Accountability in Action Newsletter

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Between exposé and libel: online activity and the lack of institutional accountability

Accountability debates often focus on powerful organisations, whether formal or informal. This makes sense – the benefits of accountability can be most felt when powerful organisations adopt the necessary policies and put them into practice. However, with the focus on organisations, the growing power of the individual has often been overlooked.

As online publication becomes easier, through innovations such as blogs and websites such as YouTube, millions of people are finding a voice. With the right combination of luck, judgement, timing and the Internet an individual can have a great deal of influence. Yet, this individuality of the Internet means users are often acting outside of an institutional framework.

Whilst most bloggers have readers in the tens or hundreds, some have acquired followings in the hundreds of thousands. With such large readerships these bloggers are starting to challenge the dominance of traditional media outlets. Their online editorials signify a progression from the commentating on news stories reported by the mainstream media to setting the news agenda themselves.

A notable example is the attention brought by US bloggers to the remarks of Senator Trent Lott, then Senate Minority Leader, at the 100th birthday party of Senator Strom Thurmond in December 2002. Speaking of Thurmond's run for President, which was on a segregationist platform, Lott said:

> … if the rest of the country had followed our lead [that of Mississippi, which had voted for Thurmond in the election], we wouldn't have had all these problems over all these years…

Whilst reporters from mainstream media outlets were present at the party, it was the action of bloggers that brought consistent attention to the remarks and eventually forced Lott to resign as Minority Leader.[1]

Similarly, the use of videos posted through YouTube is having a remarkable impact on the way in which the American 2008 Presidential campaigns are being run, with greater online content and the emergence of "attack ads" unaffiliated with any campaign.[2] Another example is the "gripe site" of **www.royaldutchshellplc.com**. The site has played a watchdog function on the activities of Shell, and has acted as a central point for the gathering of complaints.[3] With the power of the internet harnessed for both whistleblowers and scandalmongers, it is clear that such great influence can be positive or negative.

Whereas traditional media organisations have internal accountability – with editors being ultimately accountable for published material – bloggers are independent and lack such an institutional framework. There is no editor, no lawyer, and no proprietor to be persuaded of the public interest case for a story. Even under the UK's notoriously strict libel laws bloggers are effectively able to circumvent the risk of the large financial penalties that can come with an adverse court judgment. They can limit liability through a company that holds few assets, as little is needed to publish a blog. In the USA, where the Constitution places great value on the freedom of speech, there are even fewer legal risks.

This lack of internal accountability and the possibility of circumnavigating legal accountability brings into question how bloggers, and other individuals online, are accountable.

To address the absence of accountability mechanisms and concomitant concern that there is power without responsibility, there have been some attempts to develop self-regulating Codes of Conduct. One of the most high profile is that started by

Jimmy Wales, founder of Wikipedia, and Tim O'Reilly, who coined the term "Web 2.0".

With a series of "**opt-in badges**" for different levels of enforcement, the O'Reilly-Wales proposal have proved very controversial, prompting attacks as well as support from within the blogosphere. However, the proposal lacks any enforcement mechanisms – and it is unclear what form an effective enforcement mechanism could take. With the ease of online anonymity, and the opprobrium of others worn as a badge of pride for some, forms of self-regulation that rely on social norms and pressure may be ineffective in this sphere where there is little to be lost.

It is not the case that the Internet is a lawless place; fraud is still fraud, and activities that would be criminal offline are criminal online too. But where is the line drawn in the often casual, conversational manner of the Internet that can be accessed by millions not just heard by the few? With the international and individual nature of the online world, it is difficult to transpose the accountability mechanisms of the offline world, from courts of law to social norms.

Furthermore, with the borderless nature of the Internet, who would enforce? Is it the state's responsibility? Consumers? Registries? Or even families and partners? With the lack of the institutional frameworks of accountability present in traditional media organisations applying to bloggers, yet the unquestionable ability of such individuals to impact the 'non-Internet' society, these questions are starting to be asked and need to be addressed.

Claire Wren

[1] Scott, Esther, "Big Media Meets the Bloggers: Coverage of Trent Lott's Remarks at Strom Thurmond's Birthday Party", Case Study, Kennedy School of Government, 2004 (http://www.ksg.harvard.edu/presspol/Research_Publications/Case_Studies/1731_0.pdf)
[2] Wood, Gaby, "From the web to the White House," *The Observer*, 8 July 2007 http://observer.guardian.co.uk/review/story/0,,2121069,00.html.
[3] See Accountability in Practice.

