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SPIN DOCTORS AMPUTATE HEALTH REFORM

by Sheldon Rampton and John C. Stauber

Every day 20 million Americans tune in to right-wing radio blowtorch Rush Limbaugh, whose show is aired on 650 stations across the US. Critics and fans alike credit Limbaugh for fanning the flames of the voter rebellion that overthrew the Democratic party in the 1994 congressional elections. However, few people realize the degree of technologically-sophisticated orchestration behind Limbaugh's power.

PR consultant Blair G. Childs was the executive director for the Health Insurance Association of America's "Coalition for Health Insurance Choices," which last year successfully obliterated all efforts to reform the U.S. health care system. Speaking at a December PR conference in Chicago, Childs explained how his coalition used paid ads on the Limbaugh show to generate thousands of citizen phone calls urging legislators to kill health care reform.

FLACK ATTACK

The American Revolution of 1776 viewed "the people" as the sole legitimate source of all government power. Instead of subjecting the common people to the "God-given authority" of the British monarchy, the Declaration of Independence stated boldly and clearly that the people have the right to "alter or to abolish" any government that does not obey *their* wishes.

Democracy was strengthened by America's good fortune in avoiding the huge gap between rich and poor that existed in Europe. "The truth is," wrote Benjamin Franklin, "that though there are in the United States few people so miserable as the poor of Europe, there are also very few that in Europe would be called rich; it is rather a general happy mediocrity that prevails."

Things have changed since Ben Franklin's day. In April 1995, the *New York Times* reported that the US "has become the most economically stratified of industrial nations. . . . The wealthiest 1 percent of American households—with net worth of a least \$2.3 million each—owns nearly 40 percent of the nation's wealth."

Social inequality leads naturally to a gap between people and the government. Today even Public Affairs

Council President Ray Hoewing, a leading advocate for big business, publicly admits that we live in "a system that favors the rich, the famous and the entrenched. . . . Does anyone seriously believe that it is pure coincidence that 27 US Senators are millionaires?"

This issue of *PR Watch* examines the ways that entrenched corporate wealth is penetrating and overpowering the democratic process. Today's degraded political environment provides a rich bed of business opportunity for the PR industry. As citizen-led democracy erodes, the industry is moving in with its own "astroturf" version of "grassroots organizing," using slick marketing to create the illusion of democracy in place of its substance.

The PR pros who manage this illusion are a little like the Wizard of Oz, pulling levers behind a curtain. This issue is our attempt to play the role of Toto the dog—pulling back the curtain to show the technological tricks that enable people in high places to purchase and package apparently genuine outpourings of grassroots sentiment.

—John C. Stauber, Editor

First, Rush would whip up his "dittohead" fans with a calculated rant against the Clinton health plan. Then during a commercial break listeners would hear an anti-health care ad and an 800 number to call for more information. Calling the 800 number would connect them to a telemarketer, who would talk to them briefly and then "patch them through" directly to their Congressperson's office. The congressional staffers fielding the calls typically had no idea that the constituents had been primed, loaded, aimed and fired at them by radio ads on the Limbaugh show, paid by the insurance industry, with the goal of orchestrating the appearance of overwhelming grassroots opposition to health care reform.

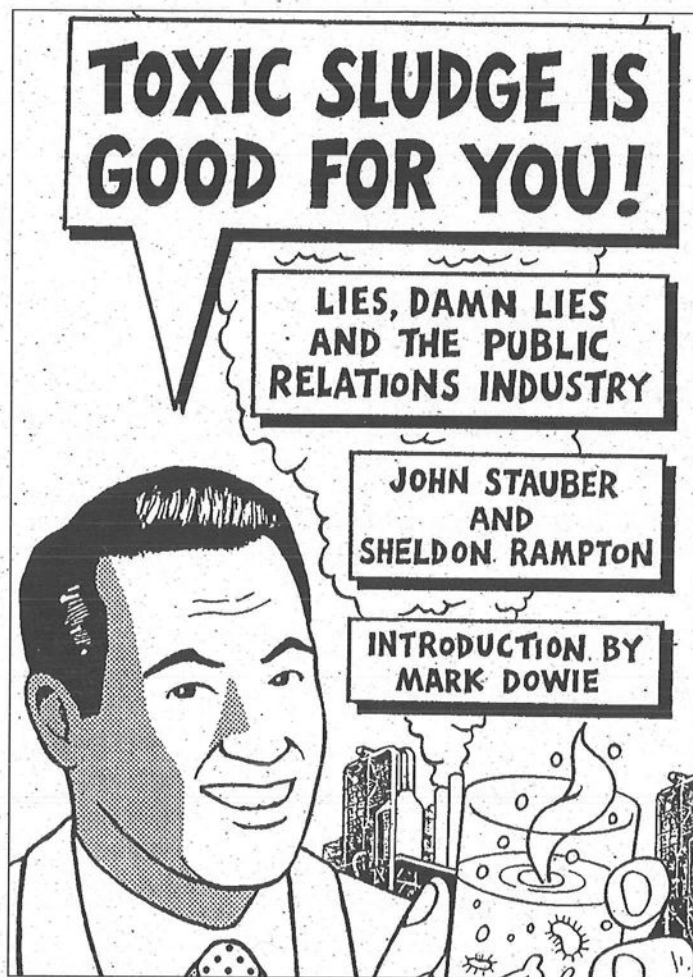
"That's a very effective thing on a national campaign and even in a local area if the issue is right," Childs said. He told *PR Watch* that this tactic is now widely used, although few will discuss the technique.

