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If You Can't Fix the Problem, "Manage the Issue"

by Tom Wheeler

If the Issues Management Council managed issues the way it manages meetings, it would just take a couple of days for big business to dispose of all our problems. That was the impression I got after sitting through its annual conference, which consisted of a fast-paced, dizzying series of 15 presentations spread out across the two days of November 6-7, 1997.

Held in the sumptuous confines of the infamous Watergate Hotel in Washington, DC, the presentations were executed with clockwork precision, each allotted 45 minutes to an hour in which to pitch issues management techniques and strategies before an audience of several dozen corporate PR and communications professionals.

The conference program that I received upon arrival was littered with plenty of fuzzy, warm buzzwords like "social accountability,"
continued on next page

Flack Attack

To judge from what passes for journalism these days, you would almost think that no one even knows what an issue is anymore.

An "issue," for those who need explaining, is something that *matters*—something that affects significant numbers of people, and something that society should deal with through policy measures. If you get hit by a car because someone failed to put up a stop sign, there's an issue at stake involving public safety. If you die in a freak event, on the other hand—say a falling meteor—it's a personal tragedy, but there is no issue at stake requiring public discussion and debate.

In recent years, however, the media has abdicated its duty to cover issues. Instead, newspapers, magazines and especially the TV news offer an endless stream of freakish stories that titillate and sell advertising copy but don't really matter: from presidential blowjobs to killer nannies, cross-dressing sportscasters, and who wore what at the Academy Awards.

Here are some of the things that don't get covered, or at best receive brief mentions: global warming, food

safety, toxins in the environment, and the joint failure of Republicans and Democrats alike to seriously consider campaign finance reform.

Even when stories appear that do raise issues, the media focuses on sensationalism and pointless details.

When boys in Arkansas haul a cache of guns to school and kill a bunch of girls, reporters focus on the funerals or debate appropriate punishments for the young killers. Almost no one talks about the fact that this was deliberate male-against-female violence, or for that matter explores the issue of how we might prevent similar tragedies by limiting access to guns.

When Oprah Winfrey goes on trial for talking about mad cow disease, reporters tell you what she wears to court, what guests are appearing on her show, and how well she is holding up in the ratings wars against Jerry Springer. But just try to find a story that actually looks into the issues surrounding mad cow disease itself.

With government deals underway to reach a "comprehensive settlement" with the cigarette industry, ask
continued on next page

“promoting civil action,” and “creating sustainable development.” One priority issue of great concern was “declining community involvement.”

“The nature of our work is as much to keep an organization out of the media as in it.”

—Golin/Harris Communications

The agenda gave the impression that corporations are actively making efforts to foster more “progressive” thinking and are seriously taking the concerns of consumers, environmentalists and local activists into consideration in their decision-making process. Not surprisingly, the workshops themselves revealed a far different reality, as did the PR company literature on display at the conference.

“The nature of our work is as much to keep an organization out of the media as in it,” explained the promo literature for Golin/Harris Communications, Inc., the North American flagship agency for Shandwick PLC.

Has your product been targeted as dangerous or unhealthy by an advocacy group? Well, Golin/Harris is ready to “step in to help the corporation get the correct message out before the issue becomes a crisis and affects product sales and the bottom line.”

Mongoven, Biscoe & Duchin, Inc. also had literature out, in which they proudly boasted about their “extensive files on individuals and organizations” which they use “to provide timely information and assessment of their activities and plans.” Their prime targets for spying include activists, public interest groups, churches, unions, corporate critics and academia.

TOKEN DISSENT

The conference began by giving participants a taste of the “issues” they were being trained to “manage,” as representatives from a handful of public interest groups gave presentations.

The first speaker was Thomas W. Knowlton, director of operations for the Council on Economic Priorities (CEP), a New York-based nonprofit organization best known for its consumer guide, *Shopping for a Better World*.

Knowlton discussed new social accountability standards for corporations that he claimed would “transcend time-zones, language barriers, and developing and industrialized country borders.”

CEP, with the assistance of some influential corporations, has come up with a new set of standards called Social Accountability 8000 (SA8000). Corporate participants include such powerful companies as Avon, Eileen Fisher, Sainsbury, Toys ‘R’ Us, and Otto Versand (which owns Eddie Bauer). Other participants included

Flack Attack *continued from page 1*

yourself how many stories have appeared analyzing the terms of the settlement, which anti-smoking activists have described as a bailout that will enable the tobacco industry to resolve its legal liabilities in the U.S. while it aggressively expands its market overseas.

After analyzing coverage of the tobacco settlement, Ahron Leichtman of Citizens for a Tobacco-Free Society concluded that “The only real question worthy of exploration these days is, ‘Where did they hide the bodies after they shot all the journalists who used to do the work of reporting on the issues to the American people?’ ”

If you ask journalists why they are doing such a lousy job, they will often reply that they are just giving the public what it wants. Issues, they say, are dull and lack entertainment value. They don’t sell papers.

As this issue of PR Watch demonstrates, however, *somebody* is interested in issues. Corporate America is

in fact preoccupied with “issue management”—the art of controlling the spin on issues before they even reach the attention of the American people.

Issue management aims not only to control the debate but to keep the debate from ever occurring—and corporate issue managers know and fear the fact that people do love to participate in debates over issues that matter.

Sadly, the current state of journalism in the United States rarely affords people that opportunity—a fact that offers considerable comfort to the likes of the National Rifle Association, the National Cattlemen’s Beef Association, the Philip Morris company and their professional spin doctors and issue managers.

In fact, every important public issue suffers under the one issue the media never covers, even superficially: the quickening demise of journalism and its expropriation by the PR industry.

labor and human rights groups and accounting firms KPMG-Peat Marwick and SGS-ICS.

The kickoff for the program was held previously at Avon Products Inc.'s New York headquarters where the group approved an initial lineup of standards that include no use of child or forced labor, a safe working environment, the right to unionize, and wages sufficient to meet workers' basic needs.

