

Rogue NGOs and NPOs: Content, Context, Consequences

Sharon Eng, Ph.D.
Adjunct Associate Professor
Faculty of Business, Government and Law
University of Canberra
Nov. 10, 2014

ABSTRACT

This short primer explores the key components of dysfunctional, criminal and deviant behaviors within and by associational and not-for-profit organizations, and their consequences in terms of practice, application and policy. A rich literature review of major and minor nonprofit scandals—primarily in the West—but also in other countries around the world demonstrate the breadth and depth of nonprofit corruption, fraud and misuse of funds as well as misconduct and deviant behavior by individuals within and by organizations. These associations range from Mom and Pop-scaled voluntary foundations to transnational charitable organizations, and so-called “Dark Nonprofit Groups (DNGs)” that promote terrorism, hate, extreme political views and other noxious or bizarre ideologies. Summarized are the widely researched concerns regarding self-regulation of these organizations including weaknesses in management controls, issues with adherence to existing vision and mission statements; board and management accountability; internal and external fiduciary controls; and intra- and inter-governmental regulatory responses. The context of these wrongdoings are ensconced within the framework of a discussion of ethics, morals, and wayward interpretations of legal and ownership structures in prevailing cultures and societies. Consequences of nonprofit organizational misconduct and dysfunction reveal a universal need for more research into the dark side of the Third Sector; and additional accountability and transparency not only at the micro level—individuals and board members within the organization--but also at the state, federal and global level. Lastly, increasingly vocal activism of civil society is acknowledged to have given shape and direction to the new moral landscape of 21st century Third Sector agendas.

A. Introduction: Terms of reference

Crime, misconduct and dysfunction within and by nonprofit and voluntary associations are the subject of this paper. Scholars in the nonprofit and voluntary sector studies field have recently minted two new terms to describe the study of this wide collection of Third Sector organizations: “altruistics” and “voluntaristics” (Smith 2013). A key divergence from traditional thinking of this sector as one representing goodness, altruism, charity and philanthropy is the double-edged focus on two radically different kinds of associations: (1) the conventional nonprofit organization and (2) the fundamentally deviant association, which is the topic of a paper edited by this author that will appear in a chapter of the forthcoming Palgrave Research Handbook of Volunteering and Nonprofit Associations (Eng, Smith et.al. 2015).

The American Sociological Association’s (2013) section mission statement on “Altruism, Morality, and Social Solidarity” acknowledges the distinct differences between these two extreme types of associations:

...philanthropic groups may be conventionally perceived as organizations whose universal mandate consists of altruism and social solidarity intended to benefit the welfare of others, while other groups may be perceived as good or evil; harmful or beneficial; desirable or undesirable depending on the perceptions of the social units affected by those groups (Eng, Smith, et. al., 2015).

The term “fundamentally-deviant association” to describe this latter type of organization was applied as early as 1995 by D.H. Smith (1995), and he regularly uses the term deviant nonprofit groups (DNGs) to refer to this class of voluntary membership organization.

The issues discussed in this paper—primarily ethics, morals and values within associational life—are immense. They have been analyzed, evaluated, dissected and scrutinized in hundreds of papers and books. At best, one can only document the wide range of coverage regarding misconduct of the traditional nonprofit group. On the other hand, much less attention has been given to the activities and behaviors of fundamentally deviant associations (deviant nonprofit groups or DNGs). The intention of this paper is to provide readers with a three-dimensional view of this subject, providing opportunities to reflect and compare the different dimensions and meanings of crime, misconduct and dysfunction in both conventional associations and fundamentally deviant associations. In this paper, the author refers to these types of associations as “rogue” organizations, and their similarities and differences will be assessed within the context of associational life throughout the world.

B. Context, definitions

1. Three Sectors

The world is generally organized into three broad sectors: State (Government/Public Sector), Market (Business/Private Sector) and Community (Civil Society/Third Sector/Voluntary/Nonprofit) as suggested in Fig. 1 below by Dekker (2009):



Fig. 1: Blending of civil society and civicness. Figure adapted from “The new debate: the dissolution of civil society and the blending of civicness” (Dekker 2009:234).

Market is comprised of companies whose sole purpose is to produce goods and services that generate profits that are plowed back into the business and distributed to shareholders as equity payments for their help to provide working capital for the companies to develop and expand their business products and services.

The third sector (Community) encompasses a nation's civil society, including non-profit organizations (NPO) in the West and corresponding nongovernmental organizations (NGO) in non-Western regions of the world (Anheier and Salamon 1998). Aside from the distinct advantages of paying fewer taxes or no taxes to the state on net income after expenses, third sector organizations are managed fundamentally the same as for-profit companies. For instance, NPOs/NGOs have legitimate goals and aspirations, are organizations registered with their local governments to provide products or services (however, procuring the bulk of operational funding through public gifts, voluntary contributions and donations rather than through the sale of goods and services). Moreover, both answer to an internal board of directors managed by an executive staff headed by individuals, and are accountable to their beneficiaries and stakeholders (vs. corporations, who are accountable to their equity shareholders).

2. Advantages of setting up non-profit status

There are, however, two clear distinctions between for-profit and nonprofit groups: profitable companies pay a portion of their earnings to the state in the form of income taxes and to shareholders in the form of equity shares of stock. Nonprofits, on the other hand, are allowed to plow back 100% of their excess income after expenses as long as income/profits are not distributed to the organization's founders and managers (Simon 1986; Weisbrod 1992). Nonprofits are taxed at substantially lower rates or may not have any tax obligations (IRS 2012).

Tax advantages of setting up a nonprofit organization may differ among countries in terms of legal and ownership structures, tax and accounting regulations, organizational mandates and basic mission foci (Weisbrod 1992), but what NPOs and NGOs share in common are their provision of social services to a disadvantaged or marginalized constituency, often marginalized members of society whom, technically, may include groups representing narrow minority interests. NPOs/NGOs also have in common similar means of funding their operations: membership dues, and donor contributions, as well as monetary and in-kind gifts that enable these entities to serve their ostensibly underprivileged or minority constituencies whom they have chosen to represent. (Anheier and Salamon 1998; Weisbrod 1992).

3. Crime, misconduct, dysfunction in organizations

We usually differentiate crime (violating laws) from legal but unethical conduct, which we term "misconduct", and we also refer to dysfunctions as negative, often unintended consequences of legal, seemingly ethical actions that often reflect incompetence, ignorance, naiveté, etc. even though well-intended (Eng, Smith et. al. 2015; D. H. Smith 2008b). For purposes of simplicity, the term "misconduct" will be used universally in this paper to describe all references of associational crime, unethical conduct, and dysfunctional behavior.

In the United States, there were only three specified federal crimes when America was founded: treason, counterfeiting and piracy, but today it is estimated that more than 300,000 regulatory statutes carry criminal penalties directed at individuals, companies and organizations (The Economist 2014). Until 1909, the idea that a corporation could be a criminal was unheard of. The prevailing view as articulated by Edward Thurlow, an 18th C. Lord Chancellor of

England was that a corporation had neither bodies to be punished nor souls to be condemned, and was thus not capable of being punished (Clinard and Yeager 2006; The Economist 2014). But when a railway was fined in 1909 for disobeying price controls, Thurlow's position radically changed. Such criminal activity now encompasses all registered entities from nonprofit status to the transnational corporation. Today's regulatory environment is filled with closed door trials settling thousands of individual and civil "class-action suits" claiming corporate malfeasance, corruption and criminal wrong-doing (The Economist 2014).

C. Key Issues

1. Conventional white collar crimes, misconduct and dysfunction

White collar crimes result from loopholes in organizational bureaucracies: weak board governance and executive leadership; poor accountability protocols; an absence of administrative checks and balances; and dissolution of a firm moral code by certain types of disgruntled workers (Eng 2011). These unlawful criminal pathologies exist throughout the spectrum of associational life, whether they are multi-national for-profit corporations, international relief organizations or the Roman Catholic Church; or conversely, local community nonprofit organizations and informal, unregistered "Mom and Pop"-managed endeavors intended to help those less fortunate. Activities and behaviors describing these white collar crimes include, but are not limited to: nondisclosure of accounting discrepancies and errors, banking irregularities, currency violations, corruption, embezzlement, forgery, fraud, illegal drug dealings, illegal gambling, regulatory malfeasance, sex scandals and cover-ups, scams, slush funds, tax and revenue evasion, theft and treason. Of special interest to this paper are types of misconduct by nonprofit groups and voluntary membership organizations that fund raise or rely on government and foundation grants with which to operate, as these offer special opportunities to engage in accounting mismanagement and other illegal financial activity.