Accountability Programme News

Project News

The One World Trust launched a **new home page for the Global Accountability Reports**. The page provides background information on the Reports, including methodology, links to the indicators used in the assessments, as well as the various ways to explore the reports' findings. Also launched was the **2007 Global Accountability Report** web page. The page lists the organisations being assessed in 2007 and will provide links to the report's findings after the report is released.

The Trust also launched a website for the project focusing **on research institute accountability**. This project uses a modified version of the Global Accountability Framework to explore the different aspects of accountability which are relevant to research institutes. After reviewing the current thinking, the team will work closely with research institutes to construct a typology, identifying and closing gaps in knowledge. Ultimately, the project will propose and disseminate practical guidelines to enable research institutes to maximise their accountability to their stakeholders.

In his first major policy announcement after becoming Prime Minister Gordon Brown launched the Governance of Britain Green Paper that proposes a series of constitutional reforms aiming to bring power back to Parliament and the people. A number of the recommendations of the One World Trust's **Parliamentary Oversight Project** were incorporated into the proposed reforms including the codification of the royal prerogative and empowerment of Parliament to recall itself. A full analysis of the Brown constitutional proposals and their impact on parliamentary oversight of foreign policy can be downloaded from the **myforeignpolicytoo.org** website.

Lyndall Herman and Michael Hammer explored potentials and problems with the current accountability and governance structures of **Multi Donor Trust Funds**

(MDTFs) in a One World Trust briefing paper published on 19 July 2007. Multi Donor Trust Funds are rapidly developing into an important tool to channel large amounts of funding into areas where support is needed after conflict or natural disasters. However, the transparency and governance arrangements of the MDTFs are weak, undermining their accountability to stakeholders, especially the people they are aimed at helping most.

In a paper published on 12 July **Between Courtroom Reality TV and Justice - The Trial of Charles Taylor**, Michael Hammer examines the potential problematic impact of the increasing concentration of important international criminal proceedings taking place in The Hague on the future of human rights accountability on the African good governance agenda. With more and more trials taking place far removed from the people most affected by the crimes themselves, these proceedings may lose their meaning for effective transitional justice, which cannot be restored by merely relaying the trials back by television.

Past Events

On 14 and 15 June Michael Hammer, Executive Director of the Trust, attended a conference organised by the Stiftung Entwicklung und Frieden in Berlin on the legitimacy of global governance regimes. The event focused on issues of governance systems including decision making at international financial institutions on which the Trust recently published the paper, "**Bridging the Democratic Deficit - Double Majority Decision Making and the IMF**."

Staff News

On 1 July **Robert Lloyd** was promoted to become projects manager for a cluster of the Trust's projects on the accountability of global organisations. Robert has worked at the Trust since 2004 and guided much of the research for the 2006 Global Accountability Report. Trained at the Institute of Development Studies at the University of Sussex, UK, he has a wealth of practical research expertise on NGO accountability and self regulation, measuring accountability, and overseas experience in Central America. His new role involves management, communication, and fundraising responsibilities.

Our continuing programmatic work in the area of global accountability is also strengthened by the recruitment, in late June, of **Brendan Whitty** to our team. Brendan will be working on the **accountability of research institutes**. He joins us after several years of work in research and programme management in Afghanistan with the Afghanistan Research and Evaluation Unit, Asian Development Bank supported work on access to land, and rural and agricultural development work for ACTED. Brendan holds degrees in law from Columbia University in New York and the University of Edinburgh. He has also worked in research at the German Max Planck Institute for comparative law, and for the United Nations Iraq Desk of the Department of Political Affairs on political and humanitarian affairs.

Cross Sector Accountability News

Robert Zoellick was selected as the new President of the World Bank in June following Paul Wolfowitz's resignation. Zoellick was the only individual nominated by member countries and was unanimously approved by the Board of Executive Directors. The One World Trust, along with fellow non-governmental organisations, **called for a more transparent and open selection process**. However, no other candidates were nominated by World Bank member countries.