CEP is creating this uniform set of expectations to measure corporate behavior. In 1998, companies can apply to have the accounting firms certify that their factories meet those standards. Knowlton claimed that "millions of consumers in the marketplace will insist on SA8000-approved products" and the CEP seal of approval will reassure consumers that the products they buy aren't made by exploited workers.

The effort has plenty of skeptics, however, among human rights and labor groups. Their concern is that CEP audits, which companies will pay for, will use the monitoring process as a cover to reassure the public without doing anything different. Critics point out that the CEP standards are similar to those of the International Labor Organization, which governments have failed to enforce for decades.

A consumer's-eyes view of current issues came from Wendy Gordon, who gave a presentation on "Women Promoting Civil Action in the Consumption Realm." A former senior project scientist for the Natural Resources Defense Council, Gordon is the co-founder, with actress

Meryl Streep, of Mothers & Others, an organization concerned with children's health.

She explained that the primary goal of Mothers & Others is to "stimulate changes in the marketplace." It works to persuade supermarkets to provide organic foods and has promoted the concept of "community-supported agriculture."

The most sobering presentation came from Dr. Michael W. Fox of the Humane Society of the United States, who presented a slide show detailing the horrors of intensive factory farming that seemed to curb the appetites of many participants.

Fox minced no words in presenting the dangers of factory farming, poor diet and the loss of biological diversity as he promoted the idea of "farming without harm," sustainable agriculture and moving away from a meat-based diet. He also described the concept of bioethics, calling it a "holistic philosophy" that gives "equal and fair consideration to the concerns, interests and rights of humankind, animalkind and the environment."

"Unrestrained capitalism is a downward spiral," Fox said bluntly. He advocated for "decentralization of power and control," invoked the concept of "mutual aid" and an emphasis on "cooperative economics."

His presentation appeared to be the only one that caused a few members of the audience to shuffle uncomfortably in their seats. His remarks resonated enough to generate hostile little jokes at his expense from several corporate speakers during the subsequent two days.

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GLOBAL HOT AIR

The Issues Management conference took place just prior to the international conference on global warming in Kyoto, Japan. Dirk Forrister, chairman of the White House Climate Change Task Force, gave issues managers a preview of Kyoto during an industry-friendly presentation titled "Global Warming: International Treaties as Vehicles for Issue Action."

Forrister, who previously worked as a Special Assistant for Policy to Secretary of Energy Hazel O'Leary (herself a former power utility executive), stressed the Clinton administration's strategy of promoting "market-based" policies and solutions and the need for these solutions to be "flexible, realistic, and achievable." He reiterated the current US position in favor of restricting greenhouse gas emissions to 1990 levels by the year 2010, and sarcastically ridiculed as "unrealistic" and "unworkable" the stricter limitations proposed by the European Union, the Alliance of Small Island States and other international participants. After making these brash comments, he jokingly asked if his presentation was "off the record."

Recognizing that some business sectors favor no action whatsoever on global warming, Forrister implored skeptics to simply "look at the array of international proposals" and "take your pick." He was confident, he said gleefully, that the U.S. proposal was most favorable to business interests, because it was a "non-regulatory approach" which is "not about cost but about opportunities," and because it would mobilize "private power finance" as an integral part of its strategy.

The part about mobilizing private finance refers to the concept of "emissions trading," a proposal backed by the U.S., Australia and other foot-draggers, which would allow countries or firms to pay for the right to pollute beyond specific limitations. Under this system, countries that cut emissions beyond specified reductions would receive credits which they could sell to other countries that fail to meet their targets.

Industry lauds the fact that this effort provides a free-market mechanism to reduce global emissions, but it could also allow big polluters to swap their way out of binding obligations, not to mention open big loopholes for non-compliance.

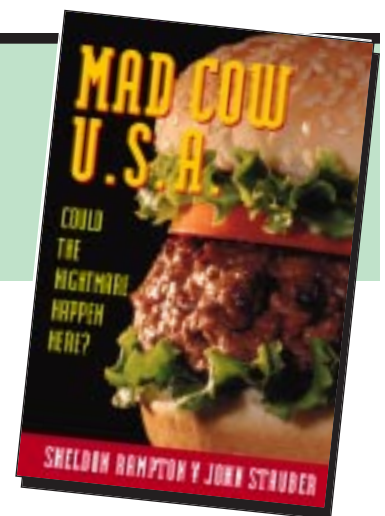
MAD COW U.S.A.

Could the Nightmare Happen Here?

by Sheldon Rampton and John Stauber

Rampton and Stauber, authors of the critically-acclaimed *Toxic Sludge Is Good for You: Lies, Damn Lies and the Public Relations Industry*, reveal how mad cow disease has emerged as a result of modern, intensive farming practices whose true risks are kept hidden by government and industry denials.

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Order from our website at www.prwatch.org or send \$30.00 (includes postage) to:
CMD, 3318 Gregory Street, Madison, WI 53711 • To Order By Phone: 1-800-497-3207



"In a first-rate piece of investigative journalism, Rampton and Stauber piece together the best synthesis of the problem I've seen. *Mad Cow U.S.A.* is an important book. And it reads like a detective story."

—Timothy B. McCall, M.D., author of *Examining Your Doctor: A Patient's Guide to Avoiding Harmful Medical Care*

"A frightening, eye-opening exposé."

—Lois Marie Gibbs,
author of *Dying from Dioxin*

"It's not just cows that are mad—so are our so-called 'consumer protectors.' You'll be mad as hell too after reading this dynamite book."

—Jim Hightower, radio talk show host and author of *There's Nothing in the Middle of the Road but Yellow Stripes and Dead Armadillos*

"It can happen here! Rampton and Stauber have provided real 'food for thought' in this chilling, revealing book. . . . Every American family ought to read this book."