2. Deviant organizational behavior

What seems in the literature to be the prevailing universal definition of "deviant behavior" is that of public and professional actions that are contrary to rules and norms of society (Ackroyd and Thompson 1999; Salinger 2005; Vardi and Weitz 2004; Zack 2003). Similarly, "deviant organizations" are most often seen as extremist groups within society that behave contrary to agreed-upon or commonplace norms, even if they appear and function as legal entities, and whether or not these groups commit illegal or ethical violations (Brilliant 2012). While there is a extant body of literature on the governance of traditional nonprofit organizations (NPOs) and nongovernmental organizations (NGO) on such topics as best practices, performance, accountability, transparency, and conflicts of interest (Block 2004; Ebrahim 2003; Kaplan 2001; Siegel 2006; Young 2011) there remains a paucity of literature that details the inner workings of fundamentally deviant associations (Eng, Smith et. al. 2015, D. H. Smith 1995, 2008a).

3. Dark nonprofit groups (DNGs)

Recent writings conceptualize ground-breaking definitions of philanthropic social solidarity behaviors and activities that may be described as "dark side" behaviors of "deviant nonprofit groups" (D. H. Smith 2008a/b), but this must be conceptualized as a two-way mirror because negatively-connoted "dark side behaviors" depends on whose side one takes—ethical judgments rather than formal legal definitions. Dark behaviors may be embraced and welcomed

in their society or considered undesirable elements; beneficial to the welfare of the community or harmful; good or evil. The dichotomies, contradictions and tensions presented to civil society depend not only upon moral systems at any given time, but on the life cycle of the prevalent philosophical tenure of the dominant group. Indeed, ideological conflicts at local level often turn micro-level cultural discords into national and global debates: the 2012 Arab Spring (Aleky 2012b); Northern Ireland's 'Troubles' (Faulkner 2012); and the rise of Nazi Germany (D. H. Smith 1995). In the year 2014 alone, we have the polarizing center-stage challenges of such minority viewpoints promulgated by activist associations in the United States as the successful adoption of same sex marriage in 32 states (Gay Marriage 2014) and legalization in 23 states of medical marijuana use (23 states) and recreational marijuana use (three states) of that banned substance (Kawin and Morris 2010, Marijuana 2014). The paramount war story today reveals the moral dilemma surrounding the doctrines, behaviors and actions of the dark nongovernmental terrorist organization, Islamic State of Iraq and the Levant (ISIS). Acceptance or rejection of the extreme violence in the Middle East of this organization depends on which side of the divide one sits (Cockburn 2014).

Writing on fundamentally deviant associations, or "the dark side" of associations (D. H. Smith 2008a/b) takes the reader into ambiguous territory not well-populated by academia: terrorist financing through charities (FCPA 2012; SPLC 2012); membership into elitist and/or clandestine organizations (Potok 2011); and street gang activity (Sanchez-Jankowski 1991; Subianto 2012) are three notable examples. Evidence-based writings are just emerging as this paper will show, with much of the data obtained by participant observers, and anecdotal and otherwise qualitative phenomenon rather than quantitative empirical evidence. This paper also reveals fundamental differences in perspectives, reflecting a wide range of source material and extremes of experiences from the research on countries represented in this paper: Australia, Bahrain, Indonesia, Northern Ireland, and the United States. The concept of altruism of the voluntary sector as promoting generosity, forgiveness, virtue, philanthropy, intergroup cooperation, goodwill, etc. has been suggested by the American Sociological Association (2013), but D.H. Smith (2008b) believes that the dark side of this sector that addresses crime and misconduct has not been properly documented. Smith, Eng and Albertson (2014) have noted the appearance of a number of books focusing on misconduct by charities, and corruption of transnational relief and development assistance NPOs.

The voluntary nonprofit sector has always been seen as "angelic," (D. H. Smith 2008a), long embodying the 'moral high ground' (Holloway 1998), and with it, the altruistic perceptions of the sector discussed above. In his desire to bring more attention to the "dark side of goodness" of the nonprofit sector, D. H. Smith (2008b) has proposed the existence of three types of troubling deviant nonprofit groups (DNGs) because they do not represent established views and are thus resisted. These will be described in the context of similar developments regionally and globally. These three DNGs are:

- (1) Noxious groups (Hitler's German Nazi Party, Al Qaeda Terrorist network);
- (2) Dissenting DNGs whose radical politics disturb the prevailing status quo (the American Anti-Slavery Society of 1830-1865, the National Woman's Party in the United States (1915-1920), Lesbian-Gay-Bisexual-Transgender (LGBT) rights groups;
- (3) Eccentric DNGs (nudist clubs, group marriages, communes, witches' covens).

D. Discussion of key issues

This section is organized in four parts and eight subheadings. Part I summarizes misconduct (crime, misconduct and dysfunctions) in convention associations. Part II discusses the causes and effects of misconduct of the three types of fundamentally deviant organizations noted above. It addresses the moral underpinnings of noxious associational activity that are--on the one hand--revered by their constituents, and alternatively viewed with mistrust or seen as dangerous, harmful and even evil by other elements of society. Misconduct is examined within the context of two more kinds of 'deviant associations': dissenting DNGs and eccentric DNGs. Part III is an overview of certain global and national regulatory bodies that promulgate rules, regulations and laws to protect citizens from associational misconduct. Part IV describes civil society responses to misconduct of conventional associations and DNGs. The paper ends with a discussion of the implications for practice and application and policy (Section E: Usable Knowledge), followed by Section F: Conclusions, future trends and research needed.

PART 1:

1. Conventional associational "white collar crime" misconduct: International context

Global organizations—Donor Aid Funding:

Eng, Smith, et. al. (2015) notes that the complexities in the flow of funding of donor aid from rich countries to poor countries creates numerous opportunities for fraud and embezzlement at local levels of operations. This has been borne out in the literature, particularly in the writings of Brooks, Klau et al. 2010 on aid corruption following the 2004 Indonesian tsunami, Gibelman and Gelman's (2001) paper on public NGO scandals, Holmen's (2010) book on NGOs and the aid industry in Africa, and Willitts-King and Harvey's (2005) treatise on managing the risks of corruption in humanitarian aid operations. Hancock (1992) has written a comprehensive book detailing corruption in the international aid business.

In consequence of these efforts, many questions have arisen regarding the capacity of local and global NGOs (nongovernmental organizations) to manage these funds effectively (Edwards and Hulme 1996; Najam 1996). A vast amount of research literature describes how nonprofit organizations (NPOs) and NGOs in these countries have failed to fulfill their missions and goals where they should have succeeded (Edwards and Hulme 1996, Willetts-King and Harvey 2005), and many of these concerns focus on lack of accountability that easily leads to corruption and fraud, and misuse, mishandling and misappropriation of funds (Ebrahim 2003, Edwards and Hulme 1996, Gibelman and Gelman 2001).

Transparency International UK (2010) defines domestic and overseas corruption as the misuse of entrusted power for private gain. Domestic NGO beneficiary counterparts served by international and multilateral aid agencies mirror the many stories of corruption and weak predatory governance by its donors. Corruption as a crime is further defined as financial fraud and embezzlement, misuse of agency assets, theft, diversion of goods and services, bribery, and abusive or coercive practice (de Waal 1997; Willitts-King and Harvey 2005). Dysfunctional aid management has also been documented, including waste, mismanagement of human and material resources, and collusion between donors, middlemen and beneficiary NGOs.

In their published paper on corruption in worldwide emergency relief, Willitts-King and Harvey (2005) noted that published literature about NPO/NGO corruption with regard to

international emergency relief services is extremely scarce because of the reluctance of international and bilateral aid agencies to discuss these issues. Nevertheless, dozens of documented cases of international-level misconduct do exist, among them documentation of cases involving the United Nations World Food Program and the International Red Cross, both accused of collusion with corrupt governments and corrupt nonprofit organizations in hunger and disaster relief programs, (Gibelman and Gelman 2001), and the universally condemned high level of corruption on the part of bilateral and multinational aid agencies and local NGO counterparts in the delivery of disaster relief aid to the 2004 Indonesian tsunami (Brooks, Klau et. al., 2010). Indeed, in Indonesia, it is widely perceived that Indonesian NGOs have become an industry in the non-market economy because only NGO elites have access to funding agencies, whereby the internal relationship among NGO leaders and international funders create a cartel economy rather than follow market mechanisms, creating a massive number of deviant nonprofit associations (Subianto 2012).

