“No accounting for these people”: Shell in Ireland and accounting language

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Abstract

Accounting lays claims to be the language of business: a clear, technical, unambiguous means of communication for decisions on investment and economic development. Accounting concepts have increasingly entered mainstream debate on issues affecting society at large. This makes the fairness and effectiveness of accounting as a mode of communication more important for social justice than ever before. In a contentious development, if the discussion is framed primarily in accounting terms, this may disenfranchise those parties to the dispute whose issues are not readily expressed in the common vocabulary of business. Their concerns may become invisible in the debate. If this happens, then accounting has failed as a means of communication, and that failure is non-neutral in that it favours those whose position is best supported by economic arguments.

This paper explores this phenomenon using the case of a dispute between Royal Dutch Shell and a local community in Ireland concerning a gas refinery located in an environmentally sensitive area. The issues in conflict are complex and at times intangible. I explore how the limitations of accounting as a language blinded the protagonists to an understanding of each other’s concerns, marginalised the concerns of protestors from the public discourse, shifting power from objectors within the local community to those whose primary concern was the economic exploitation of natural resources. I argue that accounting failed as a mode of communication to progress a resolution of the dispute, and that this failure was both unnecessary, and systematic in its support of economic interests.

Keywords: accounting, language, multinational, protest, information stakeholders, Ireland, power
1. Introduction

Accounting, in the sense of giving an account, aspires to act as a language in which, ideas around investment, value, and the competing rights of stakeholders can be discussed. Rowe (1998) argues that insofar as accounting is a language, it is limited in its domain to the technology of accountancy rather than the wider field of business. However, for any language to be useful, it should be spoken and understood clearly by all parties to a conversation, and must contain the vocabulary to express clearly the concepts which are important to all parties. Given that accounting and economic concepts have entered the mainstream and are often used to frame debates about contentious issues, the clarity and usefulness of accounting as a language is increasingly significant, particularly when parties are in dispute, and when there is an asymmetry of power.

The political role of accounting and the extent to which it has been used to support particular positions of power is the subject of much research. Accounting has often been seen as non-neutral. Burchell et al. (1980) argue that accounting originally developed as a way of supporting particular stances with divergent interests, but that it has now moved beyond being a system of calculation to become an influence for social management. Studies such as Cooper and Hopper (1988) have looked at its role in the coal disputes of the 1980s. Other works such as Pringle (1978), Neu (2000) and O'Regan (2010) have established how accounting served the needs of colonising powers in India, Canada and Ireland. These and other papers have highlighted the difficulties created by accounting for uninformed actors seeking to engage in debate on public issues, and the way in which accounting seems to serve economic rather than societal interests. For example, Cooper and Hopper (1988) describes the relationship between profitability and economic value and the essentially contestable but true-seeming nature of accounting information. Since some knowledge of accounting is required to contest these figures, this effectively disenfranchises those who lack this specialist skill.

I argue that the problem goes beyond mere access to the accounting information or to accounting skills. By now, economic norms have become so embedded into the public discourse that they have created a new way of thinking about issues, and a new form of language with which to discuss them. In order for non-professionals such as the public, employees or local communities to engage in dialogue with industry, not only must accounting information be available to enable them to build their case, but the language of accounting and economics must be capable of expressing that case. If members of the public have concerns that do not readily adapt to this language, they may find it difficult to express these in a way that is meaningful to industry and perhaps to their own public representatives and the mainstream media. Their concerns may then be sidelined as emotive, or in some way lacking in validity (Tombs, 1993). If this is the case, it is arguable that major industrial players need only frame any discussion on their activities in accounting or economic terms in order to effectively sideline non-economic
concerns. This would mean that accounting not only fails as a communications medium, but systematically serves one limited set of stakeholders.

This paper looks at the use of accounting as a language by parties to a dispute between local residents and landowners in a remote area of Ireland, and Shell (E&P) Ireland around the issue of an onshore gas refinery and pipeline. Cooper and Hopper (1988) observe that the main advantage to focussing on a single dispute is that it is possible to isolate and contrast alternative perspectives, and to analyse their impact on the outcome of the dispute. This dispute forms a particularly interesting case study in which to examine the question for reasons set out below, centring on language, relative power and history. The greatest polarisation in the dispute is between those who see the main issue as an economic one, and those whose primary considerations are non-financial. This paper examines the language used by parties to the dispute, and examines how the use of accounting terms formed a barrier to understanding, and how the predominance of accounting discourse served to suppress some points of view. In doing so, it attempts to address the need cited by Tinker (1980) to examine the political and social precepts of accounting, and to explore the idea highlighted by Burchell et al. (1980) of the political role played by accounting information.

The remainder of this paper is laid out as follows: first, insights are drawn from the academic literature on how accounting functions as a language within the wider context of the links between accounting and neo-classical economics. Next the background to Shell in Ireland is outlined, together with the relevant history of the Erris area. After a description of the research methods used, interviews are analysed to isolate points of difference in the use of accounting language, issues which are not readily expressed in accounting terms and sources of incomprehension between the parties to the dispute. The paper concludes with a discussion of the findings, their implications, and avenues for future research.

2. The language of accounting

The Sapir-Whorf Hypothesis described in Werner (1994) suggests that people who speak and think in different languages have slightly different views of the world, and that the more dissimilar the two languages are, the greater is that difference. It follows that in polarised disputes, the language spoken is pivotal to an understanding of the views of the other. As outlined by Potter (2005), a literature has emerged over the last twenty years which examines accounting as a social practice which can enable or create a sort of “financial visibility” in public discourse for concepts which might otherwise not be understood. This relates to the power of professionals and academics to “name” certain concepts, described in Bourdieu (1982), and thus set limits on the points of view that are considered legitimate. As noted by Cooper (1992), by learning how to name a concept, we learn a fixed way of understanding it. While Parker (1994) describes how the vocabulary of accounting has been extended
over the years, arguably accounting still fails to represent or express many fundamental issues in these terms.