—Jeremy Rifkin, author of *Beyond Beef: The Rise and Fall of the Cattle Culture*

"Incurable, unstoppable, threatening to big business: that's mad cow disease, but also, luckily for us, the wit and investigative will of Rampton and Stauber.

Whether you eat meat or just the ground-up news fed to the public by the corporate media, you'd have to be crazy not to read *Mad Cow U.S.A.*"

—Laura Flanders,
author of *Real Majority, Media Minority: The Cost of Sidelining Women in Reporting*

"Gripping . . . important . . . highly recommended."

—*Library Journal*

After grouching for awhile that the U.S. position was getting “hammered” by other countries, Forrister cautioned businesses that, indeed, they “may pay,” but reassured them that they “have an opportunity to make money on the solutions.”

STOMACH TURNERS

During the first afternoon presentation, Martin Christie from Shell International’s Group Public Affairs division, took a shot at the Humane Society’s Michael Fox, quipping that his presentation would not contain “anything that is going to upset your digestive system as the man did before lunch.” He was wrong, at least about me. I almost lost my lunch listening to his arrogant, self-congratulatory presentation about Shell’s heartfelt environmental concerns as they relate to its latest venture—drilling for gas in the rainforests of Peru.

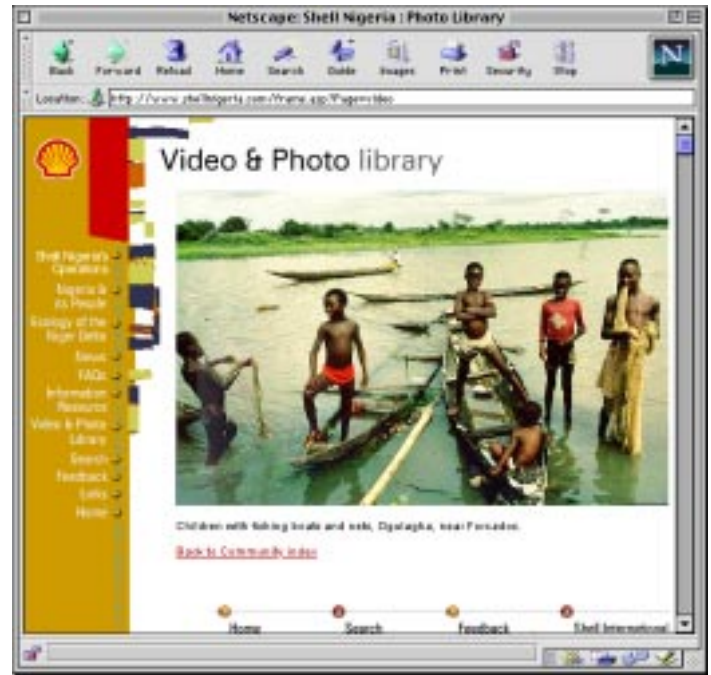
I could have sworn I had just drifted into some god-forsaken Orwellian nightmare. This was, after all, the same corporation which has been implicated in the murder of Nigerian writer Ken Saro-Wiwa. (For a few details about Shell’s current activities, see “Welcome to the Jungle: Shell Invades the Peruvian Amazon,” in *PR Watch*, Fourth Quarter 1997.)

Later that afternoon, an energy policy and planning manager for Sandia National Labs gave a presentation on ways that PR pros can promote “a private sector point of view” and ensure that the issue management process isn’t “contaminated with public sector views.” He advocated a “public participation process” on issues of concern by carefully convening a panel in which the participants are limited and the objectives are narrowly defined in order to establish “consensus” while simultaneously protecting industry’s fundamental interests. (Well, nothing new here. . . .)

The surreal atmosphere of the afternoon concluded with Elisa Puzzouli, the director of issue management at The Prudential Insurance Company of America, who explained Prudential’s “very grassroots initiative” to encourage “community involvement.” (In reality, Prudential’s initiative was launched two years ago by its marketing department to help deflect bad press after getting caught red-handed ripping off hundreds of millions of dollars from individual investors. For details, see “Community Values, Prudential Style” on page 7 of this issue.)

TOUGH TIMES AND DESPERATE MEASURES

The following day, unfortunately, was not much better. The low spot was a talk by John Nash, vice chairman for the Center for Board Leadership, who was there to report on his organization’s 1997 Corporate Govern-



Following criticisms of Shell Oil’s complicity in the Nigerian government’s murder of playwright and environmental activist Ken Saro-Wiwa, Shell has adopted “a more thoughtful approach to maintaining its reputation,” according to Inside PR, a PR trade publication.

As an example of Shell’s new “philosophy of greater openness,” the company hired the Shandwick PR firm to design a massive website which features National Geographic-style photographs of Nigerian children along with self-serving news releases. On the first anniversary of Saro-Wiwa’s execution, for example, the company declared that it “understands the feelings of those concerned. But it must now be a time for moving forward.”

nance Survey. There is a “huge crisis in leadership,” he said, intoning that these are “tough times to be a CEO.”

What kind of tough times? Well, there is less job security, for one thing. “Thirty-five CEOs have lost their jobs in 1997,” Nash said ominously.

Gee, that’s *tough*. Of course, these displaced executives—every one of whom is a personal millionaire—have found solace in the form of generous termination packages that are typically worth millions of dollars all by themselves.

Compare this to the tens of thousands of working people downsized in 1997 with little or no compensation. While 80% of the workforce has seen its wages stagnate or decline over the past 15 years, CEO salaries have gone through the roof. How many of the CEOs enduring “tough times” would like to trade places with one of their downsized workers?

In 1996, Disney CEO Michael Eisner's compensation was \$189 million—a number which pales in comparison to the \$576 million he received in 1997. Nike's billionaire boss, Philip Knight has earned his money exploiting workers in Third World countries under totalitarian rule such as Indonesia and China. Wherever democracy and the issue of human rights have little sway is usually where you'll find Nike.

