

Nonprofit Self-Regulation in Comparative Perspective

Israeli Center for Third Sector Research

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Mark Sidel

University of Iowa

For Nonprofits, A New Self-Regulation Imperative – Around the World

Why are Nonprofits focusing on
Governing Their Own Sector in
Addition to Government
Regulation?

Why Self-Regulation?

- The Problem – Even Crisis – of Nonprofit Accountability and Legitimacy in Some Countries
- Increasing Government Intervention
- Increasing Media Scrutiny
- Increased Nonprofit Scrutiny of its Own
- The New Context of Counter-Terrorism

The Multiple Motivations for Nonprofit Self-Regulation

- Sectoral Defense Against Encroaching Regulation
- Improving Standards in the Sector and Weeding Out Weaker Actors
- Reshaping Public Perception of the Sector
- Public Education for Nonprofit Organizations, Boards, and Staff

The Multiple Motivations for Nonprofit Self-Regulation

- A Means or Condition for Accessing Government or Donor Funding
- Learning Opportunity for Nonprofits and Networks
- Market Mechanism to Exclude Unproductive Actors
- Market Mechanism to Exclude Competitive Actors, Benefitting Remaining Players

The Multiple Motivations for Nonprofit Self-Regulation

- Competitive Opportunity for Self-Regulatory Service Providers
- An Opportunity for Differential Government or Legislative Preference for Certain Networks or Service Providers

Typologies of Nonprofit Self-Regulation

- Voluntary or Required
- Guidelines, Voluntary Codes of Conduct, Codes of Conduct with Certification, Organizational Certification to Standards, Accreditation, Rankings and Ratings
- National, Sub-Sectoral, Sub-National?
- Carrots? Conditioning of Donor Funding, Government Funding, Tax Status

Nonprofit Self-Regulation in Comparative Perspective: The United States

- Long History in the United States, Especially Sectoral
- Growing Pressure from Congress and the Press
- Senate Finance Committee
- Staff Recommendations

The United States (continued)

- Panel on the Nonprofit Sector and Independent Sector
- Principles for Good Governance and Ethical Practice: A Guide for Charities and Foundations (2007)
- The Contours of the Debate over the Principles for Good Governance and Ethical Practice

Key Problems for Nonprofit Self-Regulation in the U.S.

- The Question of Enforcement
- The Problem of “Layering” – Multiple Systems for Local, Sub-Sectoral, and National Self-Regulation: Example: “Iowa Land Trust”
- The Burden on Local, Smaller and Advocacy Groups
- Guarantor of Quality – or of Market Position?

Key Problems for Nonprofit Self-Regulation in the United States

- The Emergence of Self-Regulatory Entrepreneurs
- Does Self-Regulation Discourage Diversity in Approach, in Participation, in Goals?
- Self-Regulation and The Role of Education for Nonprofit Boards, Leaders, and Staff

The Philippines

- Earliest Models of Nonprofit Self-Regulation in Asia, in a Society with a Vibrant NGO Culture
- Self-Regulation with Government Support: A Challenge or Boon to Collective Action
- Government Determination of Tax Status Devolved to the Nonprofit Sector Through Self-Regulation
- The Philippine Council for Nonprofit Certification (PCNC)

The Philippines

- Best Example Worldwide of Government-NGO Collaboration on Self-Regulation
- Standards and Implementation through PCNC
- Issues: Labor Intensive; Easier for Larger Groups?; Conflicts Within the State
- The Merged Model of Collective Action and Government Support
- The PCNC Throughout Asia

India

- Multiple Experiments, Multiple Motivations
- Overall, Collective Action for Sectoral Self-Defense to Forestall Stricter Government Regulation
- Also Increasing Public Trust, and Quality
- The Variety of Typologies
- Voluntary Guidelines; Information Provision, Certification; Standards and Enforcement

India

- From Guidelines to Standards: A Long and Tortuous Process
- Three Models Today
- “Intranet” Self-Regulations: Donors Governing Recipients
- Code of Conduct, Standards, and the Struggle for Enforcement: The Credibility Alliance

India

- Transparency as a Self-Regulatory Tool: Guidestar India (and earlier initiatives)
- The Government's Attitude Toward Self-Regulation: National Policy on the Voluntary Sector

Pakistan

- Self-Regulatory Initiative Along Philippine Lines: Collective Action and Tax Status
- A Slow Process

Cambodia

- Self-Regulation as Collective Action to Defend and Unify a Fractured and Attacked Sector
- Earlier Efforts
- Code of Ethical Standards and Minimum Standards for NGOs in Cambodia
 - Goals, and the Struggle for Implementation

Advantages and Obstacles to Self-Regulation

- The Educational Function
- The Unifying Function
- The Standard Setting Function
- Utility vis-à-vis Government
- Utility vis-à-vis the Public

Advantages and Obstacles to Self-Regulation

- The Transition to Enforcement
- Financial Sustainability of Self-Regulatory Models
- Scaling Up
- “Layering”: Multiple and Overlapping Self-Regulation Systems in One Country
 - National, Sectoral, and Sub-National
 - Donors, Regulators, and Self-Regulators

Issues in Self-Regulation

- Enforcement
- Outliers Don't Obey Anyway
- The Burdens on Local and Smaller Groups
- Does Nonprofit Self-Regulation Discourage – Even Prevent – Innovation and Non-Mainstream Practices?
- Is Nonprofit Self-Regulation Unfriendly to Advocacy?

The New Context for Nonprofit Self-Regulation: Counter-Terrorism

- The Collective Action Paradigm: Network Activity to Forestall Stricter Regulation
- The U.S. Example: Layers of New Regulation and Requirements after September 11
- The Sectoral Response in the U.S.: Principles of International Charity
- Fear and Self-Regulation: The United Way

Counter-Terrorism and Nonprofit Self-Regulation

- Principles of Accountability for International Philanthropy (EFC and COF)
- UK Charity Commission: Enhancing Self-Regulation, Preserving Enabling Environment
- Montreux Initiative and Humanitarian Forum
- Self-Regulation as a Real Measure to Prevent Terrorist Financing, or a Tool in Dialogue with Government?

The Complex Future for Nonprofit Self-Regulation

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