Cowan et al. (2005) categorise any unexpressed knowledge as either unarticulable, or unvoiced. In discussing the reasons why such knowledge might not be expressed, they observe that:

... the economist says, knowledge is not articulated because, relative to the state of demand, the cost and supply price is too high. ... Without making any disparaging remarks about this view, we can simply point out that there is some knowledge for which we do not even know how to begin the process of codification, which means that the price calculation could hardly be undertaken in the first place (Cowan et al., 2005, p. 211).

This suggests that some ideas may not ever be adequately represented by accounting or economic terminology. An argument could be made that accounting by necessity demands that there will be specialist terms for which definitions will be established by accounting standards, and that in this respect it is no different to any other language—one which needs to be learned in order to be used. However, because accounting seeks to be a universal language of business, and because it is now widely used to express non-financial matters, it is not sufficient to accept that it is limited in scope, and that this limiting is neutral in its effect. If accounting fails as a means to express the concerns of parties to an industrial or development dispute, then some considerations will be unvoiced, and will go unheeded in the debate because there is no codification which will facilitate their expression in accounting terms. I argue that those concerns most likely to be unvoiced are those held by the parties with the least economic power.

Potter (2005) describes how interpretations which are not expressed in accounting terms can be either not fully understood or ignored. This arguably gives the advantage to arguments built on premises which are part of the accounting lexicon, and means that any bias in this lexicon has serious implications for social justice. That is particularly problematic in a dispute around the importance of the environment, since the language of accounting gives the upper hand to those who view the environment primarily as a commodity or resource to be exploited for economic gain.

A secondary problem arises because the technology of accounting lends accounting terminology a veneer of scientific accuracy, and makes it appear unambiguous and incontestable.

Complex political and social problems are identified and resolved through the application of accounting techniques and approaches, which are valued largely for their apparent or asserted neutrality and objectivity. Any resulting decisions acquire an image of procedural fairness, objectivity and neutrality, and thus become increasingly difficult to critique (Potter, 2005, p. 273).
Jain (1973) describes the Einstellung effect, whereby any useful verbal label for a situation will be generalised, and users will respond to the label without examining the underlying individual circumstances of its use. This makes it particularly important that technical accounting terms are used appropriately, with a clearly understood meaning.

Given these two problems – the invisibility of concepts omitted from the accounting lexicon and the incontestable nature of concepts so included – it is worth examining whose interests are served by the accounting vocabulary as it is applied in public discourse. If the accounting concepts used by the main actors to a dispute routinely disenfranchise one side, then arguably accounting needs to change. As proposed by Tinker (1980):

> While accountants are becoming more rigorous in their understanding of the economic realm, a commensurate degree of rigor also is required concerning the political and social realms (Tinker, 1980, p. 158).

A lack of accounting terminology on the part of environmental activists is not new. Owen (1993) describes two perspectives on the role of accounting in environmental debate: “ecocentric dark green radicals” who see little or no role for the craft of accounting in understanding sustainability, and “technocentric reformists” who see accounting information as pivotal in shaping perceptions. However, Fischer (1993) argues that environmental activists cannot afford to ignore the role of accounting, and need to engage in debate within the technocratic paradigm, which obviously requires a proficiency in accounting measures and the language of accounting.

A good example given in Cooper and Hopper (1988) is the distinction between profitable and economic, hinging on the opportunity costs of resources consumed by an enterprise. To translate their argument to the case of Shell in Ireland, a gas refinery could be seen as profitable if what is lost to the locality by locating a refinery that is not costed. To make a counter argument in similar terms to this position would call for some sort of financial valuation to be placed on the concerns of local residents. This is not a trivial undertaking, and may be a good example of the sort of unarticulable knowledge described by Cowan et al. (2005). One side of the dispute would like to locate a refinery in an environmentally sensitive area. Accounting gives them a means to calculate costs and benefits. The other side simply wants the refinery not to be developed. Not only is the relevant information not available to enable a relevant calculation to be made, but the thing valued by local residents is largely intangible. A refinery can be costed, but the absence of a refinery resists any valuation using an accounting vocabulary.

3. The background to “Shell to Sea”

Internationally, protests around the production of oil and gas are common, and often centre on local concerns cited in O’Rourke and Connelly (2003) such as
safety and damage to the local environment and culture. The environmental movement in Ireland has been characterised by Tovey (2007) as weak by European standards in terms of membership of environmental organisations, but high in terms of activism such as signing a petition or taking part in a protest. It has been described by multiple sources cited in Garavan (2007) as largely driven by localism, with most protests being sub-national in scope. Protesting is, however, reported by O’Neill (2003) as a very low priority for the few national groups which exist, and most protests are driven by local residents, and uninformed by institutionalised environmentalism. Such protests are sometimes characterised as self-serving, NIMBY or “not in my backyard” affairs (Dear, 1992). However, in the case of the protestors against Shell’s developments in Erris, some other interesting factors were at play, particularly impacting on questions of language.