Philip Knight says he is doing well at a difficult job, going so far as to claim he is providing an opportunity to the workers for a better future. What better future is Knight providing? Well, it will take a woman in Vietnam sewing Nike sneakers over three decades to earn what Knight "earns" in one hour. In the upside-down world of corporate doublespeak, the Nike worker in Vietnam is on the "path to a better future," while Knight and other wealthy CEO's are the ones facing "tough times."

Outside the sycophantic world of the "issues managers," of course, CEO salary and compensation packages are increasingly viewed with seething indignation. There is an obvious, enormous and widening gap between worker's salaries and what corporate executives receive in salary, bonuses and stock options.

This is what Noam Chomsky calls the "tough love" approach. Lots of love and lavish handouts for the opulent executives at the top, tough for everybody else.

BUZZWORDS

After poking some fun at the Humane Society's presentation, Michael Palese of Bell Atlantic talked about strategies corporations can use to "align corporate communication, reputation management, public policy and market development systems and strategies with the needs and interests of communities."

If you wanted to learn about "State-of-the-Art Technology as a Tool in Global Issue Management," IBM's Harriet Pearson gave a wonderful presentation about IBM's use of the internet to "bolster visibility with Capitol Hill and other key policymakers" and as a "productivity tool for our own staff."

The conference ended with James Lukaszewski, chairman of the Lukaszewski Group. The conference program promised that he would provide "specific techniques, language, and motivation to inspire you to return to your office with the persuasive mindset of a Verbal Visionary." Based on the hype, I was expecting a high-voltage Anthony Robbins-style presentation about how all of us have "unlimited power" waiting to be tapped and unleashed.

Actually, Lukaszewski was a soft-spoken gentlemen who provided such pearls of wisdom as "people don't read much—who's got the time?" and "say less—make it more important."

Lukaszewski has served as a "crisis consultant" for numerous clients including the GAP when it was embroiled in a highly visible sweatshop controversy a couple of years ago. He also served as the first ever "crisis columnist" for *PR Tactics*, a publication of the Public Relations Society of America (PRSA).

He has written numerous articles including "Coping With Activist Intrusions and Threats" in which he wrote "While the threat of terrorism is no where near as great in the United States as it is in other parts of the world, direct activist action against individuals and their families is becoming a routine tactical choice."

Lukaszewski talked at length about "values," "trust," "integrity," "credibility" and the need to be an "absolutely truthful person." He also spoke of the necessity for verbal visionaries to have an "uncompromising adherence to a code of principles."

ELIMINATING PROBLEMS

A peculiar part of Lukaszewski's presentation focused on why "being a verbal visionary is especially important to women." He noted that "in the battle for attention, the battle for power, the battle to move issues forward, women are at a disadvantage" because they are "up against obstacles more powerful than the glass ceiling." He identified these powerful obstacles as the "verbal ceiling" and the "porcelain ceiling."

The "verbal ceiling" means that "the world is run by middle-aged guys" who "talk a certain way, make signals a certain way" which makes it "difficult for women to have an advantage that men have from the start."

The other powerful ceiling, the "porcelain ceiling" derails women in business meetings because "women executives are lonely, they are usually the only woman in a group of men." Often in meetings, Lukaszewski said, people will be "having a great discussion and the meeting is going fine, suddenly it's 10:15 and what happens? Everybody takes a break and where do the guys go? To a room that says M-E-N. They go to the porcelain," where "the meeting goes on" with the women excluded.

Wow. The biggest obstacle for women in the corporate world is the men's bathroom.

To borrow an overused cliché, "The more things change, the more they stay the same." ■

Community Values, Prudential Style

by Tom Wheeler

Just a few years ago, Prudential was in the midst of a scandal of epic proportions, when the multinational insurance giant got caught red-handed ripping off hundreds of millions of dollars from its customers.

Some policyholders, many of them elderly, lost their life savings. Thousands of Prudential clients faced the prospect of losing their homes, their retirements, or money set aside for their children's education. This was fraud on a truly massive scale.

Throughout much of the 1980s and early 1990s, Prudential sold billions of dollars worth of dubious policies that were intentionally misrepresented through misleading sales techniques and outright forgery. The abuses included the practices of "churning" and "twisting."

"Twisting" is the sale of insurance based upon incomplete or fraudulent comparisons. "Churning" refers to a practice in which agents pressure current policyholders to buy new, larger policies with the promise that the dividends from their existing policy will pay off the new monthly premium. What the agents often failed to explain is that dividends eventually run out and the policyholder is forced to make a huge cash payment to salvage the old policy and then fork out a large premium to pay for the new policy.

Prudential initially made big profits in the scheme. For some senior executives, the huge flow of cash from these activities helped finance extravagant corporate spending and lavish lifestyles, while Prudential employees who questioned the scheme or refused to participate were intimidated into silence or fired.

After initially getting caught, Prudential offered a measly 2-cents-on-the-dollar settlement back in 1993. A year later, the company finally admitted that it had committed widespread fraud. The admission was necessary in order to avoid criminal indictments. Eventually, Prudential was forced to pay the largest fraud settlement in American legal history. Beset by this public relations nightmare, Prudential's marketing department needed a way to repair its reputation.

Welcome to "community values," Prudential style.

HEARTS AND MINDS

In the wake of the churning scandal, Prudential's revamped communications department launched two new initiatives: the "Helping Hearts" campaign and the "Spirit of Community Initiative."

The Helping Hearts program is a matching grants initiative that provides portable cardiac defibrillators to volunteer emergency medical service squads. The "Spirit of Community Initiative" is a series of programs designed to "rekindle America's community spirit by encourag-

ing young people to become actively involved in making their communities better places to live." It includes the "Prudential Spirit of Community Awards," created in 1995 to "recognize students in middle and high school grades who have demonstrated exemplary, self-initiated community service," as well as the Prudential Youth Leadership Institute "to teach leadership and community service skills to high school-age students."

