

ALSO IN THIS ISSUE:

**Corporations
"Get Engaged"
to the Environmental
Movement**
page 6

**Endangered Wildlife
Friends Are Here!**
page 9

**Correction: Burson-
Marsteller and the
Global Climate Coalition**
page 11

**PR Week Offers Free
Advice to Philip Morris**
page 12

KEEP AMERICA BEAUTIFUL: GRASSROOTS NON-PROFIT OR TOBACCO FRONT GROUP?

by *Walter Lamb*

Keep America Beautiful (KAB) is the best-known litter awareness group in the United States, thanks largely to its 1971 "crying Indian" public service announcement. KAB's stated mission is to "empower individuals to take greater responsibility for enhancing their local community environment." Yet KAB has shown a singular disinterest in empowering these communities to address the growing problem of cigarette litter, the most prolific form of litter in the world.

Recently uncovered tobacco industry documents help explain this seeming paradox. They show a pattern of industry funding and collusion between KAB and the tobacco industry, which uses its relationship with Keep America Beautiful to help downplay the global environmental issue of litter from cigarette butts.

This is not the first time that KAB has been accused of betraying the public trust on behalf of corporate polluters. In the 1970s and 1980s, a coalition of environmentalists and watchdog groups accused it of opposing various state and national efforts to establish mandatory bottle and can recycling. These bottle bills would have helped the litter problem but gored the ox of KAB's corporate sponsors such as Coca-Cola, Anheuser-Busch and the Reynolds Metal Company. KAB's track record on the issue of bottle bills earned it a spot in Mark Megalli and

FLACK ATTACK

To understand the evolution of corporate strategies for defeating environmentalism, it helps to look at the career of E. Bruce Harrison, known today as the inventor of "environmental public relations." Harrison's career began when he helped the pesticide industry attack Rachel Carson and her classic 1962 environmental book, *Silent Spring*. By the 1970s, however, Harrison realized that attacking environmentalists had its downside, and he began advising his clients in the art of corporate camouflage—a strategy that environmental groups have labeled "greenwashing."

The greenwashing strategy emerged at the same time that the environmental movement was undergoing an internal transformation. What began as a popular grassroots movement began to institutionalize itself. A handful of giant organizations emerged as

"leaders" within the movement, paying six-figure salaries to their executives and raising hundreds of millions of dollars per year from direct mail campaigns, foundations and corporate donors.

"The activist movement that began in the early 1960s . . . succumbed to success over . . . the last 15 years," Harrison proclaimed in his 1993 book, *Going Green*. He observed that although the big environmental groups are formally incorporated as nonprofit organizations, their size and inertia have transformed them into business ventures themselves. Fundraising, he observed, had become their real primary mission. As he put it, the environmental movement's most pressing need was "not to green, but to ensure the wherewithal that enable it to green." The need for

continued on next page

Andy Friedman's book, *Masks of Deception: Corporate Front Groups in America*.

The purpose of industry front groups is simple. Large corporations pay billions of dollars to influence legislation, get positive media coverage, and show a positive image to the public. By "laundering" their communications through front groups, corporations are able to create the illusion of impartiality and expertise. On issues such as bottle bill legislation or cigarette litter, the public is much more likely to listen to Keep America Beautiful than to Anheuser-Busch or Philip Morris.

Megalli and Friedman define front groups as organizations that are largely staffed, funded and controlled by corporations with vested interests that often conflict with the implied goals of the front group. Keep America Beautiful's national organization fits this description precisely.

Virtually all of KAB's funding comes directly from corporations with a vested interest in litter and solid waste management policies. This includes the four largest U.S. tobacco companies, Philip Morris, R.J. Reynolds, Brown & Williamson and Lorillard. The industry's now-defunct lobbying arm, the Tobacco Institute, was also a KAB supporter. Former Philip Morris Vice President and KAB President J.C. Bowling noted that he co-founded KAB "with several other like-minded corporate executives."

Keep America Beautiful is also a client of PR giant Burson-Marsteller, the multinational PR firm responsible for creating the National Smoker's Alliance, a front group created for Philip Morris to oppose restrictions on smoking in public places. In fact, KAB's "crying Indian" advertisement was designed by Marsteller Advertising, B-M's advertising wing. KAB's board of directors has included top B-M executive John J. Castellani. The tobacco industry and its PR advisers have controlled KAB's cigarette litter policy since the organization's inception, and the nation has paid the price by serving as a giant public ashtray.