First, Erris is an interesting place. It is a remote coastal area of North West Mayo, and one of the most isolated and desolate parts of Ireland. The largest town is Belmullet, with a population of some 1200 people. Population overall in the area has been declining steadily for decades. There has never been any industrialisation in the area. Because it is one of the few areas in Europe which was never industrialised, it has no folk memory of the language of commerce. As Cecil Woodham-Smith wrote in 1862,

   In Erris today there are people who have never seen a train; in 1847 there were many who had never seen a living tree larger than a shrub (Woodham-Smith, 1862 p. 311).

Secondly, while English is the normal language in day-to-day use there, Erris was Irish-speaking until a few generations ago, and is still a designated Gaeltacht area with Irish spoken at least part of the time among locals. This colours not only the way in which the English language is used in the area, but also attitudes to language, and to the use of language among the local people. During the early period of British rule in Ireland, the English language was imposed by force on the Irish- speaking population. The Irish language survives as a second language in the Erris area, and Irish constructions and modes of speech influence the way in which English is spoken and understood by locals. This makes language itself a key part of any conflict with external forces, which as noted by Britton (1999) is common in a post-colonial society.

In looking the way language is used around this dispute, parallels can be drawn with the post-colonial process of undermining indigenous values through both the imposition of a foreign language. Coleman (1999) compares the systematic eradication of the Irish language in schools in Ireland in the 19th century and a similar and contemporaneous process among Native American children. As the children were forced to learn English in school, they lost touch with their native language and with the values that were expressed by it. This in turn devalued the old ways and customs among the younger generation. A similar process is described in Tollefson (2002) as taking place in South Africa, and by Heugh (2002) as forming an important
part of the Apartheid regime in more recent times. O’Byrne (2007) writes that this colonial practice of destroying native cultures and suppressing native languages is a familiar one. It may seem fanciful to compare this active suppression of native language to the disenfranchisement that arises from the use of accounting language by a more powerful party to a dispute. However, Erris is a Gaeltacht area, so Irish is still a viable, though declining, language in daily use in the area. The idea of a local language being undermined by external colonising forces is not a remote one in this part of the world.

Thirdly, the colonial history of the area directly affects the way in which concepts of land value, etc. are interpreted by locals. When Britain ruled Ireland, Oliver Cromwell forced Irish peasants away from more fertile parts of the country into the wider Connaught area including Erris, where they worked mostly as tenant farmers for absentee English landlords. They had few rights, and farmed on a subsistence basis, growing increasingly dependent on the potato as a staple food. As a result, they were particularly badly-hit by the potato famines of the 1840s. Woodham-Smith reports the population of Erris in 1846 as being

reduced to a state which ... was the lowest and most degraded [the Commissariat officer] had ever met with (Woodham-Smith, 1962, p. 311).

The treatment of the local population by landlords during the famines was often inhumane. For example, in what Woodham-Smith (1962) describes as one of the most notorious incidents of the whole famine period in Ireland, the inhabitants of three Erris villages were evicted in December 1844 for non-payment of rent following the failure of the staple potato crop “in various stages of fever, starvation and nakedness”. This sort of incident led directly to the instigation, after the famine, of an influential land-rights peasant movement3 in the area. Today there is still a strong folk memory of this resistance to landlords and defence of the land rights in the area. Gyori (2000) argues that the structure of language, the way that it is used, allows individuals to maintain the same relationship with their environment as previous generations had, even if they do not experience the same things. It follows that the idea of land and property rights in Erris could therefore be intrinsically connected to ideas of resistance to outside rule, and to the overthrowing of an external threat.

Fourth, the history of the area through the famines of the 1840s has instilled separateness into the self-identity of the area. Even the residents of towns some 50–60 miles away are regarded by the older generation as outsiders. During the famine, Erris residents were effectively cut off from the rest of the country, and could not rely on central or even local government structures for help. An example of this is recounted in Woodham-Smith, Cecil (1862): in 1845 260 starving people from Erris made their way to a workhouse set up for the relief of starvation in Ballina, a town just outside the area. They were turned away because they had not paid their rates, and many of them died.
The Board of Guardians at Ballina regarded Erris with fear, resentment and dislike. “The Ballina Guardians,” wrote Twisleton, “detest Erris because Erris does not pay its rates, and would see Erris at the bottom of the sea rather than take any trouble about Erris (Woodham-Smith, 1962, p. 311).

Arguably, this feeds into a distrust felt even today by locals for their own government representatives, even those based just outside of the immediate area, and to a sense among those government representatives that the people of Erris are in someway “other” or “difficult”. It is worth bearing in mind that the local authority for the region, Mayo County Council, meets outside of the Erris area, and has a majority of its members from other parts of the county.

Then there is the question of power, and the use of language to obtain it. In common with other multinational firms, Royal Dutch Shell BV is adept at the use of language. Unerman (2003) describes how as early as the 1950s, Shell used the language of their own accounting disclosures to build their own power within discussions with government. Peace (1997) in describing the case of Merrell Dow in Ireland in the 1990s also notes that the multinational used language rather than coercion to overcome community resistance. These large firms can to a large extent frame the discussion on their own development, and control the language which is used to debate any unresolved issues. In doing so, they limit the agenda by controlling what issues can be excluded from the discussion. This shifts power quite dramatically away from uninformed and local stakeholders.

Gas was first discovered in the Corrib field 50 miles off the west coast of Ireland in 1996 by the British-owned Enterprise Energy Ireland. In 2000 they applied for planning permission for an onshore refinery at Bellenaboy with an associated pipeline to bring in untreated gas at high pressure through the village of Rossport, both in Erris. From the beginning, the project had the support of the Irish government at national level, keen to see the offshore Corrib Gas field developed. Objections were lodged both by locals and by An Bord Pleanála (ABP), a national planning body independent of local county authorities. ABP held oral hearings on the issue locally, and proposed a deepwater alternative which avoided the need for an onshore, high-pressure pipeline. The locals favoured the offshore option, although it was considered hazardous and expensive in the prevailing weather conditions. Later Kuprewicz (2005) concluded that the possibility of shallow-water processing in sheltered waters closer to shore would have presented the best balance of safety for workers and residents, but this was not considered at the time.

