergo scrutiny. SGS suggests that all stakeholders have the same interests; that there is a baseline from which to measure acceptable practice; that efficiency is a key goal in NGO work; and essentially that an NGO is no different from a profit driven business (and uses market terms like 'suppliers' for donors and 'customers' for beneficiaries). The 'SGS Solution' is based upon a private-sector model of independent verification that has been widely discredited over the past few years in the wake of corporate scandals. It would do very little to address the legitimacy type of questions outlined in section one and may do more harm than good to the sector by cementing the idea that NGOs are just like big business.

Beyond the reputation costs, accountability, when narrowly defined as external oversight, can also result in stringent directives imposed by donors stifling experimentation, innovation and flexibility to respond to the needs of a constituency that an NGO serves. A second costs lies in 'goal deflection' whereby the donor agency frame of the problem prevails over the needs of the constituency (Ebrahim 2003). These costs must be taken into account by donors and others who have the power to regulate or coerce changes in NGOs.

The focus on accountability mechanisms divorced from questions like 'accountability to whom' and 'for what purpose' has engendered negative responses from NGOs. Many do not see the purpose in taking up the issue of accountability. Jan Aart Scholte, a researcher at the University of Warwick has undertaken surveys of over 600 NGOs worldwide. He and his global team found that most NGOs had given almost no thought to the issue of their own accountability (Scholte, 2003). Arguments range from efficiency arguments (it's too expensive) to questions about the behavior of other actors in a political arena (the real accountability problem is with the government/private sector) to questioning the purpose (how is this

related to our mission). Most accountability mechanisms are viewed with suspicion as controlling elements imposed by actors more powerful than the NGOs.

Sadly, there is no conclusive evidence that developing codes of conduct and certification schemes actually helps to broaden or protect the political space in which NGOs operate. NGOs attacked by AEI all have proper and recognizable independent boards and good management infrastructure. They all report to donors in a timely fashion and many have independent audits. Their legitimacy to advocate for policy change was called into question and the existing accountability mechanisms have not helped them cope with the broad based question of representation or the accusation that they undermine state sovereignty. Thus, one of the most prominent reasons for NGOs to undertake accountability issues is called into question. Some people argue that the certification scheme in the Philippines did help stave off a change in the tax code that would have been unfavorable to NGOs. The relationship between political space and self-regulatory systems is an under-explored area, ripe for academic review.

Implications Of The Debate

Why should NGOs undertake the issue of accountability? A rising polarization of political debate which tends to demand that society organize itself into neatly formed sectors with clear roles - into enemies or friends - has led to increased questioning of the third sector, which is not easily boxed or categorized and thus is considered with suspicion by those who, for lack of a better way to phrase it, would like human beings to live a little more tidily. Rising polarization is something that can be seen in political society in the United States and in the rise of fundamentalism elsewhere. It is hard to say clearly whether this is a global trend. But I believe that its implications for the density of associational life are negative. It could weed out creative solutions and creative associational responses to the need for new social contracts and could have a negative impact on the creation of new partnerships and NGOs. Furthermore, if questions on NGO accountability are not addressed credibly by NGOs the ability of NGOs to negotiate peace arrangements, to reach the very poor, to call states to account for violations of international human rights and other treaties will be undermined. Without strong NGOs human society would be left facing hugely complex problems with a vastly diminished tool box. Finding credible and creative ways to respond to effectiveness, reliability and especially legitimacy questions can help to overcome rising polarization by demonstrating the useful, necessary and valuable roles NGOs play.

In the grand scheme of societal relations, NGOs ultimately have very little power. They do not have coercive power, financial power, or even the authority and power that derives from representation. What they do have is flexibility, innovation, ideas, the ability to persuade and the power of a voice. These are all soft powers that can be and often are overridden by the power of money and guns. Already, many powerful actors are unhappy with the perceived power of NGOs to threaten nationalistic interests, corporate interests and the traditional roles of government. There is a concerted campaign amongst nationalists of all types to undermine the universalistic behavior, ideals and actions of many NGOs. Corporations and intergovernmental institutions have begun to fund think tanks like the Caux Roundtable and the European Policy Institute to question the accountability of NGOs and to propose 'solutions' that, in general, work for the private sector and nation-states to the detriment of democracy and a greater public good. It is critical for NGOs to seriously answer accountability concerns for themselves before other more powerful actors define the parameters of the debate.

Fortunately, some efforts are now underway. The Hauser Center at Harvard

University in alliance with Civicus has begun to gather an elite set of NGO executives on an annual basis to grapple in part with this question. Codes of Conduct are popping up nationally and internationally to help define standards in the field. Account Ability has an Access Initiative which is meant to work on a global scale and help to steer local resources to local NGOs that have proven track records. The important point of these efforts is that they are driven by and for NGOs. While they vary in scope they are all attempting to define common standards within sectors, amongst memberships of associations, within geographical boundaries, etc. It is a tricky task to define acceptable standards of behavior for non-profits whose only common characteristic is that they are not governments and not pursuing profits.

Strengthening NGO Accountability

NGOs have many reasons to embrace the issue of accountability. The first one is to stave off systems that are costly, and do not speak to the organizational or network learning needs. The second is to respond to stakeholders impacted by decisions made by NGOs. The third is to improve outcomes. The fourth is to strengthen the role of NGOs within civil society (where NGOs are just one form of association). NGOs whose actions speak to a strong values base will need to publicly define the goals that they are oriented toward in order to bring more supporters into their universe and fend off political attacks. These reasons speak to a need for different types of accountability processes than those often proposed by donors.