Health reform began as a popular cornerstone of a new president's domestic policy. It became the victim of a massively contrived, very expensive political PR campaign utilizing phony front groups and corporate grassroots organizing in ways that has likely forever changed politics in the U.S.

During the 1992 presidential campaign, candidate Clinton's promise to reform the health system was considered one of the main factors behind his election victory. In fact, observes James Fallows in the January 1995 issue of *The Atlantic*, demand for health reform was so strong that "through most of 1993 the Republicans believed that a health-reform bill was inevitable, and they wanted to be on the winning side. Bob Dole said he was eager to work with the Administration and appeared at events side by side with Hillary Clinton to endorse universal coverage. Twenty-three Republicans said that universal coverage was a given in a new bill."

Critics have pointed to numerous flaws in the Clinton's Administration's health care proposals. In a democratic system, however, flawed initial proposals are common, perhaps even inevitable. A healthy democratic process brings together people from differing perspectives to debate and revise plans until a healthy consensus emerges.

In the case of the Clinton health plan, however, "astroturf" PR tactics—funded largely by the drug and insurance industries—managed to quash the debate in its entirety, crushing not only the Clinton proposal but all proposed alternatives for reforming the US health-care system. What had been the centerpiece of the Clinton administration's domestic policy was relegated to the dustbin of political history. By 1995 the issue was not even on the political map.



This drawing by cartoonist Dan Perkins (AKA "Tom Tomorrow") will illustrate the cover of a new book by the editors of PR Watch, to be published this fall by Common Courage Press.

PATIENT, HEAL THYSELF

The first salvo was fired in 1993, when the Clinton administration attacked high prices for prescription drugs and hinted at government-imposed price controls. In response, the pharmaceutical industry hired the Beckel Cowan PR firm, whose principals previously had managed the Mondale for President campaign.

Beckel Cowan created an astroturf organization called "Rx Partners" and began deploying state and local organizers to, in the words of a company brochure, "generate and secure high-quality personal letters from influential constituents to 35 targeted Members of Congress. Simultaneously, Beckel Cowan managed a targeted mail and phone campaign which produced personal letters, telegrams, and patch-through calls to the targeted Members' local and Washington, DC offices." The campaign generated "in excess of 50,000 congressional contacts" and "built an extensive network of supporters in 35 congressional districts and states."

Robert Hoopes was another key player in the PR campaign against health care reform. Like Beckel and

Cowan, Hoopes started his career working for liberal Democrats. In 1986, he was a college freshman when he picked up a *Time* magazine, saw Michael Deaver (now with Edelman PR) on the cover, and decided, "I want to be a lobbyist, because this looks like a great job. You sit in the back of a limousine, you're on the phone, you've got a view of the Capital, and get paid big bucks."

In pursuit of this dream, Hoopes went to work for liberal senators Joe Biden and Christopher Dodd. In 1992 he worked for the Clinton/ Gore campaign. In October 1993, he was named the first 'grassroots coordinator/ political education specialist' for the the 300,000-member Independent Insurance Agents of America (IIAA). According to Hoopes, the IIAA has made grassroots lobbying "the cornerstone of our public affairs agenda since 1987," making it a frequently-cited model for lobbyists in other industries.

"Health care was a very slow moving train," Hoopes said. "We saw it coming in Clinton's State of the Union address. We had time to gin up the grassroots, mail our letters, educate our membership, have town hall meetings; I could travel all over the country and get my members excited about it. When it came time for a vote we were ready."

According to *Campaign & Elections* magazine, the IIAA activated "nearly 140,000" insurance agents during the health care debate, becoming what Hoopes describes as a new breed of corporate-led grassroots lobbyists: "The new lobbyists, good lobbyists, wear unpressed pants, tacky name tags, and are in the Capitol to represent themselves . . . 300,000 independent insurance

agents across the country. Our [Washington] lobbyists have behind them an army of independent insurance agents from each state, and members of Congress understand what a lobbyist can do with the touch of a button to mobilize those people for or against them. This change is a direct result of technology."

SURGICAL STRIKES

The Coalition for Health Insurance Choices, assembled by Blair Childs, led the effort to kill health reform. The Coalition admitted that it received major funding from the National Federation of Independent Businesses (NFIB) and the Health Insurance Association of America (HIAA), a trade group of insurance companies. According to Consumer Reports, "The HIAA doesn't just support the coalition; it created it from scratch."