In 2002, Shell (E&P) Ireland was established to acquire Enterprise Energy Ireland, and become the leader of the consortium seeking to develop the gas field. ABP opened a hearing into a second planning application, and this time asked the consortium to consider the shallow-water processing option. In 2003, ABP overturned the local council’s grant of planning permission,
concluding that the processing plant was “the wrong project in the wrong place” (McCaughan, 2007).

Following this, Shell (E&P) Ireland executives met privately with senior Irish government ministers in September 2003, following which the company made a new planning application for an onshore refinery, which was granted by the county authority in 2004. They began work on the Erris pipeline through the village of Rossport. Some landowners accepted financial compensation for the laying of the pipeline under their land, while others organised under the banner “Shell to Sea” with the primary aim of moving the processing offshore. Garavan (2001) reports that a decision was made by the protestors not to structure the “Shell to Sea” group in a formal or hierarchical way. They favoured a loose network allowing all participants to choose the level of their own involvement. This is in keeping with the previously described low level of institutionalisation of Irish environmental movements.

Initially, the project seemed to be stymied when Shell was unable to get permission from all of the landowners and could not proceed with the pipeline. However, the Department of Marine and Natural Resources granted compulsory purchase powers to Shell (E&P) Ireland to facilitate pipeline construction on the remaining lands. It is important to set this precedent in the historic and post-colonial context, as suggested by Neu (2000). This was the first time that compulsory purchase powers had been granted in Ireland to a private company since the foundation of the state. Some local residents, outraged by this precedent, refused to recognise the orders and continued to block work on the pipeline on some farmers’ land. In June of 2005, five local men were jailed for refusing to obey a High Court order granted to Shell which prohibited their interference with pipeline work.

Garavan et al. (2006) describe how the imprisonment of “the Rossport Five”, as they became known, galvanised a national campaign which brought work on the pipeline to a halt. Three months later, in the face of a landslide of negative publicity, Shell dropped the injunction against the five men, and they were released. The Irish government appointed a well-known and popular figure from the trade union movement, Peter Cassells, as mediator to resolve the differences between Shell and the protestors. By then, however, the community was deeply divided, and the parties to the dispute had grown intransigent. After seven months he concluded that no agreement could be reached between the parties. His report characterised local objections as primarily concerned with safety and environmental issues, and as amenable to financial appeasement (Cassells, 2006). This position was rejected by some of the key actors within “Shell to Sea”.

At the time of writing, construction work continues on the refinery, and protests are held on a daily basis at the refinery gates. Work on the offshore portion of the pipeline has ceased following a protracted hunger strike by a local schoolteacher. The protestors continue to block the development. In 2007 Willie Corduff of the Rossport Five was awarded the 2007 Goldman
Environmental Prize, the world’s largest cash prize honouring grassroots environmentalists.

4. Research methods

In order to determine how accounting concepts are useful or otherwise to the main parties around this dispute, I conducted semi-structured, open interviews with the main actors to the dispute set out in Table 1, and then used a flexible, qualitative form of analysis based loosely on O’Dwyer (2004) to analyse the transcripts. The interviewees were selected so as to represent as widely as possible the differing views of stakeholders who would be reasonably expected to take perspectives on the dispute. All interviewees were offered anonymity, although only one requested it. The focus of the analysis was on the way in which language was used, so the interviews were open and semi-structured, and lasted from 30 to 90 min.

The aim was to isolate the use of accounting terms, to determine the meanings assigned to common accounting terms by different actors, and to identify important issues which could not be readily expressed in the language of accounting. The interviews were transcribed, and the texts were analysed following an approximation of the iterative process outlined in O’Dwyer (2004) to examine the way in which each respondent used accounting and economic terms, the meaning applied to these terms, and the extent to which their concerns could be expressed in this language. The research is qualitative in nature and this approach is more open and thereby ‘more involved’ than other research strategies (Flick et al., 2004). An immersion approach was taken, with the interviews replayed repeatedly, the transcripts cut and pasted, and the major themes mapped using mind maps and tables. Common accounting terms were isolated, and their context examined. Analysis of the use of language highlighted areas in which accounting language was used by the different parties in different ways, and themes which were not readily expressed in those terms.

Eight interviews were conducted: a senior officer of Shell (E&P) Ireland, three local protestors, two members of the national parliament, a local government representative and a senior civil servant at the relevant government department. The details are shown in Table 1:
Local protestors and company officials were obvious choices as interviewees, due to the direct nature of their involvement in the dispute. The civil servant was selected for interview based on his seniority, and his role in advising government, particularly the relevant minister, in the early stages of planning for the project.

The position taken by politicians is interesting for a number of reasons. Obviously, as public representatives and members of the local and national government, they have an obligation to represent the concerns of their constituents, and express them clearly in debate on issues that concern them. Elliott (2004) argues that better governance demands that local voices are taken explicitly into account for environmental governance. At the same time, governments seek to attract multinational firms to locate in their jurisdictions in order to provide employment, etc. This leads to a moral difficulty for members of the government when their own constituents, who vote them into office, clash with multinational firms. However, multinational firms also need...
government support for their activities in a host country. As Peace (1997) put it, despite the inequality in power between local communities and transnational corporations, the latter still needs state support to exercise that power. The language used in navigating these conflicting demands is therefore not necessarily neutral. Burchell et al. (1980) observe that

... the state has been an active agent both for the continued development of accounting systems in industrial and commercial enterprises and for their introduction into more sectors of society (Burchell et al., 1980, p. 6).