Given Prudential's history, the Leadership Institute perhaps gives new meaning to the old joke that "those who can't do, teach."

Elisa Puzzuoli, Prudential's director of issues management, acknowledges that the real purpose in giving awards to schoolkids is to award the company itself a better image. Speaking at the Issues Management Conference, Puzzuoli talked about how these "reputation programs" helped reposition Prudential as a company that really cares about the communities where it operates.

An intensive PR blitz touting Prudential's community initiatives generated "great publicity," Puzzuoli said, and "helped us get through the darkest days of Prudential." She estimated that the programs have raked in millions of dollars of "added value" for the company.

Puzzuoli stressed the importance of "forming strategic alliances" and "picking a third party" as cover to ensure credibility for the company's PR initiatives. To legitimize its work with schoolkids, Prudential formed a partnership with the National Association of Secondary School Principals (NASSP), sought endorsements from groups like the National 4-H Council, and recruited prominent figures such as former President Jimmy Carter and actor Richard Dreyfuss officials to help build "goodwill" by participating in the awards program.

"We really are a community-based business," Puzzuoli said without a hint of irony.

While Prudential lectures children about the values of "community spirit" and flacks tout its efforts to be a "responsible corporate citizen," the company's internal problems continue to mount, with recent reports that the company has destroyed documents related to the churning scandal in regional offices as far apart as Massachusetts and Florida.

In 1996, the *Los Angeles Times* obtained an internal memo from the Prudential home office, ordering managers in over a dozen states to destroy documents relevant to the investigation. "We just learned this morning that one state is looking into possible violations regarding our 'private pension' materials," the memo said. "You must destroy all private pension letters other than the approved versions I referred to in my earlier focus message today. Again, destroy and discard any other letters." ■

100% All Beef Baloney: Lessons from the Oprah Trial

by Sheldon Rampton and John Stauber

If you're trying to make sense of the recent "food disparagement" lawsuit by Texas beef producers against Oprah Winfrey, it might help to recall Connie Grieg's moment of terror on the evening of April 23, 1996.

The date was one week after the now-famous program in which Oprah allowed a debate between Gary Weber of the National Cattlemen's Beef Association (NCBA) and vegetarian activist Howard Lyman. Lyman had easily won the argument, horrifying Oprah and her audience with vivid details about cannibalistic animal-feeding practices and their link to England's outbreak of mad cow disease. Angry, the cattlemen had responded by pulling \$600,000 dollars in advertising from Oprah's network and were already threatening legal action.

Under pressure, Oprah had taken the extraordinary step of inviting the cattlemen to make a second appearance, this time all by themselves. Weber would come back for a second time, and Connie Grieg—an Iowa cattle producer—would join him.

"This time, we agreed to a live show with no editing. Oprah also agreed not to have an opposing viewpoint," Grieg explained to *Beef* magazine, an industry trade publication.

The program itself went smoothly, exactly as planned. Weber reprised his role as "expert," while Oprah muttered apologies through what seemed like gritted teeth. Grieg, who had received intensive media training plus two hours of coaching the night before from NCBA staffers, played the role of a safety-conscious, lovable family farmer.

The moment of terror, when it came, did not occur on the Oprah show. It came later that evening, when Grieg celebrated by taking the family out to eat at a seafood restaurant. "We walked in, the hostess looked at us and asked: 'Hey, weren't you on 'Oprah' today?'" Grieg said. "I started to stammer."

She had been caught, she realized. Caught, in public—eating *seafood*.

After an awkward moment, Grieg managed to regain her composure and "explained that we eat beef every day and just felt like a change."

Of course, no one really eats beef *every* day, not even a dedicated propagandist for the NCBA. Grieg's hastily-

improvised cover story speaks volumes, however, about the beef industry's preoccupation with image over substance and its fantasy-view of American eating habits.

Whatever was said about mad cow disease on the Oprah show, the most terrifying moment for the industry came when Oprah said that she had been "stopped cold from eating another burger." This surfaced clearly during the trial when Bill O'Brien, head of the Texas Cattle Producers, explained on the witness stand why Oprah's follow-up show with Weber and Grieg was "too little, too late" to atone for the first show.

"I don't think it repaired the damage," O'Brien said. "She didn't go on the program and eat a hamburger before the world."

From this perspective, the dangers specific to mad cow disease, or for that matter Howard Lyman's description of animal-feeding practices—or, for that matter, the First Amendment—are mere details to be swatted away like flies, an attitude which shows repeatedly in the beef industry's handling of the PR problems posed by the Oprah trial.

With respect to the issue of mad cow disease itself, the cattlemen pursued a strategy of simple evasion. Their message to the media was that they were willing to discuss the question of whether the trial infringed upon the First Amendment, but they did *not* want to be dragged into a discussion of whether mad cow disease (known technically as "bovine spongiform encephalopathy" or BSE) posed any problems in the United States.

In his eagerness to avoid the subject, NCBA president-elect Clark Winningham even claimed on January 9, 1998 that he was under court order not to comment about the Oprah trial. "Wish I could," he said.

Three days later, Winningham lifted his self-imposed gag order and spoke freely to reporters. "Our fear is that the trial revives the issue of BSE in the minds of the consumer again," he said. "The fact that she is moving the show has become a news item, and it will give her a lot of free publicity, but that hurts us because mad cow disease gets pushed out in the headlines again."

THE MYTH OF THE OPRAH CULT

A sexist subtext ran through discussions of the Oprah trial. In Amarillo, bumper stickers and T-shirts sported the slogan, "The only mad cow in America is Oprah."

A common theme in discussions of the Oprah program was the notion that Oprah's popularity gave her some kind of improper influence over the mindless female multitudes that constitute her audience. As evidence of her hypnotic powers, commentators noted that an endorsement by Oprah's book club can frequently propel an author to the top of the bestseller list.