Scattered throughout this paper I have made reference to interesting approaches to accountability that while time consuming and sometimes even expensive, can serve the needs of multiple stakeholders. These include Action Aid's Applied Learning Program, Solidarity in Literacy's transparency mechanism for its resource allocation, and the Humanitarian Accountability Project based in Geneva which applies a rights-based approach to emergency relief services. There are others. All have taken a common approach to the issue. The differences between donor-driven approaches and those embraced below are: developing a clearly defined mission statement; a 360 degree process of identifying internal and external stakeholders; defining accountability to whom and ranking stakeholders; reviewing existing processes; identifying gaps and then developing new mechanisms that respond to the needs of multiple stakeholders.

NGO accountability can be strengthened by understanding first that accountability is a socially derived concept that varies from one culture to the next. The rights and responsibilities that define societal norms within that context are important to consider when addressing the responsibilities and rights of active NGOs.

Many donor organizations fund assessment and evaluation. For the most part, assessment and evaluation are good forms of accountability mechanisms because when undertaken with care, they can lead to organizational learning. However, if a donor is too stringent in defining acceptable forms of evaluation and assessment, it may squander an NGO's opportunity to learn. NGOs should be proactive in seeking funds for assessment and evaluation so that they have the possibility of defining their own process.

And, while donors could serve the sector by providing resources for NGOs to develop evaluative processes without prescribing approaches, donors are also accountable to others, like regulators, legislators and their own boards. Thus, the ensuing accountability mechanisms should contain the information that donors need to be accountable themselves. Most donors need similar types of information or to ensure that funds are spent as agreed in the proposal. Donors could work as a sector to coordinate their own reporting requirements so that NGOs with multiple

donors are able to provide one report to multiple agencies. Some donors are beginning to explore this issue. Flexibility in the donor community could help to ensure that accountability mechanisms developed for the donor also serve as learning mechanisms for the NGO. Lastly, donors could develop incentives for risk-taking and experimentation by sharing lessons that they learn from evaluating lines of programming. Donors can help others to learn from the incredibly rich experiences that are now often held internally in donor agencies. This would include both successes and failures. Failure, after all, is a profound learning opportunity.

An important accountability mechanism often neglected by all actors in the accountability field is a good communications strategy that helps NGOs reach the public and the stakeholders they prioritize. Transparency is a part of that process. It is often, but not always, an important goodwill ambassador. Clarifying the mission statement, repeating it often and providing basic information about the organization, campaign, etc can go a long way to solidifying accountability, protecting the NGO and clarifying to whom and for what and NGO is responsible. While not everyone will agree, I also believe that it is important for NGOs to reflect the changes that it wishes to see in the world. This would allow an NGO to stake out the moral high ground.

One yardstick that could be applied is whether an accountability mechanism can serve more than one stakeholder. As mentioned earlier, Solidarity in Literacy has developed one that serves many of its stakeholders simultaneously. Action Aid's very complex and comprehensive Applied Learning Program and the Humanitarian Accountability Project undertaken by One World Trust stand out as exemplary models in which the missions of the NGOs involved informed the accountability mechanisms (called democratic accountability). These examples prioritize the communities served by the NGOs over donors and governments. Nevertheless, these examples are not popular as they are not simple, direct or easily implemented. They are systems that ultimately, however, will make the NGOs that adhere to them more secure operations that are able to publicly articulate their value and values in a way that will protect them from politically motivated attacks. Furthermore, they will also allow the NGOs to evolve and learn from their operations, something that cannot be claimed by all accountability mechanisms. Most NGOs are keen to measure their impact, demonstrate their effectiveness and account for their actions. Donor organizations should encourage accountability processes that serve multiple stakeholders including the internal organizational need of the NGO itself to learn.

It is uncomfortable for an organization, donor or NGO to explore its failures. Thus, there is a role for the academic community to assess large programs with social change goals that are desired by both donors and NGOs. The real symbiotic relationship between donor and NGO is best reviewed by an independent evaluator. The academic community can assess whether accountability mechanisms serve the larger desirable goals (poverty alleviation, conservation, women's empowerment, etc.) and the impact of these mechanisms on the relationship amongst a broad array of stakeholders. The academic community has already begun to help sort out useful tools and processes that can help assess outcomes verse outputs. There is a particular need to better assess the responsibility and rights of advocacy NGOs operating in the global political arena, where public policy is increasingly undertaken without the concomitant democratic checks and balances pervasive at the national level.

Researchers could also help answer what kind of accountability mechanisms and processes actually can address the greater societal questions of democratic accountability in an era of

globalization. They can continually remind others that accountability is not just a question to be addressed in respect of NGOs, but within governments, the private sector, and other civic associations like standard setting bodies, social movements, think tanks, and non-profits that sometimes get lumped into an 'NGO' category and sometimes are not. Furthermore, if researchers could help sort out the relationship between accountability and democracy, including illuminating issues surrounding representation in non-democratic spheres of policy debate like the global sphere, it would help all actors find new frameworks that are necessary to define our responsibilities and rights in shifting contexts.

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