Given their duty of care to their constituent population, it would be a matter of grave concern if they did not adequately represent concerns that cannot be articulated in accounting terms.

In the next sections I present themes which emerged from the interviews under separate headings: those expressed in accounting terms but with different meanings for the different parties to the dispute, and those “invisible concepts” which have no accounting “translation”.

5. Concepts expressed in accounting terms

An analysis of the texts revealed three broad themes expressed in accounting terms, but interpreted in different ways by the different parties to the dispute, as illustrated below. These are value, cost–benefit analysis and investment.

5.1. Point of difference—value

The term “value” is used frequently in all texts, with quite different meanings. For the civil servant, value means the return to the state from natural resources

If you leave it lying there, you never recover a value from it. ... So the state’s objective is to get a fair return to the Irish state so that’s in cash terms from its natural resources (CC).

The term value for the civil servant has a clear and unambiguous financial meaning. Similarly for the company official, the term “value” is used exclusively to refer to the internal system of value assurance reviews, which are based on economic costs.

Local protestors tend to see value in non-financial terms. One (LP1) explained that if he were offered one hundred million euro for his land, he would not sell. Another explained that for members of the local community, the scale of the Corrib gas find was impossible to interpret in value terms

You’re talking billions. That doesn’t make sense to ordinary people ... you don’t have it so you don’t know the value of it (LP2).
This indicates that value is something that must be experienced rather than a something that can be measured. There is, in fact, an active distrust on the part of some local protestors for purely financial measures of value, linked to the offers of compensation made by Shell (E&P) Ireland for laying the pipeline over land.

What would you do with money? If you sold the sun that’s out there in the evening, how could you buy it back again? Money can’t buy fresh air. Money can’t buy clean water. Money is no good to us (LP1).

This is also reflected in the reciprocal concept of poverty. The term is used by one local protestor to describe a prosperous town in the UK in which a Shell refinery is located.

The poverty of the place is just frightening. There is absolutely nothing in it. It’s like the sap has gone out of the apple (LP2).

She goes on to describe the movement of people away from the town, the closure of local businesses and the number of houses for sale. Poverty is understood as the destruction of community rather than financial deprivation.

This example identifies two quite different notions of the value of land or of place. From an accounting perspective as illustrated by the civil servant, the value of land or of natural resources is purely monetary. This is not reflected in the far more holistic understanding of the community members. Their understanding of the value of land and its inverse concept, poverty, goes beyond what can be measured quantitatively, and so exceeds the parameters set by accounting as a language. The narrow parameters of accounting in this case exacerbate the lack of understanding between the parties.

5.2. **Point of difference—cost–benefit analysis**

A major theme of previous accounting work in this area is the idea of a cost–benefit analysis, and the non-availability to external stakeholders of the financial information necessary to complete this. This is echoed explicitly by the opposition national representative:

For reasons of commercial confidentiality, which is the reason that ministers cite all the time, because so many projects nowadays are done by public private mechanism, very little is released by way of hard financial data. You get the plus stuff, so many jobs, so much output, so much product, but you get very, very, very little about an actual cost benefit analysis on a detailed basis and on a time basis ... I would say cost-benefit analysis is the missing leg of the development of public policy in Ireland in recent years (ONR).
The Centre for Public Enquiry Report echoes the concerns about the non-availability of data, and also notes the different priorities in terms of benefit of the different actors

The operator may tend to over focus on the economic factors (which usually aren’t made public) at the expense of safety. Local citizens may tend to place a higher priority on aesthetics or quality of life issues at the expense of more economic considerations, especially if they don’t realise any economic benefit while incurring all the perceived risks (Kuprewicz, 2005, p. 15).

The idea of a cost–benefit analysis also forms part of the civil servant’s thinking, at an implicit level. Ireland does not charge any royalties on gas finds, and imposes a relatively low tax rate of 25% on profits, with full write off of unsuccessful exploration costs. The Department of Communications, the Marine and Natural Resources (DCMNR) sees this as “a trade-off” (CC), balancing a reduced tax take with the increased likelihood of exploration, leading to greater security of supply for Ireland.

The local representative also saw the merit in a trade-off of development against the environment. He showed an understanding of the non-financial nature of the concerns of the protestors, but still felt they could have been balanced against increased infrastructure for the region. Interestingly, he argues that the Erris population could have driven a better deal on the location of the refinery, not from Shell, but from their own national government in terms of increased infrastructural support to the area. This reflects the “otherness” of Erris observed by Woodham-Smith during the famine.

But there was a big opportunity in my view missed in bartering with the government at that time. But those people’s issues were not for bartering. They weren’t money. They were basic fundamental things that they felt strong about (LR).

The local protestors generally do not accept the cost–benefit model as applying to the natural resources of the country. Leonard (2007) describes the unconscious philosophical position of the “Shell to Sea” protestors as “as ‘deep green’ as it gets”. This “deep ecology” rejection of the application of cost–benefit analysis to nature and natural things is well illustrated by one local protestor’s story of the corncrake. The corncrake is an endangered bird which nests in hay meadows throughout the summer months. It is shy and rarely seen but has a loud and distinctive call which has become evocative of summer in the West of Ireland. Farmers with corncrakes nesting in their meadows are eligible for a government grant if they delay mowing their fields until August to facilitate the rearing of young corncrakes in the wild. A government official called to encourage one local protestor to apply for this grant.
I said I don’t want money to protect the corncrake. I love the corncrake. I said and I’m not going to cut the grass until the corncrake is finished with it.