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One caller to KGNC, an Amarillo radio talk show, described Oprah's audience as "the uneducated portion of our population" and hoped the cattle feeders would "get Oprah for every penny. . . . They are not looking for money, but they can build war chests to get after other people that pull this stuff."

Winfrey "should have her mouth taped," opined one commentator, because "she's on national television speaking to all those who have nothing more to do than listen to her and accepting her words as the gospel."

"A video of the Oprah segment suggests the lynch-mob character of TV talk shows," commented *Accuracy in Media*, Reed Irvine's right-wing think-tank. "Audiences are made up of persons who know nothing other than the canned story fed to them by the host or hostess." *AIM* complained that more than 70% of Oprah's "vast afternoon audience . . . are women, who do the bulk of grocery shopping in America."

Will Hueston, the USDA official who appeared on Oprah's mad cow segment, used similar language during his courtroom testimony, complaining of a "lynch mob mentality" because he had heard people in the studio audience whisper that "You can't trust the government."

(In one of the most bizarre moments of the trial, Winfrey's attorney reminded Hueston that "lynch mob" was a term referring to the use of clubs, nooses and torches against black slaves. Under cross-examination, Hueston burst into tears, apologized to Winfrey, and attempted to portray himself as a civil rights worker who had been persecuted as a child for having black friends.)

Bill Maher, host of the "Politically Incorrect" talk show, added another sexist touch by speculating about whether the success of Oprah's book endorsements proves that women are more "sheeplike" than men. Ironically, his comment came after the media's lemming-like, single-minded obsession with President Clinton and Monica Lewinsky had virtually eliminated any further news coverage of the Oprah trial.

In fact, as many observers have noted, Winfrey's book selections are of consistently high caliber, and her readers are a far cry from these stereotypes of dumb housewives who hang on Oprah's every word. Some of them have formed an internet-based reading club, which features literate, independent-minded discussions of the books and their authors. While Oprah was on trial in Texas, members of the group in fact were busily airing some blunt criticisms of her recent book selections.

"With so many other wonderful authors out there, it would really be a disappointment to me if she went with a second Morrison book, no matter how good it is," commented one reader. "It's great that some people who may

never have read Morrison did so when *Song of Solomon* was the choice. But now it's like Oprah's pushing her down people's throats. . . . This will be the second month in a row I have personally questioned her choices."

DID OPRAH CAUSE CATTLE PRICES TO FALL?

It is worth noting that the fall in cattle futures occurred on the Chicago Mercantile Exchange, not in grocery stores. There is no evidence suggesting that consumer beef-buying habits even flickered as a result of the Oprah show. The people who "panicked" were not gaga housewives with curlers in their hair. If we want to deal in stereotypes, they were cellphone-toting, BMW-driving, yuppie commodity traders.

The Oprah show on mad cow disease came at a time when drought, high feed prices and oversupply were crippling cattlemen. It also came less than a month after the British government reversed a decade of denial and publicly admitted for the first time that BSE-contaminated beef was the "most likely explanation" for human deaths from a disease that has come to be called "new variant Creutzfeldt-Jakob Disease" (nvCJD).

The Oprah show's impact on beef prices therefore cannot be easily separated from a series of other factors, including the impact of other mad cow-related news coverage. Tim Brennan, a futures trader who testified against Oprah during the trial, admitted in fact that he placed his "sell" order before he had even seen the show, based solely on the fact that mad cow disease would be discussed at all.

"You think Oprah ought to pay \$10 million because you thought what she said would stop housewives from buying hamburgers?" asked defense lawyer Charles Babcock.

"This is true," Brennan replied.

THE TRUE ENEMY OF SMALL FARMERS

In their conflict with Oprah Winfrey, representatives of the beef industry have attempted to portray themselves as "beleaguered family farmers" in a David vs. Goliath struggle against a powerful "media mogul."

In reality, the greatest irony in the Oprah trial is that the people suing Winfrey are themselves beneficiaries of a commodities trading system that has destroyed the livelihoods of many family farms.

Amarillo rancher Paul Engler, the lead plaintiff, is the world's largest cattle feedlot operator, with \$650 million a year in sales. He has been associated throughout his career with Iowa Beef Processors (now renamed as IBP Ltd.), a major beef supplier that has been investigated or prosecuted repeatedly for price-fixing and monopoly practices.

“Paul Engler as ‘grandfather’ of the formula pricing system in the cattle industry is no friend of the true cattle producer for what he has done to our pricing and production system,” observes one cattleman quoted by A.V. Krebs, a long-time analyst of agricultural economics and author of *Corporate Reapers: The Book of Agribusiness*.

“Formula pricing,” along with terms like “captive supplies” and “forward contracting,” are phrases seldom heard or understood outside the meat industry. They refer to a cattle-buying system which pushes the envelope of legal activity and, for all practical purposes, amounts to monopoly price-fixing.

“Captive supplies” are cattle which are fed by meatpackers themselves or contracted from closely-allied sources like Engler. By keeping their packing plants full for days or weeks with captive supplies, meatpackers can force down the market price of cattle by simply not buying for long periods. This in turn lets them “forward contract” for future purchases at “formula prices” which they dictate, again undercutting the open market.

These artificial price manipulations also provide insiders like Engler with advance information about price fluctuations, enabling them to reap additional profits through market speculation in cattle futures.

During the month in which Oprah’s controversial mad cow program aired, Engler was in fact the largest supplier of “captive supplies” to IBP Ltd. His role in keeping the market artificially low was dramatically illustrated three weeks after the Oprah show, when IBP’s sources of captive supplies ran out of inventory on May 2, 1996. In a matter of two hours, prices surged upward again from \$54 to \$60 per hundredweight.

As Krebs observes, “This is not simply a case of a television talk show host pitted against a beset-upon cowboy with the white hat battling for ‘truth, justice and the American way,’ but one of corporate agribusiness’s very own seeking to improve nothing more than his own ‘bottom line.’ ”

WAS THE OPRAH PROGRAM FAIR?