Childs has been organizing grassroots support for the insurance industry for a decade. From 1986-89 he orchestrated an integrated media, grassroots and coalition-building campaign for the industry's American Tort Reform Association. Then he moved to Aetna Life and Casualty where he instituted one of the most sophisticated corporate grassroots systems in the nation. He wasn't the only PR genius behind the healthcare campaign, but his coalition can honestly claim the kill.

"Through a combination of skillfully targeted media and grassroots lobbying, these groups were able to change more minds than the President could, despite the White House 'bully pulpit.' . . . [N]ever before have private interests spent so much money so publicly to defeat an initiative launched by a President," states Thomas

PR WATCH

Published Quarterly

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Board of Directors: Linda Jameson, Joseph Mendelson, David Merritt, Scott Robbe and Debra Schwarze

Executive Director and Editor: John C. Stauber

Associate Editor: Sheldon Rampton

Subscription Rates:

- Businesses: \$200/year
- Non-Profit Groups: \$60/year
- Journalists and Individuals: \$35/year

Also available from PR Watch:

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Printed on chlorine-free, 100% recycled paper.



Scarlett in an article titled "Killing Health Care Reform" in *Campaigns & Elections* magazine.

In 1993, Blair Childs told a PR gathering, "The insurance industry was real nervous. Everybody was talking about health care reform. It wasn't an issue of whether it would pass, but what kind. . . . We felt like we were looking down the barrel of a gun."

Forming coalitions, he explained, is a way to "provide cover for your interest. We needed cover because we were going to be painted as the bad guy. You [also] get strength in numbers. Some have lobby strength, some have grassroots strength, and some have good spokespersons. . . . Start with the natural, strongest allies, sit around a table and build up . . . to give your coalition a positive image." For the health-care debate, his coalition drew in "everyone from the homeless Vietnam veterans . . . to some very conservative groups. It was an amazing array, and they were all doing something."

Instead of forming a single coalition, healthcare opponents used opinion polling to develop a point-by-point list of vulnerabilities in the Clinton administration proposal and organized over 20 separate coalitions to hammer away at each point.

HYPOCRITICAL OATHS

"In naming your coalition . . . use words that you've identified in your research," Childs said. "There are certain words that . . . have a general positive reaction. That's where focus group and survey work can be very beneficial. 'Fairness,' 'balance,' 'choice,' 'coalition,' and 'alliance' are all words that resonate very positively." The Coalition for Health Insurance Choices (CHIC), for example, focused on opposing the Clinton plan's proposed "mandatory health alliances."

To drive home the message, CHIC sponsored a now-legendary TV spot called "Harry and Louise," which featured a middle-class married couple lamenting the complexity of Clinton's plan and the menace of a new "billion-dollar bureaucracy."

The ad was produced by Goddard*Claussen/First Tuesday, a PR and election campaign management firm that has worked for liberal Democrats, including the presidential campaigns of Gary Hart, Bruce Babbitt and Jesse Jackson. According to Robin Toner, writing in the September 30, 1994 *New York Times*, "Harry and Louise" symbolized everything that went wrong with the great health care struggle of 1994: A powerful advertising campaign, financed by the insurance industry, that played on people's fears and helped derail the process."

CHIC also used direct mail and phoning, coordinated with daily doses of misinformation from Rush

Limbaugh, to spread fears that government health care would bankrupt the country, reduce the quality of care, and lead to jail terms for people who wanted to stick with their family doctor.

Childs stepped in to provide corporate resources where members of the coalition were unable to do it themselves: "With one group we wrote a large portion of their direct mail package which went out to 4.5 million people and generated hundreds of thousands of contacts. We worked with a number of [business trade] associations to finance fly-ins to Washington, DC, where people lobbied their Representatives. . . . In some cases we funded them entirely, in some cases funded part of them, in others we didn't have to fund, we just provided the background and message. In other cases we actually wrote the stuff. . . . With our coalition allies in some cases we were totally invisible. . . . We actually ended up funding some advertising that our coalition partners ran under their names, mostly inside the Beltway to effect lawmakers' thinking."

By 1994, the barrage had substantially altered the political environment, and the Republicans became convinced that Clinton's plan—*any* plan—could be defeated. Their strategist, William Kristol, wrote a memo recommending a vote against any Administration health plan, "sight unseen."

Republicans who previously had signed on to various components of the Clinton plan backed away. Robert Packwood, who had supported employer mandates for twenty years, discovered that he opposed them in 1994, leading the *National Journal* to comment that Packwood "has assumed a prominent role in the campaign against a Democratic alternative that looks almost exactly like his own earlier policy prescriptions."

In desperation George Mitchell, the Democratic Party's Senate majority leader, announced a scaled-back plan that was almost pure symbolism, with no employer mandates and very little content except a long-term goal of universal coverage. Republicans dismissed it with fierce scorn.