2. Multi/transnational organizations: erosion of public confidence and trust

The most persuasive examples of associational misconduct that have eroded public confidence and trust are exemplified by the considerable attention given to the sex scandals and subsequent cover-ups by the Roman Catholic Church, the Boy Scouts of America and the University of Pennsylvania (USA) football scandals. These reflect violations of trust and the causing of personal harm within the sanctity of the Church (Boston Globe 2002): sexual abuse of young people within an organizational framework espousing the development of good moral character in youth, and the hallowed halls of academic sports (Podles 2008; Brilliant 2012). This is also evidenced in scandals involving trusted professionals such as teachers and care workers who have abused the trust provided them, and instead used their access to vulnerable people for purposes of aggression or sexual abuse (Onyx 2013; Salinger 2005).

3. State, provincial, local associations

The inherent ethical challenges facing NGOs and NPOs everywhere is aptly illustrated by the thousands of documented cases of corruption, fraud and misuse of funds, both in the West and South. Some cases of misuse of funds can be classified as misconduct and dysfunctional interpretations rather than intentional criminal activity because the tax code is sufficiently vague and confusing in some instances (Fishman 2007; Salinger 2005). Nonprofits, which flourish in the West--the small local nonprofit organization is just as vulnerable to public scandal as the high profile organization such as the United Way of America's scandal (Eisenberg 1994; Eisenberg 1996). The reason for public interest in the tawdry dirty dramas surrounding big and small nonprofits is because such countries as Australia, Britain, Canada and the United States, these associations are considered the bearers of higher moral standards (Holloway 1998; Panepento 2008, D.H. Smith, 2008a/b). "Mom and Pop" voluntary associational scandals fill the news spaces of the Western press in Britain, Canada, Australia and the United States. Among the more prominent stories were the United Way of America's scandal leading to the resignation and imprisonment of its president found guilty on 25 counts of fraud, filing false tax returns, conspiracy and money laundering (Eisenberg 1996, Glaser 1994, Siegel 2006) and two small Mom-and-Pop managed groups known as the Cancer Fund of America, and American Veterans Coalition, each cited for spending an insignificant sum of its operational funding on the well-being of their constituents (Berr and Stockdale 2010).

Reasons given for the rise of deviant nonprofit behavior and subsequent public distrust of the sector are blamed on lack of NPO internal controls and accountability, and the relatively

loose operating environment in which NPOs are allowed to flourish (Simon 1987, Young 1995). NPOs may unintentionally or intentionally deviate from the path of lawful compliance and codes of ethical workplace behavior. One example that reflects unintentional entanglements with the law, but has been labeled criminal in action is that of the American Young Men's Christian Association (YMCA), whose good efforts became mired in unlawful confusion as it struggled to define itself. For generations the YMCA offered fitness programs to community youth, and recently expanded its services to provide for-profit fitness programs to a paying constituency, actions which constituted unfair competition whereby the YMCA was accused of taking advantage of its special tax-exempt status by departing from their original altruistic values to raise funds for operations (Salinger 2005).

In the United States, NPOs are less subject to the rigorous demands and controls than those made by corporate owners and shareholders. Moreover, particularly where NPOs and NGOs play a significant role in the lives of their citizens, many workers are not employees, but serve as volunteers (Mead 2008; Panepento 2008). With so many small voluntary groups and nonprofits employing very few employees all over the world, the sector lacks broad oversight; and thus, fraud prevention is extremely difficult to institute and maintain. A great number of NPOs and NGOs do not have transparent financial records, and are susceptible to fraud, waste, and bad management due to charismatic rather than professional leadership (Block 2004; Kaplan 2001; Salinger 2005).

As with the example of America's YMCA, often NPOs have multiple goals that sometime "leave behind their original altruistic motivations" (Salinger 2005), such as becoming profit-oriented and competing for customers with for-profit business enterprises. Two in-depth discussions of the problematic commercialization of nonprofits are the book by Weisbrod (1998) and the paper by Eikenberry and Kluver (2004). Commercialization of portions of associational products and services create havoc in terms of accounting, records-keeping and tax status because technically, NPOs do not pay taxes on earned income, but rather are allowed to plough it back into operations. This tax provision has lured many unscrupulous individuals to establish illegal nonprofit organizations to avoid paying taxes (Salinger 2005; Zack 2003).

4. Misconduct by NPO volunteers and employees

The most prevalent form of NPO fraud is embezzlement and mismanagement of funds by employees and volunteers, usually because of lax internal financial controls.

...Disgruntled employees are the focus of fraud as NPO employees are perceived to work in NPOs for more than financial gain, thus pay checks are small and dishonest employees may be more susceptible to the temptation of padding a paltry nonprofit pay check with fraud, especially when oversight is less than rigorous (Salinger 2005: 569).

The October 2012 position paper submitted by a state regulatory body to the Australian Independent Commission Against Corruption (ICAC) addressed corrupt practices and conduct in the delivery of not-for-profit, voluntary sector human service organizations in New South Wales. They acknowledge that while the vast majority of NGOs are dedicated to helping others, there were unfortunately some that saw "government funding as an opportunity for self-interested behavior" (NCOSS 2012, p. 9). The violations of the public trust included 35 kinds of crime, all labeled under the rubric of misconduct, including fraud, embezzlement, corruption, nonfeasance, misfeasance, malfeasance, oppression, bribery, blackmail, tax evasion among many listed. These

scandals are noted in the press on a daily basis, for instance news of the Australian Workers' Union Workplace Reform Association scam that made headline news in 2012 and involved slush funds, politics, sex, and lying on incorporation registration papers (M. Smith 2012).

In an interesting twist to the subject of volunteers was Onyx' (2012) "Breaking the Rules: The secret of successful volunteering in a caring role", the first paper in Australia to vocalize the construct of "deviant behavior in nonprofits". She uses by example the contradictions in voluntary associational life where formal procedure—representing the restrictive legal, managerial and bureaucratic cultural framework to protect the organization and their clients—are in direct conflict with the work of volunteers, who must routinely break the rules to become the human link in a care-giving role to successfully develop deeper relationships with their clients. Her paper provides an example of Australia's bifurcated position regarding formal laws on the one hand and a liberal society on the other.

PART II: Misconduct in Fundamentally Deviant Associations

5. *Angelic or evil: it depends on which side one is on*

The ability of voluntary groups--depending on point of view--to be seen as either the 'sanctified sector' or 'evil, harmful and detrimental' (D. H. Smith 2008a/b) is not only fascinating of itself, but because this duality is manifest globally as exemplified in research of three very different cultures: Ireland, Indonesia and the United States. Martin Sanchez-Jankowski's (1991) research of neighborhood gangs in Los Angeles, Boston and New York over a ten-year period was one of the largest, most comprehensive early studies of American voluntary associations and their relationship to the communities in which they were embedded. While the media focused almost exclusively on the role of gangs in illegal and violent activity, Sanchez-Jankowski made the distinction between the role of gangs in their protection of neighborhoods, and in recreational and community service, while also uncovering organizational structures within these voluntary groups that are woven into fairly tightly integrated bureaucracies involving their parent communities. Sanchez-Jankowski's findings closely parallel those discussed in Faulkner's sources of the neighborhood associations that were particularly active during the long decades of civil strife among warring neighborhoods in Northern Ireland in the 1960s through 1980s. American gangs also resonate with Subianto's (2012) findings of the role that gangs (organized "thuggery") play in Jakarta neighborhoods.

In Faulkner's (2012) research, the role of the voluntary sector in Northern Ireland profoundly affected the lives in that country, particularly those operating at the 'grassroots' of communities. Seen as peace makers in their valuable efforts in helping to instill peace between the two warring factions—Catholics and Protestants--they *acted as the capillaries of civil society, helping to improve morale and confidence* (Lister, 1998: 231) and are, like the third sector in most of the world, viewed as inherently good, that is, 'the Sanctified Sector' or 'Angelic Sector' (D. H. Smith, 2008b). However, Faulkner also writes of the role of paramilitary organizations in Northern Ireland, which emerged in response to the political turmoil and violence of the times, and which had not been conceptualized as deviant non-profit/voluntary groups to any great extent (Faulkner 2012). Northern Irish paramilitary groups differ in many respects from community action groups in their tactical activity: while community action groups mobilized and formed groups initially to provide defense for their local 'urban working-class ghettos', paramilitary organizations, also from working-class neighborhoods also formed organizations to 'protect' their respective Protestant or Catholic neighborhoods. Depending on which side of the divide one held allegiance to, neighborhood protectors were either deemed

‘totally good, beneficial and benevolent’ or ‘totally evil, harmful and detrimental’ to borrow words from D. H. Smith (2008b: 5). It was reported that Loyalist and Republican paramilitary organizations were largely responsible for over 3,600 deaths, the maiming of 30,000 people and the displacement of tens of thousands due to sectarian intimidation which has furthered residential segregation along ethno-religious boundaries (Faulkner 2012).