Both in court and in the media, the NCBA sought to show that Oprah Winfrey deliberately aired false, sensationalized claims about food safety in order to boost ratings. *Accuracy in Media* described her as a “mistress of manipulation” whose mad cow segment “is a good illustration of how a TV show can hide falsity behind a facade of objectivity.”

NCBA’s Gary Weber, who appeared on Oprah’s mad cow segment, told *AIM* that two of his most important statements on the Oprah show were edited out before the program aired: (1) “The cattle industry adopted a voluntary ban on ‘recycling’ felled cattle as feed”; and

(2) “What is fed to cattle is not ‘ground up’ beef, as Lyman claimed, but a foodstuff that has been cooked at temperatures high enough to sterilize it.”

It is true that Weber’s mention of the “voluntary ban” did not make the final cut. As we document in *Mad Cow USA*, however, there is no reason to believe that the “voluntary ban” had any impact whatsoever on industry feeding practices. Aside from the fact that a “voluntary ban” is a contradiction in terms, *Mad Cow USA* quotes agricultural extension agents and feed salesmen who confirm that the practice of feeding rendered cattle back to cattle continued, and may even have increased, after the voluntary ban was declared.

And Weber’s claim that rendered feed “has been cooked at temperatures high enough to sterilize it” can only be characterized as deliberately misleading. As Weber well knows, the infectious agent that causes mad cow disease is extraordinarily resistant to high temperatures and is capable of remaining infective even when heated to 720 degrees fahrenheit—more than twice the temperature used to “cook” rendered animal feed. Its ability to survive the rendering process is precisely what enabled mad cow disease to grow to epidemic levels in the British cattle population.

As evidence of the Oprah program’s “sensationalistic” exaggerations, commentators frequently pointed to vegetarian activist Howard Lyman’s claim that mad cow disease “could make AIDS look like the common cold.”

But consider the context in which the show aired on April 16, 1996. Less than a month earlier, the British government had abruptly reversed a decade of denial by announcing that people were dying from a new variant strain of Creutzfeldt-Jakob Disease, and that mad cow disease was the most likely cause. The scientist who headed the U.K. government’s Spongiform Encephalopathy Advisory Committee, James Pattison, had even admitted that millions of people could already be incubating the disease, which is undetectable, incurable, always fatal and invisible for years or even decades before emerging as an Alzheimer’s-like killer.

Or consider the conclusions of the Food and Drug Administration, which appeared nine months *after* the Oprah show, when FDA finally got around to publishing “proposed regulations” banning the practice of feeding cattle back to cattle.

“The data and information raise concern that BSE could occur in cattle in the United States,” the FDA wrote, “and that if BSE does appear in this country, the causative agent could be transmitted and amplified through the feeding of processed ruminant protein to cattle, and could result in an epidemic.”

Lyman, of course, used somewhat more colorful language. He called it “mad cow disease” instead of BSE. Instead of “processed ruminant protein,” he talked about “feeding cows to cows.” The bottom line, however, is that Lyman and Oprah Winfrey went on trial because they dared broadcast the same conclusions that the FDA itself would reach nine months later: Feeding cows back to cows is a dangerous, bad idea.

Lyman also accurately stated that England’s epidemic was caused by the cannibalistic practice of feeding “ground-up” cows back to other cows through a practice known as “rendering.” He was even correct when he stated that everything from house pets to highway roadkill went into the mix. The cattlemen might be forgiven for thinking that it is sensationalistic and in poor taste to discuss these gory matters, but the details themselves are accurate. Lyman had the right to say it, Oprah had the right to broadcast it and hamburger lovers have the right to know it.

As far as accuracy is concerned, Lyman’s comments have aged better than comments made at the time by NCBA product safety director James Reagan. “There is no scientific evidence that says there is a relationship between BSE and that if you eat meat in Great Britain that you would develop CJD or BSE or whatever,” Reagan said in a radio appearance aimed at rebutting the Oprah show. “Both of those are diseases of the central nervous system, but they are completely different.”

Today, a solid scientific consensus has formed around the conclusion that James Reagan was dead wrong. Even the British and U.S. beef industries have conceded that there is a link between mad cow disease and new variant Creutzfeld-Jakob Disease (nvCJD). If passing out false information is a crime, therefore, the cattlemen’s own spokesman ought to be on trial himself.

If the cattlemen believe that Oprah’s program gave a one-sided perspective of things, they have an obvious remedy. They can publish and disseminate point-by-point critiques of Lyman’s statements, pointing out fallacies or mitigating circumstances. They can challenge him to open public debates, and in defense of their positions they can afford to hire the best experts money can buy. After all, the meat industry already spends a hundred million dollars a year hawking its products; its opinions and promotions and celebrity spokespeople dominate the commercial airwaves.

Instead of going this route, however, the cattlemen chose to sue, taking advantage of the new “agricultural product disparagement laws” that food industry lobbyists have succeeded in pushing through 13 state legislatures over the course of the past six years. The lawsuit

against Lyman and Oprah is the first test in court of these so-called “veggie libel laws,” but as vehicles for censorship they have already succeeded brilliantly outside the courtroom.

IS THIS REALLY CENSORSHIP?

The Oprah show was both Lyman’s first and last chance to take his message to a huge national audience. Since then, no other programs have been willing to touch him, for fear of facing a lawsuit themselves. There have been no exposés of industry feeding practices on *60 Minutes* or even *Geraldo*. The “alternative” media has also been largely silent about the feeding practices that Lyman criticized and about the danger that mad cow-type diseases could emerge in the United States. The cumulative effect of all this silence has helped create the impression that there was indeed something improper or criminal about the Oprah show, that it went too far, that it was “irresponsible.”

Notwithstanding Winfrey’s victory in the courtroom, the cattlemen’s lawsuit has achieved its main goal—to cast a glaze of euphemism and evasion over the gory details of what is being discussed.