So oh, he got kind of stunned. Ah but, he said, you’ll apply for the money?

I said I won’t apply for the money. I said I don’t want the money. I said that corncrake was there before me. So why should ye be going around giving money to people? Is the only reason I’m going to protect the corncrake so is on account of the few pounds you’re going to give me? Otherwise if there was no money am I going down the field and am I going to cut the two legs off him and kill him? I’m not, I said. I love the corncrake. And he just couldn’t, he couldn’t believe it like. Like I mean I didn’t want money to protect the corncrake (LP1).

In this interview extract, the local protestor goes on to describe his childhood memories of the bird’s call, and how it was appreciated by his parents. He rejected the grant because it is associated with the idea of applying a cost–benefit way of thinking to his pre-existing decision to protect the endangered bird. He feels that to avail of the grant would be to devalue his commitment to the protection of nature, and the rights of the bird by linking them to a simple economic incentive, and by implication demeaning his motivations. The official cannot understand why he does not avail of the grant, given that he is already preserving the meadow. The story quite profoundly illustrates the gap between two ways of thinking. Accounting, in this instance the concept of cost–benefit analysis, is clearly limited in its ability to bridge this gap.

5.3. **Point of difference—investment**

The idea of investment holds many different meanings for the actors in this dispute. For the local representative, investment mainly means the management of resources, particularly in the area of protection of the environment. He sees a well-protected environment not as an end in itself, but as a factor used to attract economic development from outside of the area or outside of Ireland, in order to create local employment.

One of the big things about when you talk about bringing in multinationals is the environment (LR).

In that respect, he sees investment, even in environmental protection, as something which is worthwhile because it brings a financial return.

Similarly the national representatives and the civil servant use the term investment almost exclusively to refer to multinationals coming to Ireland, and see this as surpassing all other considerations.
I suppose it is deemed the key economic driver would have been since the 60s to bring in international investment and particularly from the states. And in general terms obviously the state has kind of rolled out whatever was necessary to ensure that you had the companies involved facilitated in the right way (GNR).

The local protestors use the term investment in a slightly different way, to reflect the idea of ploughing money or profit back in to the land, to improve it with no immediate focus on the economic payback. There is of course an intent to improve it, which will in turn improve yields, but the reasons given are not immediately connected to this yield, but rather to the appropriateness of using the profit to improve the land. The motivation lies in the context of the past rather than the expected future.

Farmers never have money. Because any money a farmer gets today, he’s going to put it into something next week. He’s not going to run to the bank with it. It’s waiting to be put in somewhere. Most farmers invest their money ... You need to turn some bit of land green that’s grey or something. That’s the way I see things. I have done what my father done, or my grandfather done, and I have improved [the land] so much. And I like to do that (LP1).

The term “investment” is used for any spending that goes back into the farm, based on what is considered to be the correct practice, without necessarily being linked to a future economic return.

This example not only shows a difference in understanding, but one which has a knock-on impact on decisions. The farmer understands investment as the maintenance and improvement of the land, as something that is his duty as custodian of the land, and which needs to be done regardless of the immediacy of monetary payback so as to improve the farm. From an accounting point of view, investment is something to be undertaken only in the expectation of predictable and timely payback. This has an obvious impact on the decision to invest. Perhaps more significantly, the environment itself is seen as something that can be “invested” in the expectation of creating economic growth. The different parties to the dispute are using the same term, but at absolute cross-purposes: an utter failure of language.

6. Invisible concepts

As well as differences in interpretation of accounting terminology, there are two key aspects of concern to the local protestors which do not readily lend themselves to expression in accounting language. These are place and identity, and are considered separately below.

6.1. Unaccounted concept—place
Garavan (2007) argues that while the Erris protest could be described as a defence of place,

... place seems to act as a shorthand for notions of holistic human well-being, in which health and environment become part of a wider concern with “all that surrounds” (Garavan, 2007, p. 857).

This is demonstrated by the comments of local protestor Micheál Ó’Séighin quoted in Garavan et al. (2006).

There is a means of connecting with this place through the Irish language ... with Irish the entire area is a unity, whereby the place where things happen becomes part of the event itself (Garavan et al., 2006, p. 60).

It is further illustrated by the comments of one local protestor speaking about his land.

It’s a way of life that we grew up with and that we got used to and that we loved the place. And you have to love a place to do what we’re doing. ... what they lived on and what was close to them was the land, and they wouldn’t give it up for anything. ... Because it was the land that reared us (LP1).

This idea of the land as a nurturing force contrasts with the local representative’s notion of the environment as something to be bartered or leveraged in order to attract investment. The latter approach is identified by Leonard (2007) as a positivistic rationale which sees modern technology and investment as providing the solution to ecological and social problems. Similarly, the civil servants view of natural resources as commodities to be exploited in the national interest lends itself directly to accounting analysis, and so is readily integrated into a discourse couched in economic terms. However, the concept of land as articulated by the local protestors does not. Place is seen by them as more than a resource. This may be linked to the history of the area. Echoing the position of the subaltern in post-colonial literature, some locals see a connection between their relative powerlessness in dealing with Shell, and the way in which their forefathers dealt with English landlords during the land disputes in the 1870s.

I would see a direct connection to Davitt’s and landlordism (LP3).