ARE BUTTS BEAUTIFUL?

Cigarette litter is surrounded by several carefully-cultivated myths. Many people think that cigarette butts are biodegradable, or that they are too small to be harmful. Most people are also unaware of the environmental damage that can be caused by the toxic residues in cigarette butts. For many people, especially smokers, flicking a cigarette butt out the car window or onto the ground is not even considered littering. In so doing, however, they are contributing to one of the world's largest litter problems.

"The waste products of cigarettes are clearly visible whenever you walk down the street or use a public beach," says Thomas E. Novotny, a public health physician who has studied the problem at the Centers for Disease Control and Prevention (CDC).

Worldwide, more than 5.5 trillion cigarettes are consumed each year, and 83% of cigarettes are filter-tipped. Cigarette filters contain cellulose acetate, which persists under normal environmental conditions for 18 months or longer. The filters are designed to trap toxic chemicals before they enter the smoker's body, but when the butts are thrown away, the toxins leach into the environment, a fact which has been reported by researchers at Johns Hopkins University and the CDC as well as in internal tobacco industry documents.

Cigarette butts pose a health hazard to children and animals who eat them. They have been found in the stomachs of fish, birds, whales and other marine creatures who mistake them for food. According to the National Capital Poison Center, ingestion of more than

FLACK ATTACK *continued from page one*

money and a "respectable" public image, he said, provided the motivation for green bureaucrats to sit down and cut deals with industry.

In the eight years since Harrison wrote *Going Green*, his advice has become gospel not just in the corporate suites of his clients, but in the offices of the large, Washington-based environmental groups he wrote about. Corporate partnerships have come to be viewed not just as a source of funding but even as a source of legitimation, as a sign of "success" and accomplishment. An environmental group that forms a partnership with McDonald's or International Paper usually gets some kind of concession from the company, however trivial, which the organization can tout as proof of its ability to tame the corporate beast.

This issue of *PR Watch* examines some of the dubious fruits of these corporate-environmental partnerships. It is not a pretty story. The very groups that say they care about the environment are lending their good names to help corporations maintain the status quo. Companies may sell eco-happy trinkets or surrender to environmentalist demands on small issues, but overall these deals are helping companies use their financial and political clout to divide and conquer the environmental movement.

three cigarette butts can cause serious problems in a toddler. Littered cigarettes also cause numerous fires each year, some of them fatal.

Volunteers with the Washington, DC-based Center for Marine Conservation participate in the International Cleanup Project along shorelines in 90 countries each year. In their 1998 cleanup, cigarette butts were the leading item collected, accounting for almost 24% of all items found. Cigarette butts were nearly four times as likely to be found as the next most frequently found items (pieces of plastic).

The starting point for prevention of cigarette litter is to inform the public—smokers and nonsmokers alike—about the seriousness of the problem. An aggressive education-based program is needed to offset years of misinformation and rationalization and to ensure that smokers understand why it is important that they dispose of their cigarettes properly.

Keep America Beautiful is well suited to carry out such an educational program, with a solid organization of nearly 500 community affiliates across the country and an established reputation in the area of litter control. KAB has a paid public relations staff, a flashy web site, and a well-oiled specialty products division that sells brochures, coloring books, trash bags, pocket ashtrays and other litter-related merchandise. Yet it has flatly refused to touch the cigarette litter issue and in fact has engaged in efforts that undermine the efforts of my own organization, CigaretteLitter.org. It has even undermined the efforts of some of its own affiliates, many of which rank cigarette butts as the number one litter offender in their communities.

KAB's mindset is illustrated in one of its brochures titled "Preventing Litter." The opening paragraph of the brochure asks, "When was the last time you saw someone littering? It may be hard to remember."

Of course, anyone who counts cigarette butt flicking as littering likely witnesses this every time they walk down the street or spend a day at the beach. This mindset of excluding cigarettes as a form of litter from the public consciousness is exactly what the cigarette companies want.

Walt Amacker is the Vice President of Communications at Keep America Beautiful. Prior to that, he served in a similar capacity at Reynold's Metal Company, one of the vested interests that still opposes bottle bills. When pressed for information about KAB's cigarette litter policy, he responded that KAB is "negotiating" with Philip Morris on a new program, confirming that KAB is either unwilling or unable to implement a program without industry approval.