In 1994, notes author James Fallows, the *Wall Street Journal* tested the reaction of a panel of citizens to various health plans, including the Clinton plan. First they tried describing each plan by its contents alone, and found that the panel preferred the Clinton plan to the main alternatives. "But when they explained that the preferred group of provisions was in fact 'the Clinton plan,'" writes Fallows, "most members of the panel changed their minds and opposed it. They knew, after all, that Clinton's plan could never work." ■

'DEMOCRACY FOR HIRE'

Below is a small sampling of some of the firms engaged in "grassroots public relations," and some of their current or recent clients.

APCO Associates, 1155 21st St NW #1000, Washington, DC 20036. 202-778-1000. Clients include Philip Morris, State Farm Insurance, Hoffman-LaRoche, American Nurses Association, American Tort Reform Association.

Beckel Cowan, A Cassidy Company, 700 13th NW #1100, Washington, DC 20005. 202-783-5600. Clients include Disney, AT&T, Federal Express, American Petroleum Institute, Aseptic Packaging Council, U.S. Chamber of Commerce, McDonnell Douglas, Rx Partners.

The Clinton Group, 1350 Connecticut Avenue NW #407, Washington, DC, 20036. 202-223-4747. Health Insurance Association of America, National Association of Home Builders, Georgia Pacific, National Abortion Rights Alliance.

Davies Communications, 209 E. De laGuerra Street, Santa Barbara, CA 93101. 805-963-5929. Clients include

Mobil Oil, Cellular One, Exxon, Pacific Gas & Electric, Wal-Mart

Direct Impact Company, 1530 Parking Road, Sacramento, CA 95822. 916-446-1245. Tobacco Institute, American Mining Congress, Edison Electric Institute, Kaufman Public Relations, Health Industry Association of America, Tenneco, Chemical Manufacturers Association.

National Grass Roots & Communications, 116 N. St. Asaph Street, Alexandria, VA 22314. 703-223-6655. Competitive Health Care Coalition, Coalition of American Steel Using Manufacturers, Food Lion, General Mills, McDonald's Corporation, Reynolds Metals.

Optima Direct, 8100 Boone Blvd., Vienna, VA 22182. 703-918-9000. National Rifle Association, Philip Morris, Pharmaceutical Manufacturers Association.

Smith & Harroff Inc., 99 Canal Center Plaza, #200, Alexandria, VA 22314. 703-683-8512. Nuclear Energy Institute, Glass Packaging Institute, Wheelabrator Technologies (Waste Management).

pile of personalized letters that have a different look to them is what you want to strive for."

EVERY MOVE YOU MAKE

The business of grassroots campaigning begins with opinion polling, one of the public relations industry's staple technologies. The science of reliable polling was first developed in the 1930s for businesses alarmed by the implications of Franklin D. Roosevelt's landslide election victory, which reflected widespread Depression-era disenchantment with capitalism. Beginning in 1937, the Psychological Corporation, a business established by 20 "leading psychologists," began systematic and continuous monitoring of public opinion on questions of political importance to business and corporations.

At first, polls were used to gauge the mood of "the public at large," but progressive refinements have enabled pollsters to zero in on the opinions of narrower and narrower segments of the population.

In the 1950s, business adapted the techniques of military "wargaming," which uses computer technology to run complex simulations of battle, giving numerical weights to factors like population densities, specific environmental conditions, and weapon deployments to create scenarios that could be easily analyzed to yield detailed projections of probable outcomes. Using similar computer models, companies were able to enter their own sets of numbers, representing variables such as demographic factors, economic conditions and polling data to generate marketing scenarios.

At the same time that opinion polling was providing an ever-more-detailed map of the public's collective psyche, computer databases were also evolving in sophis-

tication and ability to track the thoughts and preferences of individuals. The junk mail that arrives at your home every day is generated by "direct marketing," a science that enables organizations to target their pitches directly to the individuals whose past history shows that they are most likely to respond to the appeal.

Firms such as Database America, National Demographics & Lifestyles, and Claritas specialize in obtaining and reselling computerized lists of people, based on factors including their membership in organizations ranging from the ACLU to the Moral Majority; income; recent change in address; magazine and cable TV subscriptions; hobbies; attitudes toward crime; age; ethnic background; mail-order buying habits; and religious affiliation, to name just a few.

Through computerized "merge/purge" techniques, companies can produce hybrid lists—for example, of white male gun owners who have recently moved, or of upper-income NOW members who subscribe to the *National Review*. By combining this capability with the "psychographic" maps generated by opinion polling, corporations can draw a remarkably detailed portrait of you, using the information they *do* have to make calculated guesses about your likely attitudes. For example, SRI International uses a "VALS 2 psychographics system" which "can be linked with other surveys to reveal the viewpoints and motivations of consumers of particular products or services."