The primacy of the concept of place is recognised, if not understood by parties at the other side of the dispute. The Shell executive related how she explains the dispute to others as follows:

Land. Come on, it’s Ireland! It’s land. That’s how I explain it to people, like people will say that they’re willing to die for it. You wouldn’t die over a field? I wouldn’t. But you’ve got to respect them. Their principles and you’ve got to respect them. You may not agree with it but you’ve got to respect them (SE).
Her explanation shows an understanding that the issue of land or place is important to the protestors, while alien and unfathomable to her. Her choice of illustration – the willingness to die for a field – implies that it would be rejected by most reasonable people, and is not a concept worth taking seriously.

6.2. Unaccounted concept—identity

For many of the protestors, a sense of identity is integral to their protest in two ways. Firstly, their own identity is seen as integrated with the locality and sense of community, and therefore as threatened by a development such as the refinery. Secondly, the identity of those promoting the project exacerbates their mistrust of the process. Shell is not trusted locally, because its identity cannot be framed in terms that are human

That community togetherness was one of the things that Shell never understood about here. I mean they’re a no-face company, who’s behind Shell? There’s no personal figure attached to it (LP2).

This confirms the idea in Shearer (2002) that a concept of identity which is rendered purely in economic terms does not stand up to the demands of ethics. This lack of identity is linked to a lack of trust and accountability

Since when did anyone trust Shell? (LP2).

The government cannot touch them. The council cannot touch them. The EPA cannot touch them (LP1). Similarly, on the part of those promoting the project, there is often confusion about the identity of the protestors.

People on the official side often choose to believe that the protesters are basically people with a political agenda, a personal agenda, personal difficulties even. And they really don’t have much respect for them (ONR).

In particular, it is common for supporters of the project to refer to a limited number of the protestors having “genuine” or “bona fide” concerns, with the implication that others, often referred to as “that element” or as “die-hard” are not genuine in their opposition. This is exemplified by comments of the government official

I would suggest that there are different reasons why different elements will be objecting, and some of them absolutely bona fide, and some of them on the far end of the scale (CC).

One of the Rossport Five spoke of his realisation through being imprisoned that his sense of identity and self-worth was different to those which prevailed in what he called “the outside world.” In other places, he explained
It’s not what you are ... [that matters] ... or who you are, it’s what you have. And it’s who you can buy (LP1).

He sees that for people outside of his immediate community, the meaning of identity is clearly related to material possessions, while for him it is linked to history and family. And he rejects this emphasis on money by linking it to the idea of corruption.

These issues of identity and place are a major factor in the escalation of the dispute, and the breakdown of communications.

7. **Failure of accounting as a language to facilitate understanding**

It is clear from an analysis of the texts that the various protagonists have only a limited understanding of the concerns of the other. In particular, those who make the economic self-interest assumption outlined in Shearer (2002) cannot conceive of other motivations. This is well illustrated by the story told by the local protestor about his rejection of a grant to protect the endangered bird. He describes the reaction of the official who was offering the grant

And he just couldn’t, he couldn’t believe it. Like I mean I didn’t want money to protect the corncrake. It was nice to hear him (LP1).

He understands the bafflement of the official, but does not modify his own reaction. This is echoed by another local protestor, who also expresses perplexity at the opposing position

Why is everyone convinced that this is the right thing to do? I’d just love to know why is the system saying that we have to protect Shell, regardless. ... I can’t understand how people can’t see this ... I’m not going go tomorrow and just because someone is pointing a finger at me and saying why are you doing this? I can’t change. I can’t start believing like them (LP2).

On the other side, there is some bewilderment on the part of outsiders at the strength of opposition by the local protestors. The company executive recognises it as a preoccupation with land, but she does not understand how reasonable people can hold those views. The media has generally portrayed the dispute as essentially a health and safety issue, a relatively simple, binary issue of risk and benefit. This reduction of a complex situation to simple opposites is the essence of what Cooper (1992) calls the double braid of accounting, which she notes feels comfortable and safe for those versed in the system. This sense of security and safety is threatened by those whose deep ecological basis for opposition does not fit the binary frame. In a way, their beliefs about the world challenge the very nature of accounting. In response, their sincerity is repeatedly called into question, and they are portrayed in
terms of a threat to national welfare. For example, Ciaran Byrne writing in the national paper The Irish Independent describes them as “so-called eco-warriors” (Byrne, 2008), a phrase that suggests both militancy and a lack of authenticity. In turn, this undermining of their position weakens the confidence of locals in the system, and makes possibilities for mediation remote.

Given that this gulf in understanding exists, should it be taken as a failure of accounting as a language, or an accident of the history and geography of the region? It is true that some of the differences in vocabulary and understanding may arise because of the distinctive characteristics of Erris outlined in Section 3 above. Certainly the language used by locals and their bafflement at the way in which the same terms are used by outsiders could be said to arise in part from the pre-industrial nature of the place and the lingering traces of the Irish language in the modes of local speech. The area’s history of colonial outsiders and of land-based resistance arising from the famine no doubt led to an increased distrust of outsiders which fed into the dispute.

The examples given above, however, show how the expression of accounting concepts and the narrowness of their definition have contributed directly to the failure in understanding. Accounting has not only failed to facilitate a dialogue—in some cases its terminology has actively inhibited understanding.

There are at least two other factors which are relevant to, and arguably the responsibility of the accounting profession. The first is the conditioning implicit within the profession itself. The Shell executive thought that perhaps her training as an accountant has led her to a narrower interpretation of the factors in the dispute.

My thoughts and my function would be very much corporate accounting finance in the business ... and you only do that, and you only do the other, and you don’t worry about areas outside (SE).

