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**Social accountability for the Third Sector**

Framework data from three different countries: Italy, United States and Brazil

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## **Abstract**

Nonprofit organizations have been expanding during the last decades. Theories highlighted “market failure” or some combination of private and public deficiencies in the delivery of quasi-public goods as the reason behind the emergence of these organizations. However, a set of cultural, historical and economic differences made this movement unique in each country. The purpose of this study is to make a comparative analysis between third sector organizations in Italy, United States and Brazil, and examine, in generally, how social accountability is produced in these different contexts. The accountability tool analyzed is the social report, which more than financial reporting, presents the organization's activities and its identity to stakeholders and to society as a whole, in a clearly and accessible way for any audience. In Italy, it is possible to realize a stronger initiative on the implementation of social report as a legal requirement, while the United States and Brazil, only apply a mechanism of accountability that requires the financial statements and a brief description of activities.

**Keywords:** Third sector, nonprofit organizations, social accountability, social report, annual report.

*The gross national product does not allow for the health of our children, the quality of their education or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything in short, except that which makes life worthwhile.*

Robert F. Kennedy  
University of Kansas  
March 18, 1968

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