KEEPING AMERICA BUTT-FILLED

The tobacco industry has a clear incentive for keeping a tight reign on Keep America Beautiful. Philip Morris describes the issue of solid waste management as an "environmental threat," meaning an environmental issue that threatens its business interests. Internal Philip Morris documents repeatedly list Keep America Beautiful as a tool to be used to fight solid waste legislation that would benefit communities but threaten profits.

In a 1993 corporate strategy outline, Philip Morris acknowledged that the company doesn't use recycled paper in packages and that "filter materials won't

PR WATCH

is published quarterly by
Center for Media & Democracy
520 University Avenue, Suite 310
Madison, WI 53703
Phone: 608-260-9713; Fax: 608-260-9714
Email: editor@prwatch.org
Website: <http://www.prwatch.org/>

©2001 by the Center for Media & Democracy.
All Rights Reserved. For permission to reprint
articles, contact the above address.

ISSN 1091-5583

CMD Executive Director: John Stauber
Editor: Sheldon Rampton
Associate Editor: Laura Miller
CMD Board of Directors: Linda Jameson, Joseph
Mendelson, David Merritt, Scott Robbe
and Debra Schwarze

Subscription Rates:

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

**For further information,
or to book a speaker,
contact the Center for Media & Democracy**

degrade.” The document asserted that there can be no concession to environmentalists on this issue. Its strategy for avoiding any undesirable outcome, it stated, consists of disseminating the company line to “Public Officials, The Media, The Public, Environmentalists” through organizations including Keep America Beautiful, the CATO Institute and the Reason Foundation.

At Keep America Beautiful, all blame for litter and other solid waste problems falls on consumers and consumers alone. Pointing out areas where corporations could help alleviate problems through consumer education, packaging, or product redesign is labeled “finger-pointing” and is frowned upon. It is no coincidence that the industries that fund Keep America Beautiful share that view exactly.

Among the internal R.J. Reynold’s documents that the company was forced to make public, there is a letter to advice columnist Ann Landers that was apparently ghost-written for KAB President Roger Powers by R.J. Reynold’s staffers. Written in response to a Landers column critical of cigarette litter, it included Powers’ signature block and at the top noted, “Letter Will be Printed on KAB Letterhead.” An important line in the letter states, “As with all consumer products, the responsibility for proper disposal lies with the user of the product.” This line is taken word for word from R.J. Reynold’s own corporate talking points. The clear subtext is that corporations are not responsible for the problem.

Perhaps more to the point is a letter from Powers thanking the Tobacco Institute for financial support. Powers states that “the policy-making body of KAB is grateful for the Tobacco Institute’s special help.” This is the same Tobacco Institute that in a 1979 memo concluded, “our best course of action may be maintaining a low profile while working to exempt cigarettes from coverage of pending litter control legislation.”

FOLLOWING THE MONEY

Viewed as a business expense, PM’s contributions to KAB are extremely cost-effective. In 1999, Philip Morris divided a paltry \$30,000 among KAB’s national office and six of its affiliates.

To put that expense in context, it helps to imagine what the industry might have to pay if it didn’t have KAB running interference. Without KAB’s help, the tobacco industry might well be forced to compensate communities for the cost of cigarette litter. One large university, Penn State, estimated that cost at \$150,000 on its campus alone. Even small colleges have cleanup costs in the tens of thousands of dollars. No matter how you do the math, cigarette litter costs society hundreds of millions of dollars per year.

The tobacco industry is also very selective and strategic in its funding of Keep America Beautiful, as one KAB affiliate discovered in 1993 when it applied directly for funding from Lorillard Tobacco. The funding request from Bright ‘n’ Beautiful, a KAB affiliate in Montana, made the mistake of explaining bluntly why the tobacco industry should donate.

“Most of our contributors have a vested interest in litter concerns, recycling and proper waste handling,” the Bright ‘n’ Beautiful appeal stated. “Much education is needed for proper disposal of cigarette packaging and cigarette butts. It is common for smokers to throw their cigarettes out of their car windows; people have the disgusting practice of emptying ash trays in parking lots; high school students leave piles of butts by the school entrances and scattered around campuses. When we have community litter clean-ups, cigarette butts and cigarette packages are one of the most found sources of litter. Something really needs to be done! In light of the friendly image the tobacco industry is endeavoring to project, we are asking for your help in the form of support funding.”