"This isn't rocket science; in fact, it's 'Direct Marketing 101,'" says Mike Malik, vice president of Optima Direct, which offers "issue communications" and "grassroots mobilizations" to corporate clients. "We do junk

mail and junk phone calls. Everybody hates that stuff but it works. . . . Our two major clients are Philip Morris and the National Rifle Association. . . . You can learn from those two organizations and what they do—they're very efficient, very effective at grassroots."

Like most of today's political wizards, Malik is young but experienced, confidant and well compensated. Raised in Iowa, he graduated from Columbia University with a political science degree in 1985, then returned for his masters in business administration in 1991. Malik spent over seven years with Philip Morris developing a grassroots tobacco program that he proudly calls "one of the best citizen action grassroots programs in the nation today."

"Mail is what you do when you have more time," Malik said. "The mass of Americans don't care. So you want to find the people who do care, and then you want to find the people who will take action on your side of the issue. You've got to communicate to them in their manner. It's really easy to get lists of people who might be effected by your issue. . . . Build a data base today that will track mail response. . . . Follow it up with a phone call, find out where they stand, mark it down in a database so you can target who you want to call again right before a vote."

When an issue is actually coming up for a vote, Malik turns to his phone banks: "Phones are for speed. Another advantage of phones is that it's really flexible. You test mail, get results in three weeks, and make adjustments. With phones you're on the phones today, you analyze your results, you change your script and try a new thing tomorrow. In a three-day program you can make four or five different changes, find out what's really working, what messages really motivate people, and improve your response rates."

Telephones can also be used very effectively to flood a targeted legislator with constituent phone calls, using "patch-through," a contact technique in which a lobbying phone bank calls its supporters on the line and directly connects them to the targeted politician to deliver personal messages. Optima Direct has communications switches specially designed for this purpose. Malik explains: "I'm talking to you, and I say, 'Hey, are you with me on the issue?' and we have a little conversation. You say, 'Yeah, I'll talk to my legislator.' I say, 'Great, I'll connect you now.' You need a shop that has a switch that you can push a button and they are connected, and they are off, and your live operator is on the outbound talking to the next person. That's advanced switches."

"There are bad patch-through jobs out there," Malik warned, sounding like the used car salesman he so

PR GIANT EDELMAN COURTS BOTH "WISE USE" AND AUDUBON SOCIETY

National Audubon Society board member Leslie Dach was embarrassed recently when *PR Watch* informed journalists that his firm—Edelman PR—was organizing publicity and security for June's "Fly-In for Freedom," the annual *anti-environmental* lobby event in the nation's capital.

"I have never had any involvement with Alliance for America or their fly-in. While some of my colleagues at Edelman represent the Western States Coalition, I have never had any involvement with the Coalition," Dach wrote in an urgent fax seeking to correct the "mistaken impression" that he personally represents the "Wise Use" movement, a right-wing, corporate-sponsored grassroots campaign against environmentalists.

Dach told *PR Watch* that although he is an executive vice president of Edelman and general manager of their DC operations, he prefers not to know what right-wing elements in the firm are up to. Presumably these elements include Michael Deaver, the PR genius behind the Reagan presidency who, like Dach, is now an Edelman Executive VP.

Edelman's client, the Alliance for America, is an industry-subsidized network of 650 anti-environmental companies and associations. To help the Alliance target the Endangered Species Act, Edelman prepared a collage of photos of those "hurt" by the act, and also arranged an anti-environmental news conference at the end of the lobby-in.

Edelman PR is a leading anti-environmental greenwasher. O'Dwyer's PR Services reports that the firm has "managed numerous issues surrounding Superfund, the Clean Water Act, the Resource Conservation and Recovery Act, wetlands preservation and public lands."

Big anti-environmental PR firms like Edelman often pursue a "god cop, bad cop" strategy that co-opts environmental groups on one hand and wages war against them on the other. This dual strategy explains why their executives include both Dach and Deaver.

much resembles. Optima Direct, he said, does quality work—patch-through jobs so sophisticated they look like spontaneous manifestations of popular sentiment. "Space the calls out throughout the day—it's got to look real," he advises. "Talk to your lobbyists and find out what the call flow patterns are. . . . Make it look as real as possible." ■

FROM TOP-DOWN TO BOTTOM-UP: HOW TO PERVERT THE PROCESS

by Sheldon Rampton and John C. Stauber

In the old days, lobbyists relied on the "three Bs"—booze, blondes and bribes—to induce politicians to vote their way on the issues. These venerable persuaders have never been abandoned, but the advance of modern science has developed other methods which are more subtle and often more effective. The public relations industry now possesses something approaching a "unified field theory" of the methodology for motivating elected officials.

In the early 1970s, writes author Susan Trento, Hill and Knowlton's Washington office conducted a survey on Capitol Hill to determine the most effective approaches for lobbying. "They learned, in order of priority, that old friends, businessmen from the state or congressional district, and ordinary constituents make the biggest impact. Visits are better than letters. Handwritten or personalized letters are better than form letters or pre-printed postcards. Letters are better than telephone calls."