Thuggery-type NGOs in Indonesia have long been identified as fundamentally deviant associations functioning primarily at local community and municipality levels of government. Former president Soeharto’s regime systematically cultivated groups of thugs to cater to regime interests, such as to support government party politics during elections and to attack civil society groups in opposition to regime positions. Subianto (2008) believes that these groups of thugs continued to survive at the end of Soeharto’s reign, marketing and catering to new clients requiring their services, particularly as Indonesian politics transformed from a monolithic political force into localized fragmented, pluralist centers. These underworld communities often found legal coverage in the form of a foundation (*yayasan*) or association (*perkumpulan*), and the nature of their activities basically have been ad hoc, primarily as watch dogs and advocates for local political parties. The ultimate end of these bogus NGOs is to extort protection money from politicians, government officials, business community and the media. These rogue provide case-by-case protection for black market activities, or mobilize support for political parties or political candidates.

6. Noxious DNGs

A more sinister deviant nonprofit association is cloaked in the seeming legitimacy of political expressions of civil society, but emerges as evil instruments expressing a small minority point of view that threatens the very existence of civil society. These include the German Nazi Party under Hitler’s leadership (D. H. Smith 2008b) and Islamic State (Cockburn 2014). Other noxious DNGs are seemingly innocuous organizations whose activities provide legitimate vehicles for fundraising for charitable causes, when in fact, such activities provide conduits for any number of illegal uses, including (1) laundering of drug money; (2) illegal laundering of donor funding for terrorist activities (Van der Does de Willebois 2010); (3) avoidance of paying taxes on illegitimate business activity (Greenlee, Fischer et al. 2007; Zimmerman 2001, Salinger 2005); and (4) funding of hate groups (Human Rights First 2011, SPLC 2012).

Hate groups are often perceived as extremist minority groups whose views potentially threaten the very fabric of societal acceptance, and are the focus of close monitoring by law enforcement and watch organizations. In the United States, hate organizations bear such names as the black supremacist “Nation of Islam”; the antigovernment group, “Republic for the United States of America (RuSA)”; the anti-Semitic/anti-American/anti-Israeli organization “Institute of Contemporary Islamic Thought”; and, Youth for Western Civilization (YWC). Each is a legitimate organization capable of raising considerable amounts of capital, such as YWC’s ties with the political action committee (PAC), the Leadership Institute:

... the Leadership Institute (is) an organization with a budget of some \$10 million ... (that has) claims to have trained close to 100,000 future conservative leaders (Potok and Schlatter 2011: 42).

Such groups remain a challenge to civil societies at large as they hold extremist views and non-traditional values—often displaying or advocating antisocial behaviors—but yet, have a

Constitutional right to exist. We define this unique corner of the third sector as noxious deviant nonprofit groups (D. H. Smith 1995, 2008a/b), purposefully intentional organizations that openly promote ill will or violence towards targeted groups, and seek legitimate funding through the vessels of their nonprofit status so they may continue promoting their anti-social rhetoric (Eng 2011).

Australia's, Canada's and England's home grown and locally-domiciled international terror organizations are continuous and insidious threats to their domestic security (Dolnik and Mullins 2009; UK Gov 2013; Wolf 2012). Among deciding factors determining whether a group is a terrorist organization is simply that they advocate terrorist actions, publish ideological rhetoric advocating terrorist activity, are known to be home grown radical groups, and have connections with terrorist links noted by other countries and by the United Nations (AGD 2014; UK Gov 2013). This review process requires that the agencies involved in tracking and listing terrorist organizations do so with transparency and accountability.

The German Nazi Party under Hitler's reign of terror began as an innocuous nonprofit political party nonprofit, but under the leadership of a dominant individual came to annex much of Europe and caused the loss of 30 million lives, D. H. Smith (2008a/b). Other noxious deviant associations include the multi-nationally funded Al Qaeda terrorist network with its goal to eliminate Western influences and return to traditional Sharia law in Islamic countries, which has caused a multitude of deaths and billions of dollars of physical destruction while eluding the combined powers of the many western countries that Al Qaeda targets in its attacks. Heaven's Gate, a small nonprofit religious cult began in the 1970s in Southern California is yet another example of a noxious DNG. In 1997, the group successfully achieved for its members simultaneous mass suicide as a means of reaching a higher level of existence (D. H. Smith 2008b).

7. Dissenting Deviant Nonprofit Groups

Different patterns of protest are exhibited by dissenting deviant associations, whose slow but generally positive acceptance into civil society are because such groups present themselves as protesters of civil inequality or societal oppression, the repression of attitudes, values and beliefs that are considered deviant by those in authority or by the majority view held in society. D. H. Smith (2008a/b) often cites as examples of dissenting DNGs, such special interest organizational movements as the American abolitionist movement from 1830-1865 (American Anti-Slavery Society); and The National Woman's Party that between 1916 and 1920 that sparked the women's rights movement in the United States. The best example of how a dissenting deviant nonprofit group can radically alter the status quo within civil society is that of the Lesbian Gay Bisexual Transgender (LGBT) movement in the United States and Europe.

The LGBT movement is a particularly fascinating development in the second decade of the 21st millennium. Essentially a private, silent, invisible minority activity well hidden from society, homosexuality was a taboo subject until the 1969 riots that resulted from the police raid of Stonewall, a New York City homosexual bar. Segue to December 2013, this extremely secretive expression sexual intimacy--still condemned and demonized by some as evil, bestial and perverse (Stein 2012) have migrated from the private bedrooms of consenting adults into high school social studies and collegiate textbooks, and onto the global stage whereby countries have threatened nonparticipation in the 2013 Winter Olympic Games held in Russia unless Russian anti-discriminatory laws against LGBTs have been mitigated. Rooted in the voluntary

sector, the LGBT human rights agenda in the United States has been widely accepted by most Americans, as reflected in the June 26, 2013 U.S. Supreme Court ruling recognizing same sex marriage, and the forward momentum seen in state-by-state passage of the same law, so that as of November 2014, 32 states in the United States of America have legalized same sex marriage (Gay Marriage 2014). Political activities of dissenting DNGs often lead to positive exposure to, and creation of public discourse of extremist points of view.

Shrouded in silence or mentioned briefly as a perversion, an illness, a threat to society or simply as an embarrassment...students who have studied radical movements such as Marxism and feminism...may wonder how gay and lesbian liberation can be considered a political movement? Sexual practices clearly are a private matter; they become politicized where groups or institutions try to stamp them out (Cruikshank 1992, pp. 1-2).

In less democratic societies, often those in power do not represent the majority view, and when voluntary associations representing the silent majority do speak out, are accused of deviant misconduct. Take, for instance, the ongoing Arab Spring that began in December 17, 2010 when in protest a fruit vendor set himself on fire that quickly led to the downfall of Tunisia's president and cabinet. That single act of defiance rooted in inequality and repression has since spread to many nations, causing the demise of leadership in a host of Arab countries, and beyond. In a single stroke of history Tunisia, Egypt, Libya, Yemen, Bahrain and in such far reaching countries as the Maldives and Albania have been dramatically transformed as despotic leaders have fled or have died at the hands of what once was the silent majority (Agathangelou and Soguk 2013). The ruling elites at the February 2011 Bahrain Uprising pointed fingers at radical groups for being the trouble-makers, but in fact, it was the silent, oppressed marginalized youth and women (Aleky 2012a/b) using electronic social media to coordinate with local associations to demand freedom of expression, innovative change, more artistic expression, open communication, and open media (Aleky 2012a/b).

The Arab Spring represents the intense outpouring of oppressed voices of civil societies in these many countries, uprisings organized by voluntary associations, established professional groups, and underground, non-licensed associations (Agathangelou and Sogut 2013; Aleky 2012a/b) in concerted coordination with civil society: those in power would find such groups guilty of deviant misconduct using the definitions in this paper.