The Bright ‘n’ Beautiful request came with a letter of support from Montana Senator Max Baucus. In a copy of the Baucus letter found in the tobacco industry’s archives, a Lorillard decision-maker scribbled the reasons for rejecting the request: “We have not supported Baucus since 1989. He is not a foe, but he is not a friend. . . . Neither I nor the [Tobacco Institute] sees any real benefit to us.”

So much for donating to help reduce the litter caused by their products. Bright ‘n’ Beautiful’s mistake was in indicating that it actually planned to educate smokers not to litter. The industry has no incentive to do that. For decades it has benefited from the public misconception that cigarette litter is not important. Convenient packaging is a billion-dollar interest in the consumer goods industry. Companies spend enormous time and money developing new packaging techniques that are “easy to open,” “resealable,” “spill proof,” etc. Philip Morris makes much ado about its “flip-top box” packaging. The industry is naturally reluctant for its 48 million U.S. customers to learn that proper cigarette disposal actually takes a little extra effort. Such a revelation might slow consumption, and that isn’t acceptable to industry.

The national office of Keep America Beautiful understands this and makes sure there is no confusion that tobacco industry money is to be spent on tobacco industry approved programs. That is why the press release announcing its \$30,000 Philip Morris grant didn’t make any mention of cigarette litter.

CLEANING UP

While the national office of KAB remains silent, many of their affiliates along with other sectors of society are mobilizing to do something about cigarette litter. State legislators in Maine and New York have submitted bills to address the issue, and local communities in New Jersey, Massachusetts and California have taken measures. The topic has been covered by National Public Radio, USA Today, ABC News and the BBC.

Even today, however, visitors to the KAB website will find no information regarding the most frequently littered consumer product in the world. They will find no information concerning the nonbiodegradable nature of cigarette butts, the toxic chemicals which they contain, or the numerous costly and sometimes deadly fires attributed to cigarette litter.

The closest KAB has come to adopting a policy on cigarette litter is to endorse the "Urban Litter Initiative," a program masterminded by none other than Philip Morris. Not surprisingly, this program completely excuses Philip Morris, its customers and other smokers from any responsibility for cigarette butt litter and instead blames the problem on a lack of public ash/trash receptacles. The problem, it states, is that "adults who choose to smoke do not have convenient places to dispose of their cigarette refuse."

Like KAB, Philip Morris's publicity materials regarding this program do not mention any of the compelling reasons why smokers ought to properly dispose of their refuse. There is no discussion of responsibility, only convenience. Privately, representatives of Philip Morris have stated that placing more ashtrays in public places will benefit the company by validating smoking as standard social behavior.

The ash/trash approach blatantly ignores obvious patterns in cigarette litter. Billions of cigarettes are littered directly from cars, the overwhelming majority of which still have built-in ashtrays. Billions more are littered within mere yards of existing ash/trash receptacles, and billions wind up on beaches, in nature areas, and in other recreational areas where ash/trash receptacles would be costly and would detract from natural settings. An ash/trash experiment in Ocean City, New Jersey failed because smokers weren't educated on the importance of using the receptacles that had been installed.

Basically, the Philip Morris/KAB program serves as a distraction to the media, the public and elected officials who might otherwise pursue more common-sense approaches to cigarette litter reduction. In fact, tobacco companies have taken great pains not to educate their customers about this issue. It is common for other highly

littered items such as soda cans, snack wrappers, and fast food containers to have a simple "Please Don't Litter" message. You won't find such a message on cigarette packs. Instead of adopting this common-sense strategy of education, the tobacco industry and KAB are supporting an intentionally ineffective PR-based program.

The closest KAB has come to adopting a policy on cigarette litter is to endorse a program masterminded by none other than Philip Morris.

KAB is quick to point to its almost 500 community affiliates and millions of local volunteers who participate in the annual Great American Cleanup. It is difficult to criticize their national operations without seeming to criticize the several million well-meaning community volunteers (myself included) who participate in their cleanup event. KAB makes any criticism of the national organization look like an attack on these grassroots efforts. Just as Philip Morris uses KAB as a PR shield to deflect criticism, KAB uses its affiliates and volunteers.

