Nov 30 2015

UN FORUM SERIES – Rhetoric of corporate responsibility is not enough: Corporations must walk the walk, not just talk the talk

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Twenty years ago this month, the Nigerian military regime executed the environmental activist, Ken Saro-Wiwa. Ken was a remarkable and charismatic leader of the Ogoni tribe in the Niger Delta who led his people's opposition to the pollution and abuse that Royal Dutch Petroleum was causing in their territory.

On the anniversary of that momentous day, the horror of which inspired a generation of human rights activists like myself, it feels both **fitting** and **peculiar** to reflect on how business managers can evaluate if their companies meet their responsibility to respect human rights.

Fitting, because we have made progress, at least on paper. There is probably more convergence between communities, civil society groups, businesses, and governments on what it means to respect and protect human rights than ever before. In this age of the <u>UN Guiding Principles on Business and Human Rights</u>, the <u>OECD Guidelines on Multinational Enterprises</u>, and the <u>Voluntary Principles on Security and Human Rights</u>, pretty much everyone has agreed that corporations shouldn't be complicit in gross human rights abuses, they should disclose important information to affected populations, and they should conduct due diligence in their supply chain. Even <u>Chinese industry associations</u> are getting on board.

Call me a naïve optimist, but I actually believe that few companies would currently approve of the things that firms like Shell, Unocal, and Chiquita are alleged to have done back in the bad old days – working hand-in-glove with brutal military regimes and paramilitary forces to slaughter and torture innocent civilians and devastating entire ecosystems.

Peculiar, because I still have the sense that when I talk about corporations' human rights responsibilities, I mean something entirely different than what the executives mean. Fundamentally, most corporate managers still believe that human rights compliance is – and should be – strictly voluntary: something to take into account after they've made their quarterly earnings projections and have time and money left over for forward-looking, public goodwill projects.

For me, human rights compliance must be mandatory. Preventing rape, torture, or forced resettlement should never be balanced or negotiated. Obligations to protect, respect and remedy must take into account historical injustice as well as the ongoing relationship between communities and companies. I don't believe in "good" and "bad" companies. It's just that when companies are set up by definition to pursue profits to the exclusion of other motivations, they often disregard human rights if the economics demand it unless strong protections are written into law and are enforced consistently.

I had just graduated law school and established EarthRights International in November 1995 when the Ogoni Nine were hanged. My first case as a young lawyer was to represent people from Burma in a lawsuit against the oil company Unocal for its complicity in forced labor, torture and killing in Burma. We achieved a measure of justice and accountability in that case, as we did for Ken Saro-Wiwa's family and others in a subsequent case against Shell.

It would be nice to look back, twenty years later, and say that these kinds of corporate abuses were a thing of the past. Certainly the corporate rhetoric has changed, and indeed Shell is a <u>proud proponent of the Voluntary Principles</u>. But Ken Saro-Wiwa's people can tell you that Shell's legal tactics – including both no-holds-barred litigation and <u>lobbying the British government</u> to intervene on its behalf –ended up with <u>two U.S. Supreme Court precedents</u> that would likely bar them from holding Shell accountable for the violence it abetted in Nigeria if they tried to sue today.

Shell is also a <u>leading participant in the Extractive Industries Transparency Initiative</u> – a voluntary grouping that promotes transparency in the financial dealings between companies and governments – but <u>helped lead</u> the American Petroleum Institute's <u>successful challenge</u> to U.S. regulations that would have required companies to disclose the same information.

Shell is certainly not alone in such tactics; Unocal, then Chevron and countless other companies have worked tirelessly to restrict or eliminate real laws and meaningful remedies for human rights abuses.

The very same companies who talk about standards for corporate responsibility wage zealous legal battles to prevent actual enforcement of these same norms. And increasingly, they advocate for laws that would immunize perpetrators of abuse, or file lawsuits against individuals and associations that demand legal accountability.

Is this really progress?

My point is this: companies shouldn't get positive grades for the codes of conduct they sign onto or the community projects they lead without also taking into account the ways that they throw their weight around to avoid accountability, intimidate their critics and co-opt the political process.

How can it be right that Chevron was a <u>finalist</u> for a U.S. State Department "corporate excellence" award last year for its current socio-economic work in Myanmar, when the same company tried to <u>corrupt the judicial process</u> and <u>abuse activists</u>, bloggers, and journalists for standing against it in Ecuador? Why should Newmont Mining get high praise for its <u>conflict-free gold standard</u> when it's trying to <u>destroy the ecosystem that locals rely on</u> in the mountains of Peru and has a deal with the Peruvian armed forces that has led to <u>multiple shootings</u> of <u>peaceful protesters</u>?

I don't have any simple answers as to how all these inputs should be measured and balanced against each other. But even after twenty years, I still believe that actual human rights laws matter, and that it is in business' best interest to truly respect the law and provide real remedies when violations occur.

I also know that by avoiding accountability, disrupting regulatory efforts, and taking the offensive, companies are deluding themselves into thinking that they won't ever have to answer for the really tough stuff. Ask Shell if they have been – or ever will be – allowed back into Ogoniland. Ask the Ogoni who will pick up the tab for the <u>ecological disaster</u> that they live with every day. After decades of waiting and fighting, they're still hoping, as I am, that one day, it will be Shell.

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