8. Eccentric Deviant Nonprofit Groups

Unconventional, nonconformist organizations that are benignly seen as defiant in the face of civil society's fairly conservative majority are referred to-- for no better term-- as "eccentric deviant nonprofit groups" (D. H. Smith 1995, 2008a, 2008b). These groups, because of their extreme views have pushed the window of accepted tolerance by exercising their freedom of speech and their inherent rights of like-minded citizens to congregate. Unlike Dissenting DNGs, eccentric DNGs are apolitical, and are happy to exist on the fringes of society. They range from benign religious orders and intentional homesteading communities (Communes 2007, Jerome 1974) to gatherings of like-minded groups that practice, preach or express ideologies and behaviors considered socially peculiar but not particularly threatening to society or to its members. These may include nudist associations such as Ireland's, New Zealand's or Thailand's nude recreation organizations (Hartman, Fithian et. al., 1991, DMOZ 2011), America's Gray Panthers whom advocate rights for retired senior citizens, and outer space flying saucer (UFOs)

sighting research organizations in Australia, United Kingdom and Scotland (UFO 2013). Rural communes and utopias may sometimes be threatened by neighboring communities claiming that their actions are a violation of societal norms, and run the risk of being taken to court on charges of criminal misconduct (Communes 2007), as was the case with the Bhagwan Ashram in Central Oregon in the 1980s, but typically such groups lie below the threshold of regulatory scrutiny (Clare 2009).

PART III: Regulatory environments: a global overview

A distinguishing feature of NPOs in Western countries, including Australia, Canada, the United States and the United Kingdom is the existence of codes of conduct, guidelines and standards promulgated by regulatory bodies and industry watch dogs interested in protecting the rights of citizens served by these organizations. Among these are national (statewide) regulatory bodies and their declarative actions that address both international and domestic associational misconduct, regulating the full range of white collar crime and misdemeanor activities by voluntary associations and their representatives, as well as intransigent international and home-grown terrorist organizations and hate groups.

The UK Bribery Act of 2010, for instance, is an effort to curb the criminal activity of the country's business community and domestic NPOs and NGOs. It is considered the toughest law in the world, demanding zero-tolerance of bribery domestically and in UK business transactions abroad. It contains measures even more harsh than that of the American Foreign Corrupt Practices Act (Transparency International 2010). In Australia, deciding which among hundreds of radical associations are terrorist organizations is the responsibility of The Australian Government's Attorney-General's Department (AGD 2014) along with the Australian Security Intelligence Organisation (ASIO), and tangentially, such other Australian Government agencies as the Department of Foreign Affairs and Trade, the Department of the Prime Minister and Cabinet, and the Australian Federal Police.

Among regulatory bodies headquartered in the United States that determine the quality of NPO fiscal governance are the Financial Accounting Standards Board (FASB), the Internal Revenue Service (IRS), the American Institute of Certified Public Accountants (AICPA) and industry watchdog organizations such as GuideStar USA, Chronicles of Philanthropy and the Better Business Bureau Wise Giving Alliance (Eng 2011). In recent years, the FASB (2012) has worked closely with the International Accounting Standards Board (IASB 2012) and the governments of eight other Western countries to develop international financial reporting standards (IFRS) and guidelines that NPO/NGOs in over 90 countries currently follow to record and report financial activity (Eng 2011).

While there is accumulating evidence that NPOs and NGOs around the world are slowly moving toward more efficient models of internal management and governance with greater focus on enhanced fiduciary responsibility (Ebrahim 2003; GuideStar USA 2012; Jordan and Van Tuijl 2007; Eng 2011), the literature continues to be fraught with stories of domestic and international corruption, fraud, embezzlement, misuse of funds, deception of donors, and abuses of trust and power (Beam 2011; Block 2004; Gibelman and Gelman 2001; Panepento 2008; Robinson 2003; Salinger 2005; Zack 2003). An American survey showed that only 15% strongly agreed that most charities were honest. Another public survey showed that trust in NPOs dropped from 90% to 60% in 2001-2002, and by 2006, only 11% felt that NPOs did a good job spending money wisely, while another 71% believed that NPOs wasted a fair amount of money (Mead 2008).

Australia's NCOSS 2012 paper recommended additional research to assess the actual risks of corruption in the sector, and to design appropriate responses and remedies to effectively and efficiently address these issues, including establishing strong internal funding control; providing access to anonymous whistleblowing mechanisms; strengthening laws against serious offences; and developing good practices in government contracting, tendering and reporting arrangements with individual organizations among a long list of strategies to protect and detect fraudulent activity in this sector (NCOSS 2012).

The informal sector, comprised of unregistered voluntary membership associations such as those engaged in the Arab Spring revolutions (Aleky 2012a/b), Indonesia (Subianto 2012) and Northern Ireland (Faulkner 2012) point to the widespread lack of information on how they subsist, effectively function, and meet their organizational objectives. Faulkner (2012), who has conducted research on small grassroots voluntary groups in Northern Ireland report that these are often comprised chiefly of politically-motivated ex-prisoners, whose informal activities are invisible to legal or regulatory systems. Unlike formal or mainstream voluntary groups, these lie "below the radar". The agendas of such organizations focus on the social needs of poor, marginalized communities. Similarly, the neighborhood street gangs of America's inner cities and Jakarta's *kampung* (back-alley neighborhood) thugs thrive in the invisible underworld and are now just becoming visible to academic researchers.

The literature reveals a multitude of responses from state and federal bodies in their creation of administrative rules, regulations, and laws to address nonprofit misconduct through good governance, stringent accountability, and strong ethics protocols. Many of the formal rules directed at large nonprofit organizations do not often seem relevant to small voluntary membership associations, and many of these seem not to apply in countries outside of the Western sphere. For instance, in such a maverick regulatory environment as loose as that of Indonesia (Eng 2010), three reasons are given for that country's nonprofit community's deficiencies and deviations: (1) existence of huge loopholes in the institutional architecture for associations under the Indonesian legal system, with most groups falling under the threshold of scrutiny; (2) exclusivity of Indonesian elites, who are small in number creating a small number of political affiliations that lead to incestuous and collusive practices within the sector and an exclusive club of NGO barons and baronesses; and (3) nonexistence of institutional benchmarks in the NGO community with which to gauge success or failure of the sector's activities, unlike the private sector's need to perform in order to survive (Subianto 2012).

Indonesia's voluntary sector faces the same programmatic challenges that are common to grassroots association practices in the West. These include: critical lack of capacity building service providers for NGOs in Indonesia; weak internal governance structures and procedures; non-existent standard operating procedures guiding NGO executives and staff; a continual need for improvement of staff and management human resources; weak or non-existing financial systems and capacities; advocacy work carried out by gifted amateurs with few technical skills such as community organizing, coalition building with the general public, research, polling, survey methodologies, transparency, forensic audits, and budget analysis (Eng 2010). Moreover, Indonesia suffers from a weak legal framework for creation of NGO even though a new law was promulgated in 2002 aimed at curbing some of the abuses of former President Soeharto's use of foundations for money laundering and tax avoidance (Eng 2010).

PART IV: Civil society responses to associational misconduct

Paradoxically, misconduct in conventional and fundamentally deviant associations help to engage, strengthen and promote healthy civil societies and democratic ideals. National federal regulatory bodies, with their incumbent rules, regulations and policies are not the only means of policing misconduct in conventional associations or stopping hate groups and other “dark” NGOs from operating in public. At the core of civil society’s discourse is an interest to balance two opposing views: curtailing associational activities that may endanger or threaten civil society versus allowing for the right of voluntary organizations to exist freely in an open society (Eng 2011). With the rash of global terror in the 21st Century, the Third Sector landscape in many Western countries has been irrevocably altered with the knowledge that certain groups exist solely to bring harm to targeted minority groups or to entire nations (Van der Does de Willebois 2010).

Citizen activist organizations such as Human Rights First (2011), and Not In our Town (2011) complement the work of civil police. Their missions are to monitor and watch the activities of noxious extremist groups in their neighborhoods and throughout the nation. The voluntary membership association, Southern Poverty Law Center (SPLC) derives its operating revenues from membership fees, subscriptions to their magazine, and individual and institutional grants and donations. SPLC monitors the activity of more than 1,000 hate and extremist groups in the United States, and works with and trains American law enforcement officers to identify and combat violent extremists (SPLC 2012). Hate groups cover the full political spectrum of hate in every conceivable form: anti-black, anti-white, anti-Jewish, anti-Islamic, anti-women, anti-gay/lesbian, anti-government, anti-immigration...the list seems endless. The questionable goals and aspirations of such groups continue to frustrate law enforcement officials because the veneer of respectability afforded by the nonprofit 501(c)3 status allows every American-registered NPO to raise funds to pursue missions that serve society, in this instance, causes that have the potential damaging effect of motivating or inflaming one or the other side of the socio-political divide (Eng 2011).