This implies a dangerous narrowing of the focus of those trained as accountants, which seems to have contributed to the mutual lack of understanding in this case. At a later point in the interview, however, the Shell executive feels that her experience working for multinational firms has made her see things differently to those who have only worked in Ireland or for Irish firms.

I’ve always worked in multinationals ... but I actually see within my team people who’ve worked for the local Irish company who haven’t worked for the multinationals they really struggle with it. And I find that really weird. ... I think that’s such a difference between Irish, your local Irish company and working for a multinational. It’s a whole different ballgame in every way (SE).

It is possible that her conditioning may be more due to the environment in which she has worked post-qualification, rather than to her professional
training. Nevertheless, this professional training seems to have left her unprepared for alternative perspectives, and that is certainly a weakness in a discipline which is ambitious to become a universal language.

The opposition national representative is also a chartered accountant. She looks to her training as an accountant for guidance on how to navigate the competing claims, and to understand the project. However, she feels under-informed by the profession.

I understand enough about accounting to know how much I don’t understand about this. There’s no text book on government accounting in Ireland (ONR).

Clearly, the bafflement and misunderstanding is not limited to those who have not had accounting training. It is not simply a matter of uneducated locals not understanding technical accounting concepts. Both of these women are high achievers, and highly educated, but even they are unprepared by this professional training as accountants to use accounting language to gain an understanding of the situation. Clearly, accounting fails here as a language insofar as it does not reduce the level of misunderstanding, and arguably exacerbates it in some instances.

8. Conclusion

The findings of this research are necessarily limited due to the single case examined, and the inevitable possibility that particular local factors are impinging on the findings. For that reason, it would be interesting to see a similar analysis undertaken in different locations, within different cultures, where a similar power imbalance exists. However despite these limitations, it is clear that accounting has failed as a language with which parties to this dispute can communicate effectively. Accounting concepts commonly regarded as objective and scientific mean very different things to the different parties to this dispute. Furthermore, there are fundamental concepts around place and identity that are integral to the concerns of local protestors which do not readily lend themselves to expression in accounting or economic terms. This effectively inhibits their ability to engage, not only with the developer of the gas field, but also with their own public representatives. While the local representatives have some understanding of their concerns, those in the national parliament and government officials tend to be dismissive of what they see as radical views which are not in accordance with a perceived national interest of economic growth. This limits the extent to which the representatives and government officials can fulfil their social contract to the community.

The intransigence of this dispute is also largely due to this incomprehension. While many factors including local history and the involvement of private interests in government decisions contribute, it also arises in part from to the
very different interpretations of standard accounting ideas of value, investment, cost-benefit, etc. The inability of accounting to embrace these differences and interpret them in a meaningful way can reasonably be regarded as a failure as a language. Another source of dissent arises from issues of place and identity, which link to accountability and valuation. Again, accounting has failed to go any distance to reconcile or make meaningful these largely intangible concepts.

The examination of accounting concepts in describing this case, and the application of accounting language to the dispute confirms, as noted by previous researchers including Cooper and Sherer (1984), Hines (1991), Lukka (1990), Mouck (1995), Reiter (1994) and Tinker et al. (1991) that the language of accounting is built on the narrow boards of economic self-interest, and is inadequate to describe the world, or to articulate the concerns of citizens. The local community, while having diverse motivations, show a lack of self-interest in some areas, approximating “an ethic that is incapable of assimilation to the logic of economics” (Shearer, 2002, p. 569). This has potentially very serious consequences not only because accounting is widely seen as the language of business, and decisions by large firms are informed almost exclusively by business arguments, but because accounting language has permeated wider societal discussions of any form of development which has an economic angle. It also has serious implications for the professional training, in that the two chartered accountants interviewed report in different ways that their training has not prepared them for a situation such as this.

A key question is then: whose interests are served by the framing of the dispute in accounting terms, and by the narrowness of accounting concepts? Clearly, as long as the discussion is framed in terms of economic cost and economic value, it serves the needs of those in favour of the development, and marginalises the local protestors. The language used distributes power among the parties, and is not neutral. The fact that some parties are trained in this language actually limits rather than enhancing their understanding of other parties. However, there is no reason why accounting should be so limited.

Accounting goes beyond economics in scope, and has the potential to code its underlying assumptions into a set of terms or concepts with agreed meanings. Having recognised what Gray (1992) described as the cage of economic thought, accounting could move beyond its limitations to recognise the world as it exists, and to facilitate the giving of an account in terms other than economic. Hines (1991) argues that because accounting quantifies, nature lies outside its scope. However, there is no immediate reason why accounting cannot expand to take on less quantitative concepts. It may require that circular leap of faith of taking a “risk that it can be solved” (Shearer, 2002, p. 570) or the imagined change described in the conclusion to Cooper (1992). If accounting can move beyond the binary, it can fulfil its purpose as a means of communication between all stakeholders, and allow itself to be owned by everyone, not just economic agents and those who serve them. If it cannot, then it is devalued as a means of communication in wider societal issues.
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Notes

1 All references to Ireland in this paper are references to The Republic of Ireland.

2 For example, Tombs (1993) notes that workers and the general public often lack the information they need in order to enter into dialogue with the chemical industries.

3 Michael Davitt’s founding of the Land League in 1879.

4 Davitt was the founder of the Land League, an influential tenants’ rights movement that emerged after the famines of the 1840s.

5 From a review of reports in the Irish Independent, Irish Times and the national broadcaster, available online at unison.ie, irishtimes.ie and rte.ie, respectively.

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