Guided by this analysis, Hill and Knowlton executive Robert Keith Gray began systematically hiring "old friends" and family of prominent Washington politicians. This technique of buying access to decision-makers is now widely used and was dubbed "grasstops communications" by PR executive Matt Reese, one of the technique's pioneering practitioners in the early 1980s.

Until his retirement in 1987, Reese owned Reese Communications Companies, serving clients such as ATT, Philip Morris, McDonnell Douglas and United Airlines. Reese touted "grasstops communications" as "the ultimate in corporate-legislative leverage . . . a bold, unique method of cutting through the special interest tangle to make an industry's message heard . . . and make the legislator sit up and listen."

To target an individual legislator, Reese Communications begins by hiring a "District Liaison" from the ranks of the legislator's "influential friends and leading business associates." In addition to having "a close personal relationship with the legislator and his/her staff . . . this person should also be actively involved in the community and have some media contact."

Once hired, the District Liaison works to personally lobby the legislator, and helps organize "a powerful business roundtable whose members are identified and recruited by the District Liaison. This roundtable consists of key business and community leaders . . . and friends and supporters of the legislator. . . . In other words, we create a 'kitchen cabinet.' . . . These are not just any leaders—but specifically those individuals who are well-connected to the legislative target, are receptive to the client's goals and who may have similar legislative concerns in their own business or industry. Like the Dis-



Karen Oliver (right) is the Washington, DC "director of federal affairs" for Beer Drinkers of America (BDA). Bankrolled with tens of millions of dollars from the brewing industry, BDA has built a "membership" of more than 750,000 guzzlers who BDA enlists to deluge politicians with calls, letters and personal visits opposing beer taxes and supporting whatever the industry is pushing.

PR Watch photographed Karen at a 1993 conference of the Public Relations Students Society of America. She said her work consists primarily of crashing Capitol Hill parties and providing Congressional staffers with lots of free beer, hot dogs and pizza for their parties and offices. She also leads them on party tours to professional baseball games and breweries. On the fun-filled trips home, she gets them chanting, "No beer excise taxes!"

trict Liaison, the roundtable members are recruited from the "legislator's business associates, major political contributors and social contacts."

Through "repetitive, persuasive contact by friends, acquaintances and influential members of the legislator's home district," the District Liaison and members of the roundtable create an artificial bubble of peer influence surrounding the targeted politician, so that "legislators will get the feel of *total community support* for an issue."

MOBILIZING THE MASSES

Politicians rely like anyone else on family and friends for advice and support, and they rely on people with money to fund their campaigns. Ultimately, however, they also need votes from the community at large to win election and re-election. Lobbyists therefore need to convince politicians that the voters at large are desperately concerned about the issue they want pressed.

By the 1980s, firms like Hill and Knowlton were developing techniques not only for targeting legislators

PR ASTROTURF ON PARADE

Inventing corporate front groups has become a lucrative PR specialty. To fight environmentalists, PR firms have created green-sounding front groups. To counter former Attorney General Ed Meese's Pornography Commission, Playboy and Penthouse magazines had Gray and Company PR create a front group called "Americans for Constitutional Freedom," to "assist in countering the idea that those who opposed the commission's efforts were motivated only by financial self-interest" or were "somehow 'pro-pornography.'"

Some 'astroturf' efforts are designed for a short term or local campaign. Others are permanent, with budgets in the millions of dollars. Here's a short sampling of some of the better known and well financed corporate front groups, opposing environmental, consumer and social justice initiatives:

Alliance to Keep America Working; Alliance for America; Alliance for Responsible CFC Policy; American Council on Science and Health; American Tort Reform Association; British Columbia Forest Alliance; Citizens for a Sound Economy; Coalition for Vehicle Choice; Consumer Alert; Foodwatch; Global Climate Coalition; Institute for Justice; Keep America Beautiful; National Legal Center for the Public Interest; National Wetlands Coalition; Putting People First; Safe Buildings Alliance; Sea Lion Defense Fund; United States Council for Energy Awareness; Wilderness Impact Research Foundation.

but also for serving up their constituents, through a beguiling array of industry-funded organizations cleverly named to hide their true nature as industry front groups.

The growing proliferation of phony grassroots groups prompted a May 1994 article titled "Public Interest Pretenders" in *Consumer Reports* magazine. "That group with the do-good name may not be what it seems," warned the magazine. "There was a time when one usually could tell what an advocacy group stood for—and who stood behind it—simply by its name. Today, 'councils,' 'coalitions,' 'alliances,' and groups with 'citizens' and 'consumers' in their names could as likely be fronts for corporations and trade associations as representatives of 'citizens' or 'consumers.' These public interest pretenders work in so many ways—through advertisements, press releases, public testimony, bogus surveys, questionable public-opinion polls, and general disinformation—that it's hard to figure out who's who or what the group's real agenda might be."