Ironically civil war, revolution, and social upheaval are often in themselves exemplars of citizen misconduct within a police state. This has been demonstrated in the Alekry’s (2012a/b) analysis of the 2010-2012 Arab Spring, and is paralleled in Faulkner’s critique of the 1960s-1970s civil war in Northern Ireland between Protestant/Loyalists wishing to maintain their position as part of the United Kingdom and Catholic/Nationalists who sought a united Ireland. With Northern Ireland in disarray, voluntary and community sector groups grew in influence during this time, displacing mainstream political activity and bringing a degree of legitimacy to state action. As such, civil society and voluntary organizations in Northern Ireland successfully positioned themselves as definitive forces for good (Faulkner 2012).

E. Usable knowledge

Implications for practice, application and policy

The subject of nonprofit associational misconduct is both sweeping and fascinating given the wide range of definitions encircling the term, its uses, the types of associational forms that are affected, and the controversy surrounding the implications of the term itself. We learned that misconduct exists in numerous forms: benign indifference to formal bureaucratic structures or insidious criminal mining of weak governance and reporting structures. While it clearly applies

to organizational misdemeanors and criminal wrongdoing, ‘misconduct’ has other connotations. The literature suggests that inherent contradictions exist in the use of the term, ‘misconduct’, as it creates ambiguities in how to define right and wrong associational behaviors and actions.

For instance, misconduct may also be used to label the actions of associational ideologies that are perceived to be different, eccentric, bizarre, threatening or evil, depending on the views of those who hold the power and authority to judge what is right and wrong. Those in power may be civil society’s democratically elected representatives, or rogue rulers tightly holding the reins of power over a frightened silent majority. At best, conceptualization of the term “misconduct” is constantly changing depending on that culture’s morality of the period: today’s definition of associational misconduct will be different in the future as evidenced by the sudden explosive nature of the 2012 Bahrain Uprising that was fueled by the ‘deviant misconduct’ of “troublemaking” voluntary associations and a marginalized silent majority (Alekry 2012a/b) .

The subject of misconduct as it relates to fundamentally deviant associations is a relatively new field of associational research, one not yet easily captured through published erudite journals. The reasons are two-fold: this is a new field of research spearheaded by D. H. Smith (1995), who has coined the term the “dark side” in his seminal writings on the subject of nonprofit ‘deviance and misconduct, ‘angelic’ and ‘dark’ nonprofits. The second reason is clearer: spokespersons representing such communities are not likely to label themselves as ‘fundamentally deviant associations,’ nor are they willing to expose their group’s illegal activities and other forms of questionable misconduct. Although there is a growing body of literature on misconduct by conventional voluntary membership associations and nonprofits, there is a paucity of research throughout the world that explores associational ‘deviance’ either by country or by region. It has been neglected in scholarly inquiry, even as the world’s media is keen to report nonprofit organizational scandals for the reasons earlier suggested by D. H. Smith (1995): the nonprofit organization is considered ‘angelic’, until shown to be ‘deviant’ through scandalous disgrace, dishonor, humiliation and criminal wrong-doing.

Civil society’s vocal confrontation with misconduct of voluntary membership associations and nonprofits and with the behaviors and activities of citizen groups that are labeled as deviant, dissenting or “troublemakers” (Alekry 2012a/b; Faulkner 2012) may result in at least three positive social outcomes. First, civil societies are forced to examine themselves and their belief systems. This often leads to initiation of future positive social change, such as the ratification of women’s suffrage in the United Kingdom or legalization of same sex marriage in the United States. Second, it facilitates legislative adjustments in macro (state) through micro (group and individual) governance processes, resulting in enactment of more meaningful policies, procedures, rules and behaviors by states, associations and individuals within their civil societies. Finally, it paves the way for growth and expansion of the public trust, including tolerance and wider acceptance of marginalized voices in civil societies in many parts of the world.

F. Summary and conclusions, future trends, and research needed

The span of misconduct extends from conventional associations to a wide array of unconventional organizations. Misconduct is construed differently by different elements in society, depending on one’s perceptions of the goodness or depravity of the behaviors of specific organizations. In Northern Ireland, for instance, paramilitary groups are considered terrorists on

the one hand or freedom fighters on the other depending on which side of the divide one lives (Faulker 2012). One wonders how an innocuous political party in Germany placed in the hands of a charismatic dictator, was transformed into a noxious deadly killing machine that unleashed unparalleled evil in the world (D. H. Smith 2008b). Australia, like its Northern brethren, struggles to cope with its own home-grown extremist groups, sharing the same Western ambivalence in developing balanced legal, judicial and moral frameworks to address formal and informal associational corruption, fraud, abuses of trust and power, etc. within the boundaries of a free society (Eng 2011).

Sometimes civil society fully embraces associational ideologies that were considered taboo and advocated only by extremist groups, as noted by the sudden explosive political efforts of Arab Spring activists where youth and women became the new “deviant” social norm (Aleky 2012a/b), the current gay rights movement in the United States (Gay Marriage 2014), and legalization of the taboo drug, marijuana, in nearly half of the United States (Marijuana 2014). On the other hand are harmless if eccentric groups organized simply to amuse and entertain by self-selection such as nudist colonies and UFO sighting organizations. These must, too, be accountable to the governing laws of society. Local American street gangs, Northern Irish paramilitary groups and Indonesian thuggery groups closely related to underworld communities and that exist to extort protection money from power elites and to provide protection for community black market activities comprise yet a different kind of associational type. They are more often scrutinized and judged by society, and more often accused of civil misconduct.

Thoroughly documented has been the subject of criminal or civil acts of wrong-doing by legitimate nonprofit organization, although many smaller associations lie under the radar of public scrutiny (Brilliant 2012). And finally, one must acknowledge misconduct in the flow of funds by multilateral aid agencies to community voluntary organizations especially in disseminating international disaster relief aid. Here, the calculated cost of mismanagement, dysfunction, misconduct, and corruption is a massive loss of billions of dollars over the past 60 or more years (Hancock 1992; Brooks, Klau et al. 2010; Willits-King, Harvey et al. 2005).

Voluntary and nonprofit associations are a societal mirror reflecting a delicate balance between what society perceives to be organizational pursuit of altruistic values, and the right of organizations to pursue values that may represent unpopular, extremist, minority belief systems. The sectoral socio-political philosophical debate rages on. It is a dichotomy of extreme views: either all groups have the right to gather and to be heard; or only groups deemed appropriate and safe to majority-held societal norms are welcomed. The problem is that society’s morals are dynamic and ever-changing. Perceptions of good and bad are constantly shifting.

But regardless of individual group beliefs, mandates and missions, one axiom is worth considering: the public’s right to know and civil society’s obligation to recognize that voluntary membership organizations—whether they are formal or informal, conventional or fundamentally deviant in the eyes of society—must be able to freely co-exist within their civil society. Conversely, associations of all kinds must respect the rules and regulations that are imposed upon them—by external means or self-imposed and self-reinforced. It would seem most voluntary associations would rather not be placed under intense police scrutiny or mislabeled as a rogue organization that is judged by society as deviant, dangerous or insubordinate.

Thus, only through self-regulation; mutual dialogue with civil society; better governance at board and management level; transparent actions, decisions and reporting; respect for the rule of law; adherence to internal and external accountability, upholding high standards of management protocol; and stringent enforcement by the highest authorities of sovereign nations—only through these means will there be both a vibrant nonprofit world, which together with its civil society represent the highest moral principles of their people.