In related news, the **Managing Director of the International Monetary Fund (IMF), Rodrigo de Rato, announced he is to resign** in October increasing calls for change in the way candidates for the position are chosen. Traditionally, European countries select the head of the IMF while the United States chooses the President of the World Bank.

The UK government has called for a more transparent and open process for selecting the IMF Managing Director saying that **all countries should have the right to nominate** and assess candidates for the job.   In response to other European countries rallying behind a proposed French candidate, the Group of 24 (G24), which represents minority shareholders in the IMF, **issued a statement** pressing developed countries to respect the IMF Board of Executive Director's support for merit-based and open selection process.

A **ten point programme aimed at ensuring effective aid delivery, transparency, and accountability** was released by ActionAid International to aid developed and developing governments in eradicating poverty. The report was released for the run-up to the third high-level forum on aid effectiveness. The recommendations made by ActionAid International are based on an evaluation of the Paris Declaration of 2005, identifying weaknesses in the earlier commitments and suggesting ways of strengthening accountability, and consequently aid delivery.

Reinforcing its commitment to transparency and accountability, **Plan International became the latest signatory to the International NGO Accountability (IANGO) Charter**. The **Charter** identifies a number of principles around accountability and transparency that signatories commit to implementing within their organisations.

The accountability and transparency of global media organisations was highlighted in a study conducted by the International Centre for Media and the Public Agenda (ICMPA), University of Maryland. The study explores the **extent to which the global media is itself transparent**. The results of the report suggest that most big media companies, although seen by the public as watchdogs for larger institutions, are unlikely to divulge information on their own policies and practices. The report suggests that it is important to ensure that media companies incorporate accountability practices into their structures.

Self-regulation of private equity firms, as opposed to public company-style rules and regulations, were recommended by City banker Sir David Walker in his recent report on the subject. He rejected demands imposing tougher rules on the private equity firms, enabling them to evade the tighter regulations and closer scrutiny of pays and fees. Instead, the report suggested that a voluntary code of conduct would sufficiently increase the supply of information to employees, customers, and other stakeholders. Sir David called for more transparency in the secretive industry through increased reporting, operating reviews, as well as recommending that further research be conducted to improve understanding of the private equity industry.

Accountability in Practice

Royaldutchshellplc.com – The power of a website

The website Royaldutchshellplc.com is a gripe site established by John Donovan and his father, Alfred, to stream information to the public about the Shell Group, a collection of oil, gas, and petrochemical companies. John Donovan's use of the website to blow the whistle on Shell's environmental abuses in the Sakhalin project exhibits the power an individual website can have in holding a global organisation to account.

A 'gripe site' is traditionally one "devoted to the critique and/or mockery of a person, place, politician, corporation, or institution."[1] However, with the right contacts, a gripe site can become much more than simply a soap box. As The Royal Dutch Shell plc website shows, a gripe site can have a profound impact on global organisations.

Donovan's battle with Shell began over breaches of contract with regards to sales promotions campaigns he and his father devised that were used to attract customers to Shell petrol stations. Shell and the Donovans settled out of court. But it was after Shell apparently made disparaging remarks about the Donovans that John set up Royaldutchshellplc.com.

Donovan "wanted the site to become a magnet for people who had a problem with the company."[2] The site has not only cost Shell billions of dollars in Russia, but *Prospect Magazine* reports that the Ogoni tribe of Nigeria also use the website to spread information about Shell's activities in the Niger Delta, and that even Shell insiders unhappy with the company use it.[3]

Royaldutchshellplc.com is just one of many examples of how the Internet makes it possible for concerned individuals to initiate discussion about global organisations, post and share information about organisational actions and their impact, and provide a common forum for affected stakeholders. At the very least, 'gripe sites' such as this have a valuable watchdog function and remind global companies of the power of public opinion – thus forcing them to confront weaknesses in their own accountability.

[1] *Wikipedia*, 'Gripe Site,' http://en.wikipedia.org/wiki/Gripe_site
[2] Brower, Derek, 'Rise of the Gripe Site', *Prospect Magazine*, February 2007, http://www.prospect-magazine.co.uk/article_details.php?search_term=shell&id=8209
[3] Ibid.

If you have an accountability practice that you would like to see featured in this article, please contact us at **accountability@oneworldtrust.org**.