As an example, *Consumer Reports* pointed to the Workplace Health & Safety Council, which is actually "a lobbying group composed of employers, and it has opposed a number of regulations aimed at strengthening worker safeguards. Similarly, someone looking at the logo of the National Wetlands Coalition, which features a duck flying over a marsh, would have no clue that the coalition is made up mainly of oil drillers, developers, and natural gas companies that want national policy on wetlands use and development shaped for their industries' benefit. Today, inventing phony 'citizens' groups is an industry in its own right, and business is booming. Public relations specialists have discovered countless ways to create at least the illusion of citizen involvement."

The auto and oil industries are also active in grassroots organizing. *Consumer Reports* noted that the American Petroleum Institute retained the Beckel Cowan PR firm in 1989 to organize "Americans Against Unfair Gas Taxes, a national organization with over 15,000 members" that helped kill a proposed hike in the federal gas tax.

In Nevada, the auto industry created an astroturf front group called Nevadans for Fair Fuel Economy Standards to "impress Nevada Senator Richard Bryan." A PR firm called the FMR Group worked "to find Nevadans who owned . . . gas guzzlers, and spread the word" that a law supported by Bryan to foster greater gas efficiency "would make such vehicles unaffordable. FMR recruited 20 Nevada residents, put their names on the group's letterhead, and sent letters to organizations and individuals, asking them to write Senator Bryan. . . . The letters to constituents didn't mention the auto industry's sponsorship." ■

CORRECTION RE: ENVIRONMENT WRITER

Our previous issue referred to the monthly newsletter *Environment Writer* as "an industry funded publication of the National Safety Council." Editor Bud Ward wrote to say this "is absolutely incorrect," and that "the National Safety Council, has a membership list of some 18,000 organizations. These include businesses, labor unions, universities, and government agencies at all levels. Membership dues represent a small part of overall Council revenues, most of which is derived from general sales of services and products."

We have found that *Environment Writer* provides valuable reporting on environmental issues. The newsletter is free to bonafide journalists, who can subscribe by calling 202-293-2270. ■

KETCHUM HELPS CLOROX KEEP ITS IMAGE WHITER THAN WHITE

by John C. Stauber

Today, almost every company has in place a "Public Relations Crisis Management Plan" to anticipate and mitigate profit-threatening problems, and the Clorox Company is no exception. Chlorine, the active ingredient in its bleach, has been linked to a variety of health problems, including infertility, impaired childhood development, immune system damage, and cancer. Chlorine is also the basis of many persistent compounds including dioxin, Agent Orange herbicides, PCBs, and climate-destroying CFCs.

In 1991, in the face of a mounting campaign by Greenpeace for a "global phase-out" of chlorine, the Clorox Company turned to Ketchum Public Relations, a premier greenwashing firm (see *PR Watch* vol. 1, #5). Ketchum's plan outlined strategies for dealing with a number of "worst-case scenarios," but failed to plan for the worst of all possible scenarios—the possibility that some conscientious objector would leak the plan to Greenpeace, which in turn provided it to *PR Watch*.

Below are edited excerpts from Ketchum's plan to help Clorox "present a position that doesn't appear to be self-serving—sometimes using a disarming candor, other times presenting an understandable firmness." As corporations gear up for what one leading public relations advisor predicts will be a "wicked battle" over the chlorine controversy, the following text reveals the rigorous scripting behind their "disarming candor."

CRISIS MANAGEMENT PLAN FOR THE CLOROX COMPANY

1991 Draft Prepared by Ketchum Public Relations

... The environmental crises which could affect the Clorox Company can be planned for; strategies to address scenarios flowing from known issues of concern to the public can be established. ... We have attempted to provide a 'crystal ball' pinpointing some of the issues which could arise over the next year. For each scenario we have suggested different levels of attention and response. ...

Scenario #1:

... Greenpeace activists arrive at Clorox corporate headquarters with signs, banners, bull horns and several local television crews and proceed to launch a rally. The demonstrators hang a large banner... They release the results of a new "study" linking chlorine exposure to cancer. Two local network affiliates pick up the piece and go live to their noon news with a remote broadcast. AP Radio and the *San Francisco Chronicle* are on the screen and interview three unsuspecting Clorox employees, on their way to lunch, who agree that the safety of chlorine may be in question. ...

Objective: Make sure this is a one-day media event, with no follow-up stories, that results in minimal short-term damage to Clorox's reputation or market position.

Strategies:

- Announce that the company will seek an independent, third-party review of the Greenpeace study and promise to report back to the media. . . . (Its primary value will be to cause reporters to question Greenpeace's integrity and scientific capabilities.)
- Reporters are invited into the company, without Greenpeace, for a news conference. . . .
- Team begins alerting key influentials, scientists, government environmental and health officials, and others previously identified as potential allies.
- Names of independent scientists who will talk about chlorine are given to the media. (These lists are assumed to already be on file as per Master Crisis Plan.)
- Regarding the employees who raised concerns . . . employee communications efforts will be improved.
- Survey research firm begins random telephone survey of 500 consumers to assess the impact of the event. Based on the results, available the next morning at 9, team will decide further steps. . . .