G. References

- AGD. 2014. "Protocol listing terrorist organisations under the criminal code", Australian Attorney-General's Department July 27. Retrieved Aug. 2, 2014 (<http://www.NationalSecurity.gov.au/listedterroristorganisations/pages/IslamicState.aspx>).
- Ackroyd, Stephen and Paul Thompson. 1999. *Organizational Misbehavior*. Thousand Oaks, CA: Sage.
- Agathangelou, Anna M. and Nevzat Soguk, eds. 2013. *Arab Revolutions and World Transformations*. Oxford, UK: Routledge.
- Alekry, Abdul. 2012a. "Bahrain Uprising: A Year After." paper presented at FRIDE seminar on Arab Spring, March 2012.
- Alekry, Abdul. 2012b. "Bahrain: Inverted World." Presented at the Conference on Arab Spring, *Oriental Studies Institute*, Beirut, Lebanon, Oct. 2012.
- American Sociological Association 2013. "Altruism, Morality, and Social Solidarity [Section Introduction]." Retrieved December 15, 2013 (<http://www.asanet.org/sections/altruism.cfm>).
- Anheier, Helmut and Salamon, Lester, eds. 1998. *The Nonprofit sector in the developing world: A comparative analysis*. New York: Manchester University Press.
- Beam, Christopher. 2011. "Contract killer: why did USAID suspend one of its biggest contractors without any explanation?" *Slate.com*. Retrieved September 2, 2011 (<http://aedwatch.wordpress.com/2011/03/31/contract-killer....>).
- Berr, Jonathan and Charles Stockdale. 2010. "Nine most mismanaged charities in America." Retrieved : Sept. 3, 2011 (<http://247wallst.com/2010/11/19/the-most-mismanaged-non-profits/3/...>).
- Block, Stephen R. 2004. *Why Nonprofits Fail: Overcoming Founder's Syndrome, Fundphobia and Other Obstacles to Success*. San Francisco: Jossey-Bass.
- Boston Globe Investigative Staff. 2002. *Betrayal: The Crisis in the Catholic Church*. Boston, MA: Little Brown.
- Brilliant, Eleanor L. 2012. "Wrongdoing in normal nonprofit organizations in the United States." Unpublished manuscript.

- Brooks, N., Klau, K., Orr, J., and Stanford, C. 2010 . “Corruption in natural disaster aid: The 2004 Indonesian tsunami.” *Deakin Papers on International Business Economics*, 3(1): 34-41, July 2010.
- Clare, Susan M. 2009. *A Surprise Life: The Spiritual Journey of a Girl from Brooklyn*. Self-published at Booksurge.com.
- Clinard, Marshall B. and Peter C. Yeager 2006 [1980]. *Corporate Crime*. rev. ed. 2006. New Brunswick, NJ: Transaction Press.
- Cockburn, Patrick. 2014. “Who are Isis? The Rise of the Islamic state in Iraq and the Levant.” *The Independent, UK*. Retrieved Nov. 1, 2014 (<http://www.independent.co.uk/news/world/middle-east/who-are-isis-the-rise-of-the-islamic-state-in-iraq-and-the-levant-9541421.html>).
- Communes. 2007. “Thriving communes no haven for ‘deadbeats’”, *USA Today*, Aug. 29, 2007 (http://www.usatoday.com/news/nation/2007-08-28-communes_N.htm). Access date: October 7, 2011.
- Cruikshank, Margaret. 1992. *Gay and Lesbian Liberation Movement (The)*. New York: Routledge.
- de Waal, Alex. 1997. *Famine Crimes: Politics and the Disaster Relief Industry in Africa*. Oxford, UK: African Rights and The International African Institute: James Currey & Indiana University Press.
- Dekker, Paul. 2009. “Civicness: from civil society to civic services?” *Voluntas*, 20(3): 220-238.
- Dolnik, Adam and Sam Mullins. 2009. “Opinion - Home-grown terrorism: Threat that's here to stay.” University of Wollongong: *Campus News*, 3(12):2.
- DMOZ. 2011. “Directory of naturalist and nudist organizations”. *Open Directory Project*. Retrieved September 20, 2011 (<http://www.dmoz.org/Recreation/Nudism/Organizations/>).
- Ebrahim, Alnoor. 2003. “Making sense of accountability: Conceptual perspectives for northern and southern nonprofits.” *Nonprofit Management and Leadership*, 15(2): 191-212.
- Economist, The. 2014. “The criminalisation of American business”, *The Economist*, Aug. 30, 2014. Retrieved Oct. 28, 2014 (<http://www.economist.com/news/leaders/21614138-companies-must-be-punished-when-they-do-wrong-legal-system-has-become-extortion>).
- Edwards, M. and D. Hulme, ed. 1996. *Beyond the Magic Bullet: NGO Performance and Accountability in the Post-Cold War World*. Kumarian Press, Inc., West Hartford, CT.

- Eikenberry, Angela N. and Kluver, J. D. 2004. "The marketization of the nonprofit sector: Civil society at Risk." *Public Administration Review*, 64(2):132-140.
- Eisenberg, Pablo. [1996] 2005. "Will charities learn from the United Way mess?" Pp. 163-64. From *The Chronicle of Philanthropy*, August 8, 1996. In *Challenges for nonprofits and philanthropy: The courage to change (Three Decades of Reflections by Pablo Eisenberg)*, edited by Stacy Palmer. Lebanon, New Hampshire: Tufts University Press.
- Eisenberg, Pablo. [1994] 2005. "In the United Way case, All the guilty may not pay." Pp. 160-62. From *The Chronicle of Philanthropy*, October 4, 1994. In *Challenges for Nonprofits and Philanthropy: The Courage to Change (Three Decades of Reflections by Pablo Eisenberg)*, edited by Stacy Palmer. Lebanon, New Hampshire: Tufts University Press.
- Eng, Sharon, D. H. Smith, eds. 2015. "Chapter 58: Crime, misconduct and dysfunctions in and by associations", in Smith, D. H., Stebbins, R., and J. Grotz, eds., *Palgrave Research handbook of Volunteering and Nonprofit Associations*, London: Palgrave (in press).
- Eng, Sharon. 2011. "Unintentional and intentional deviant domestic and international Philanthropy." Faculty of Business, Government and Law, University of Canberra, Australia ACT. Unpublished manuscript.
- Eng, Sharon. 2010. "Merumuskan efektivitas organisasional ornop di Indonesia (Defining organizational effectiveness in Indonesia)." *Prisma (Indonesian Social and Economic Journal)* 29(3): 117-35.
- FASB. 2012. "Statement No. 117-financial statements of not-for-profit organizations." Financial Accounting Standards Board. Retrieved : Sept. 5, 2012 (<http://www.fasb.org>).
- FCPA. 2012 . *U.S. Foreign Corrupt Practices Act*. Retrieved : October 8, 2012 (<http://www.fcpa.us/>).
- Faulkner, Lisa. 2012. "From the 'Dark Side' to an 'unalloyed force for good'? The case of Paramilitary Organisations and Ex-politically motivated Prisoners as part of Northern Ireland's voluntary sector." Unpublished manuscript.
- Fishman, James J. 2007. *The Faithless Fiduciary and the Quest for Charitable Accountability 1200-2005*. Durham, NC: Carolina Academic Press.
- Gay Marriage. 2014. "32 States have legal same-sex marriage," *Gay Marriage Pros and Cons*. Retrieved Nov. 5, 2014 (<http://gaymarriage.procon.org/view.resource.php?resourceID=004857>).
- Gibelman, Margaret and Sheldon R. Gelman. 2001. "Very public scandals; an analysis of how and why nongovernmental organizations get in trouble." *Voluntas* 12(1), 49-61.
- Glaser, John T. 1994. *The United Way Scandal: An Insider's Account of What Went Wrong and Why*. New York : John Wiley and Sons.

- Greenlee, Janet, Mary Fischer, Teresa Gordon, and Elizabeth Keating. 2007. "An investigation of fraud in nonprofit organizations: Occurrences and deterrents." *Nonprofit and Voluntary Sector Quarterly* 36(4): 676-694.
- GuideStar USA. 2012. "What automatic revocation of nonprofit tax exemptions means for you: a review for nonprofits, grantmakers, and donors." *GuideStar USA*, April 4, 2011. Retrieved September 9, 2012 (<http://www2.guidestar.org/ViewCmsFile.aspx?ContentID=3285>).
- Hancock, Graham. 1992. *Lords of Poverty: The Power, Prestige, and Corruption of the International Aid Business*. New York, NY: Atlantic Monthly Press.
- Hartman, William E., Marilyn Fithian, Donald Johnson, and Iris Bancroft. 1991. *Nudist Society*, Rev. ed. Los Angeles, CA: Elysian Growth Press.
- Holloway, Richard. 1998. 'NGOs – losing the moral high ground?' *UN Chronicle*, 35, 93-94.
- Holmén, Hans. 2010. *Snakes in Paradise: NGOs and the Aid Industry in Africa*. Sterling, VA: Kumarian Press.
- Human Rights First 2011. Retrieved September 9, 2011 (<http://www.humanrightsfirst.org/about-us/nonprofit-status/>).
- IASB 2012. "International Accounting Standards Board." Retrieved September 5, 2012. (<http://www.iasb.org/>).
- IRS. 2012. "Charities and non-profits." *U.S. Internal Revenue Service*. Retrieved September 29, 2012 (<http://www.irs.gov/charities/index.html>).
- Jerome, Judson. 1974. *Families of Eden: Communes and the New Anarchism*. New York: The Seabury Press.
- Jordan, Lisa and Peter van Tuijl. 2006. *NGO Accountability: Politics, Principles and Innovation*, London: Earthscan.
- Kaplan, Robert S. 2001. "Strategic performance measurement and management in nonprofit organizations." *Nonprofit Management and Leadership*, 11, Spring 2001, 353-370.
- Kawin, Sam and Christopher S. Morris. 2010. *The Impact of the Decriminalization and Legalization of Marijuana: An Immediate Look at the Cannabis Reform Movement (Aspatore Special Report)*. Eagan, MN: Thomson Reuters.
- Lister, Ruth. 1998. "Citizen in action; Citizenship and community development in a Northern Ireland context." *Community Development Journal*, 33 (3): 226-235.

