

Craigslist sued over housing ad bias

Online classified site's standards in question

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A Chicago fair housing group has sued groundbreaking Web site Craigslist for allegedly publishing discriminatory advertisements, a case that could test the legal liabilities of online ad venues.

The suit is part of an emerging attempt by housing watchdogs nationally to hold online classified sites to the same strict standards as the publishers of print classifieds, such as newspapers.

The suit is potentially significant because it suggests that the rules for an Internet site should be the same as for a traditional publisher, in which every ad should be vetted to conform with the law. But that notion contradicts the way the Internet has blossomed, where informal communities tend to police themselves and free expression is valued.

The Chicago Lawyers' Committee for Civil Rights Under Law sued San Francisco-based Craigslist, claiming that during a six-month period beginning in July, the site ran more than 100 ads in Chicago that violated the federal Fair Housing Act.

The committee, a public interest consortium of the city's leading law firms, said in a federal suit that those ads discriminated on race, religion, sex, family status or national origin.

Among the ads cited in the suit: "Non-women of Color NEED NOT APPLY"; "African Americans and Arabians tend to clash with me so that won't work out"; and "Requirements: Clean Godly Christian Male."

Craigslist acknowledges that completely screening its vast classified listings--which range from babysitters seeking work to people selling tickets to White Sox games--would be "physically impossible," Jim Buckmaster, Craigslist's chief executive officer, said in an e-mail interview Tuesday.

The site doesn't pre-screen or approve ads, he said, and 8 million new classified ads are submitted each month.

Craigslist does have a system in which its own users can flag inappropriate or illegal ads for removal. Such inappropriate ads are quickly removed, Buckmaster said.

The site, founded 10 years ago by computer programmer Craig Newmark, is remaking the classified-ad business.

Once a listing of services for San Francisco residents, Craigslist now covers the nation and has helped erode the print classifieds business at newspapers.

Craigslist charges employers for help-wanted listings in three cities: San Francisco, Los Angeles and New York. But the rest of its ads are free.

The privately held company, which has 19 employees, does not disclose its revenue, and estimates vary.

But one 2004 study by consultant Classified Intelligence said the Web site has cost Bay Area newspapers \$50 million to \$65 million in annual revenues for employment ads.

Buckmaster said the site is "very concerned about discrimination in housing ads."

Craigslist's voluntary efforts to promote fair housing on its site go "well beyond" what's required by federal law, he noted. And he said fair housing groups have praised Craigslist for educating its users about fair housing issues.

But Buckmaster also wrote that it is "our understanding that Internet Web sites such as a Craigslist do not have the same legal liability as print media in terms of the Fair Housing Act."

Craigslist is not a publisher in the same sense of a newspaper, he wrote. "Rather, it is an Internet site where users can publish their own postings."

Therein lies the key legal issue: Is an Internet site like Craigslist a publisher?

The answer is "less than clear," said Michael Overing, an adjunct professor at the University of Southern California and an attorney specializing in Internet law.

Publishers exercise control over their content, whether it is advertising or news columns. They screen ads and stories, looking for violations of laws like the federal housing discrimination statute.

Overing said Web sites like Craigslist can argue that they don't need to screen because a federal law passed in the 1990s doesn't treat them as publishers, but merely as distributors of content.

"Online, we are in a different realm," he said.

The Chicago Lawyers' Committee is essentially arguing that Internet sites do have the same liabilities as print publishers. If the case goes to trial and the committee prevails, it could have "wide-ranging implications," Overing said.

He noted that if Craigslist lost, other groups could be emboldened to use the Fair Housing Act--a broadly defined law--to pursue discrimination claims against a range of Internet sites, even so-called "hate" sites.

Laurie Wardell, a spokeswoman for the Chicago Lawyers' Committee, said landlords realize that the Internet has a lower bar for housing ads. "You just shift to the Internet if you want to discriminate," she said.

The Chicago Lawyers' Committee has 44 member firms whose lawyers do pro bono work for civil rights, particularly for housing and hate crime issues, according to the group's Web site.

It's not clear if the suit, which was filed in Chicago on Friday, is the first of its kind. The Chicago Lawyers' Committee said it believes Craigslist has been sued on fair housing issues and has settled those cases. Wardell said settlement talks with Craigslist failed.

Buckmaster said Craigslist hasn't been sued for such issues.

Clearly, though, fair-housing watchdogs are scanning Craigslist's trove of housing ads.

About five other fair-housing watchdogs in other states are examining Craigslist for discrimination, said Anne Houghtaling, director of enforcement for the non-profit National Fair Housing Alliance. (The Chicago Lawyers Committee is its local affiliate.)

"Some of our members in other states have had issues with Craigslist," Houghtaling said. "It's more than just Chicago."

It's also more than just Craigslist.

Wardell said the group has found similar discriminatory ads at other online sites, though she declined to name them.

Meanwhile, a Louisiana affiliate of the National Fair Housing Alliance recently filed a federal complaint against Katrinahousing.org, a hurricane relief site that includes housing classifieds.

The Greater New Orleans Fair Housing Action Center found 68 allegedly discriminatory ads, including ones that reportedly said "gays and lesbians not welcome" and "applicants must be gay, white or light-skinned Hispanic males."

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