Scenario #2:

The movement back to more 'natural' household cleaning products is gaining momentum as consumers are eagerly looking for ways they can contribute to a cleaner planet. . . . A prominent newspaper columnist targets the environmental hazards of liquid chlorine bleach in an article, which is syndicated to newspapers across the country. The columnist calls for consumers to boycott Clorox products. Local chapters of Greenpeace take up the cause. . . . A dramatic drop in sales of Clorox products within several weeks. . . . Congress schedules hearings on the environmental safety of liquid chlorine bleach products. . . .

This event is every company's worst nightmare; the company must be prepared to take aggressive, swift action to protect its market franchise. . . . The very future of the product and the company is at stake.

Objective: Restore Clorox's reputation and that of the product as quickly as possible.

Strategy: Use, wherever possible, actual rank and file employees and their families to act as spokespeople to support the company. . . .

- An independent scientist is dispatched to meet with the columnist and discuss the issue.
- Teams of scientists, independent or from Clorox or both, are dispatched . . . to conduct media tours.

- Arrange for sympathetic media, local, state and national governmental leaders, and consumer experts to make statements in defense of the product. . . .
- Advertising in major markets, using Clorox employees and their families who will testify to their faith in the product. . . .
- Advertising campaign: "Stop Environmental Terrorism," calling on Greenpeace and the columnist to be more responsible and less irrational. . . .
- Video and audio news release to affected markets.
- Enlist the support of the union and the national union leadership, since jobs are at stake.
- Determine if and how a slander lawsuit against the columnist and/or Greenpeace could be effective.
- Mass mailings to consumers in affected cities.
- If the situation truly grows desperate, the team agrees to consider the possibility of pulling the product off the market, pending a special review, assuming the review can be done quickly.
- Survey research is conducted daily to measure public reaction, changing attitudes, perceptions, etc.

Moderate Case Event: A nationally syndicated columnist attacks the household use of Clorox bleach as a hazard to the environment and calls for consumers to use 'safer' non-chlorine substitutes. . . . The article is picked up in newspapers in 25 major cities across the U.S., but otherwise generates no news. . . . Although consumers are asking questions, there is no loss of sales.

Objective: Prevent issue from escalating and gaining more credibility.

Strategy: Keep media interest minimal; prevent national or state government action.

Action Plan:

- Employee announcement is posted. . . .
- Media strategy: Reactive/responsive as long as the interest remains light.
- The columnist is briefed on the environmental safety of liquid chlorine bleach.
- Media tours developed, but they rely more on a "Hints from Heloise" approach that only obliquely mentions that chlorine bleaches are useful and safe.

Scenario #3:

At least one scientist advisor to the chlorine industry has voiced concern that the National Toxicology Program analysts could conclude that chlorine may possibly be an animal carcinogen. In light of U.S. regulatory policy, a link with cancer could trigger public concern and harsh regulatory action against this important chemical.

Worst Case Event: The final NTP study analysis concludes that chlorine is, indeed, an animal carcinogen.

On the same day of the NTP study announcement, Greenpeace holds a satellite news conference in Washington, New York and San Francisco to launch a concerted campaign to eliminate all use of chlorine in the United States. The news conference receives widespread national media coverage. A number of television reporters use a Clorox bottle to illustrate "dangerous" products produced with chlorine. The Environmental Protection Agency decides to reevaluate and severely tighten its regulations on the use of chlorine in manufacturing, causing . . . negative media coverage.

Objective: Working with other manufacturers and the Chlorine Institute, (1) forestall any legislative or regulatory action; and, (2) Maintain-customer and consumer loyalty.

Strategy: Demonstrate company's awareness that people are legitimately frightened and have questions that need answers, its commitment to getting those questions answered as quickly as possible, and its belief that chlorine does not pose a health hazard to people. . . . Where possible, ignore Greenpeace and don't give it credence. . . . Help people understand that Greenpeace is not among the serious players in this issue. . . .

- Through the Chlorine Institute, third-party scientific experts are brought to Washington to testify. . . .
- Because of advance planning, written material for reporters, customers, consumers and employees is in place with the specific target audiences clearly defined.
- Media briefing with key environmental and consumer reporters and with other interested media are held by industry, company, and independent spokespersons.
- Third-spokespeople are scheduled for major television and newspaper interviews.
- Industry generates grassroots letters to legislators calling on them to show restraint. Letters [are] designed to show that Greenpeace's overreaction is not causing widespread consumer concern.
- Through the Chlorine Institute, continue . . . consumer surveys to determine consumer attitudes and concerns and to develop clear, convincing messages.
- A hotline is established for consumers to call if they have questions. ■

NEW BOOK ON COVERT PR

By Hook or By Crook is the Advocacy Institute's guide to corporate stealth lobbying tactics, including the use of front groups and astroturf lobbying, and techniques for exposing and investigating stealth tactics. For more info, call (202) 659-8475 or e-mail ai0022@advinst.org