- Marijuana. 2014. "23 Legal Medical Marijuana States and DC," *Medical Marijuana Pros and Cons*. Retrieved Nov. 5, 2014 (<http://medicalmarijuana.procon.org/view.resource.php?resourceID=000881>).
- Mead, Joseph. 2008. "Confidence in the nonprofit sector through Sarbanes-Oxley-style reforms." *Michigan Law Review*, 108: 881-900, March 2008.
- NCOSS. 2012. "Funding NGO Delivery of Human Services: A period of transition." In *NCOSS Submission to the Independent Commission Against Corruption's (ICAC) consultation paper*. New South Wales: NCOSS.
- Najam, Adil. 1996. "NGO accountability: A conceptual framework." *Development Policy Review*, 14, 339-353.
- Not in our town. 2011. Retrieved : September 9, 2011 (<http://www.niot.org>).
- Onyx, Jenny A. 2013. "Breaking the rules: the secret of successful volunteering in a caring role." Pp. 343-64 in *Volunteering and Communication: Studies from Multiple Contexts* edited by M. Kramer, L. Lewis, and L. Gossett. Peter Lang: New York.
- Panepento, Peter. 2008. "Most cases of charity fraud could be prevented, study finds." *The Chronicle of Philanthropy*, March 26, 2008. Retrieved September 2, 2011(<http://philanthropy.com/article/Most-Cases-of-Charity-Fraud/62805/>).
- Podles, Leon J. 2008. *Sacrilege: Sexual Abuse in the Catholic Church*. Baltimore, MD: Crossland Press.
- Potok, Mark and Evelyn Schlatter. 2011. "The Company they keep." *Intelligence Report*. 143 (Fall):41-46.
- Robinson, Jean Hardy. 2003. "How can you gain your donors' trust?" *Nonprofit World*, 21(5): 23, Sept./Oct./2003.
- SPLC 2012. *Southern Poverty Law Center*. Retrieved Nov. 1, 2012 (<http://www.splcenter.org/who-we-are>).
- Salinger, Lawrence M., ed. 2005. *Encyclopedia of White-Collar and Corporate Crime*. Thousand Oaks, CA: Sage Publications.
- Sanchez-Jankowski, Martin. 1991. *Islands in the Street: Gangs and American Urban Society*. Berkeley: University of California Press.
- Siegel, Jack. 2006. *A Desktop Guide for Nonprofit Directors, Officers, and Advisors: Avoiding Trouble While Doing Good*. Hoboken, NJ: John Wiley and Sons.
- Simon, John G. 1987. "The tax treatment of nonprofit organizations: A review of federal and state policies." Pp. 67-98 in *The Nonprofit Sector: A Research Handbook*, edited by W. W. Powell. New Haven, CT: Yale University Press.

- Smith, David H., with Sharon Eng and Kelly Albertson. (in press) 2014. "The Darker Side of Philanthropy: How Self-Interest and Incompetence Can Overcome a Love of Mankind and Serving the Public Interest." Chapter 18 in Jenny Harrow, Tobias Jung, and Susan Phillips, eds., *The Routledge Companion to Philanthropy*. London, UK: Routledge.
- Smith, D. H. 2013. "Growth of research organizations and journals in the emerging discipline of altruistics." *Nonprofit and Voluntary Sector Quarterly*, 42(4): 638-656.
- Smith, David H. 2008a. *Accepting and understanding the 'Dark Side' of the nonprofit sector: One key part of building a healthier civil society*. Paper presented at the Annual Conference of the Association for Research on Nonprofit Organisations and Voluntary Action. Philadelphia, PA, November 20-22, 2008
- Smith, David H. 2008b. "Comparative study of fundamentally deviant nonprofit groups and their role in global civil society and democratic cultures as a new frontier for third sector research: Evidence for prevalence of the false 'Angelic' nonprofit groups flat-earth paradigm." Paper presented at the Biennial Conference of The International Society for Third Sector Research, Barcelona, Spain, July 9-12, 2008.
- Smith, David H. 1995. "Deviant voluntary groups: Ideology, accountability, and subcultures of deviance in nonprofits." Pp. 120-26 in *Proceedings of 1995 Annual Conference of ARNOVA*, Cleveland, OH, Nov. 2-4.
- Smith, Michael. 2012. "The AWU Scandal-WA Associations Incorporation Act - The sham 'Australian Workers' Union Workplace Reform Association." Michael Smith News.com, August 27, 2012. Retrieved : Oct. 15, 2012
(<http://www.michaelsmithnews.com/2012/the-wa-associations-incorporation-act.html>).
- Stein, Marc. 2012. *Rethinking the Gay and Lesbian Movement: American Social and Political Movements of the Twentieth Century*. New York: Routledge.
- Subianto, Benny. 2012. "Misconduct in Conventional Associations and Fundamentally deviant associations in Indonesia." Unpublished manuscript.
- Transparency International UK 2010. *Bribery Act: A Briefing for NGOs, rev. August 2010*. London: Transparency International UK.
- UFO. 2013. "UFO Research Queensland." Retrieved September 10, 2013
(<http://www.uforq.asn.au/about/history.html>).
- UK Gov. 2013. "Protecting the UK against terrorism." Retrieved Nov. 15, 2013
(<https://www.gov.uk/government/policies/protecting-the-uk-against-terrorism>).
- Van der Does de Willebois, Emile. 2010. "Nonprofit organizations and the combatting of terrorism financing: A proportionate response." Washington D.C. International Bank for Reconstruction and Development/The World Bank, 2010.
- Vardi, Yoar and Ely Weitz. 2004. *Misbehavior in Organizations*. Mahwah, NJ: L. Erlbaum.

- Weisbrod, Burton A. 1992. "Tax Policy Toward Nonprofit Organizations: A Ten Country Survey." Pp. 29-50 in *The Nonprofit Sector in the Global Community: Voices From Many Nations*, edited by K. D. McCarthy, V. A. Hodgkinson, and R. A. Sumariwalla, San Francisco, CA: Jossey-Bass.
- Weisbrod, Burton A. 1998. *To Profit or Not to Profit: The Commercial Transformation of the Nonprofit Sector*. Cambridge, UK: Cambridge University Press.
- Willitts-King, Barnaby and Paul Harvey. 2005. "Managing the risks of corruption in humanitarian relief operations. A study for the UK Department of International Development. Humanitarian Policy Group." *Overseas Development Institute*, March 31, 2005.
- Wolf, John. B. 2012. *Antiterrorist Initiatives*. New York: Springer.
- Vardi, Y. and Weitz, E. 2004. *Misbehavior in Organizations*. Mahwah, NJ: L. Erlbaum.
- Young, Dennis. 2011. "The Prospective role of economic stakeholders in the governance of nonprofit organizations." *Voluntas* 22(4): 566-586.
- Young, Dennis, ed. 1995. "Dilemmas of nonprofit accountability." *Nonprofit Management and Leadership* Special Issue:6(2).
- Zack, Gerald M. 2003. *Fraud and Abuse in Nonprofit Organizations: A Guide to Prevention and Detection*. Hoboken, NJ: Wiley.
- Zimmerman, Jason. 2001. "The effects of bureaucratization on corruption, deviant and unethical behaviour in organizations." *Journal of Managerial Issues*, 13(1): 119-128, Spring, 2001.