Of course, the media was there in full force on January 20 when Winfrey and Lyman walked into that Amarillo courtroom. Commentators discussed everything from her outfit to her upcoming roster of guests. Unfortunately, none of the participants in the trial—neither Winfrey nor Lyman, nor their attorneys, witnesses or spokespeople—could say a single public word themselves about any of the issues, due to a stifling gag order imposed by Amarillo Judge Mary Lou Robinson.

The Oprah lawsuit forced open a public debate, for the first time, about the unconstitutional restrictions which “product disparagement laws” impose on our First Amendment rights of free speech and press. However, this debate largely ignored the subject which the lawsuit itself aimed to suppress: Are mad cow-type epidemics a risk in the United States, and is the meat industry engaged in dangerous feeding practices?

The standard line we heard when called by reporters was, “We want to talk about the First Amendment issues, but we don’t want to get into the mad cow stuff.” If this journalistic standard had been applied to O.J. Simpson, reporters would have been saying, “We want to talk about the issue of domestic violence, but we don’t want to get into the question of whether he killed Nicole.”

Engler is appealing the Texas jury's decision, which means Winfrey and Lyman will face further legal battles. The meat industry and USDA, meanwhile, continue disseminating misleading reassurances to the public.

During the trial it was quite common to read news stories about the case which stated blandly that "some scientists claim there is a link between mad cow disease and a disease in humans called CJD" even though the evidence for this link has become a solid scientific consensus. Even the meat industry in England concedes this point, but in the U.S. media it is has been routinely described as nothing but the opinion of "some scientists."

THERE WAS NEVER A PROBLEM, AND ANYWAY, WE FIXED IT

Presently the cattlemen are telling the public that the problem of mad cow disease has been "solved" in the United States by a new FDA regulation last summer. According to the erroneous story which appeared in the *New York Times*, the regulation "banned the use of ground animal parts in feed."

Actually, the FDA regulation has numerous dangerous loopholes. Although the FDA put curbs on the practice of feeding cow meat and bone meal back to cows, similar cannibalistic practices continue on a wide scale with other livestock. Pigs and chickens in the U.S. are still routinely nourished with feed supplements derived from the bones, brains, meat scraps, feathers and even feces of their own species, which leaves open the possibility of a mad cow-like outbreak in these populations.

Even the practice of feeding cow proteins back to cows has not entirely ended, as evidenced by *Dairy Herd Management*, a trade publication. Its October 1997 issue—published two months after the FDA's regulation went into effect—featured an article advising farmers to use "spray-dried bovine plasma" and "spray-dried whole blood" as protein sources for young calves. This practice is fully legal under the FDA's regulation, and it's a risk, but don't expect the news media to report it.

Credit for CLEAR

The Fourth Quarter 1997 issue of *PR Watch* inadvertently failed to credit the Clearinghouse on Environmental Advocacy and Research (CLEAR) as the source for much of our information about industry front groups in that issue's cover story titled "Thinking Globally, Acting Vocally: The International Conspiracy to Overheat the Earth."

We regret the omission.

Consider using spray-dried bovine plasma

By Mike Flaherty

New product gives boost to post-weaned calves.

Hog producers have known for years that adding spray-dried plasma made from pigs' blood to their post-weaning starter rations could make money. In fact, some hog producers report early growth rates in their pigs improving as much as 60 percent when they add spray-dried porcine plasma to starter diets.

Now there's a growing body of research that suggests spray-dried cows' plasma can make money for dairy producers, too. While more research is needed, there's enough to show that you may want to try it with your weaned calves.

Results are promising

"It has been a good tool for the hog industry, and I think it will do the same for the cattle industry," says Julie Kiscic, a research scientist for DuCoco, who co-authored a study on spray-dried bovine plasma with Don Johnson and Greg McGinty at Colorado State University.

When spray-dried bovine plasma was added as 5 percent of the total feed ration, calves grew faster on less feed in the first month after weaning.

In fact, the calves fed starter rations with the spray-dried plasma gained

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Compare spray-dried bovine plasma and casein

Post-weaning treatment	Avg. daily gain (pounds/day)		Feed efficiency (gm/feed)	
	8-14 days postweaning	0-28 days postweaning	8-14 days postweaning	0-28 days postweaning
5 percent casein	1.96	1.97	0.37	0.32
5 percent spray-dried bovine plasma ¹	2.31	2.25	0.46	0.39

1) 5 percent of the starter ration is casein on a dry matter basis.
2) 5 percent of the starter ration is spray-dried plasma on a dry matter basis.

Source: *Journal of Animal Science*, March 1997.

As this October 1997 story in *Dairy Herd Management* demonstrates, the practice of feeding cattle protein back to cattle not only continues in the U.S. but is being promoted for feeding to young calves.

Notwithstanding Winfrey's apparent victory in the courtroom, the cattlemen's lawsuit has achieved its main goal—to cast a glaze of euphemism and evasion over the gory details of what is being discussed. This is precisely the opposite of what the public deserves in today's world, where cannibalistic feeding is only one of many new factory farming techniques that industry is introducing at a dizzying rate—new antibiotics, pesticides, hormones, food irradiation, and genetic engineering of everything from vegetables to animal drugs to animals themselves.

If the food disparagement laws that have enabled the Oprah trial to proceed are allowed to stand, it doesn't much matter that she won her case. The U.S. food industry has pioneered a technique that can be used repeatedly to chill debate about the risks associated with any and all controversial food industry practices.

Investigative journalist Nicols Fox calls mad cow disease a "warning shot across the bow" of the modern farm industry—a warning of the dangers associated with technological innovation that may go unrecognized until it is too late to stop a tragedy. The Oprah lawsuit should also be a warning shot across the bow for journalists, activists and the public. It tells us how deeply the industry has fallen into denial of those dangers, and how far it will go in forcing that denial upon the rest of us. ■