While the work of these local groups is valiant, it is made all the more difficult by the fact that the national organization does not encourage corporations to do their share. An approach that calls upon millions of individuals to donate their time cleaning up other people's trash is much more desirable to KAB's corporate funders than an approach that calls for these companies to educate their consumers not to litter in the first place.

Keep America Beautiful's ineffective policies on cigarette litter have advanced the interests of their corporate donors at the expense of the public interest. The tobacco industry documents referenced above show a highly coordinated effort by the industry and Keep America Beautiful to keep cigarette litter out of the public consciousness. As a result, cigarette butts remain the most ubiquitous form of litter in the nation and the world, as smokers remain largely uneducated about the detrimental effects of their actions.

Progress is now being made despite KAB's resistance, as communities across the country are realizing they don't have to tolerate cigarette butt litter. If Keep America Beautiful would live up to its name and stop worrying about the industry consequences of sound environmental policy, progress would come at a much faster pace. ■

Walter Lamb is the founder of CigaretteLitter.org, a nonprofit organization dedicated to cleaning up cigarette litter.

CORPORATIONS “GET ENGAGED” TO THE ENVIRONMENTAL MOVEMENT

by *Andy Rowell*

Senior members of the United Kingdom’s environmental community courted some of the world’s most ecologically controversial companies at a seminar in late June 2001 held at the London Chamber of Commerce.

Companies such as Balfour Beatty, Cargill, Du Pont, Monsanto, Nirex and Syngenta attended the conference about “Getting Engaged” to the environmental movement. They heard talks from Peter Melchett, the former head of Greenpeace UK and now policy advisor to the pro-organic Soil Association, as well as top representatives from green groups including Friends of the Earth (FoE) and the World Wide Fund for Nature (WWF).

The event was facilitated by the Environment Council, which has been at the forefront of promoting partnerships between the business community and UK environmental organizations. “We are looking to bring people together in constructive dialogue to implement long-term environment solutions,” said the Environment Council’s James Hanaway.

Melchett told the gathering that environmentalists have moved on since their early campaigning days in the 1970s and 1980s, when their primary mission was to “raise the issue” of environmental problems. Now, he argued, they had to look more at solutions and focus more on business than politics because of “a shift in power from politics to business.”

“Working with business is as important to us as munching bamboo is for a panda,” said a representative from the World Wide Fund for Nature (WWF), which now receives about £1 million a year in the UK from corporate sources.

The “Getting Engaged” conference was not the first conference of its kind in the UK and certainly will not be the last. The Environment Council has pioneered several previous “stakeholder dialogues” in the UK between nongovernmental organizations (NGOs) and the likes of Shell, Monsanto and British Nuclear Fuels. It plans a September 2001 meeting titled “Environmental Reputation in Business Strategy,” to feature Shell, BP, BNFL, Burson-Marsteller, and Nestlé discussing issues of “reputation management” with the likes of Greenpeace and SustainAbility. The same month, a UK-based church group plans to hold a two-day “stakeholder dialogue” with British American Tobacco, in hopes of creating a “responsible tobacco industry.”

At the same time that environmental groups are dialoguing with corporations, some of their top staff people are literally going to work for them. One of the advisors for the Environment Council’s magazine, for example, is Jonathan Wootliff, who is also Managing Director of Edelman Public Relations Global Stakeholder Practice.

Before Edelman, he worked for Greenpeace; before that, the Hill & Knowlton PR firm. In his current job at Edelman, he “provides support to corporations in building productive relationships with non-governmental organizations, pressure groups and activists so as to minimize vulnerability.” Edelman’s clients include Home Depot, Ocean Spray, Taco Bell, Boeing, Nissan, Manpower, Dairy.com, Roche’s, Nissan, Pharmacia, Microsoft, Apple, Kraft, Kimberly-Clark and AHP.

At the “Getting Engaged” conference, business sustainability consultant Andrea Spencer-Cooke suggested that this sort of “cross-fertilization” was a “good idea.” She pointed to other examples such as Paul Gilding, the former executive director of Greenpeace International who has set up his own corporate consultancy in Australia called ECOS. Des Wilson is another example. After decades of working for NGOs including Friends of the Earth UK, the Campaign for Lead Free Petrol, the Campaign for the Homeless and the Campaign for Freedom of Information, Wilson moved to Burson-Marsteller and then to the British Airports Authority to fight for a fifth runway at London’s Heathrow terminal.

ENGAGEMENT JITTERS

What has all of this cross-fertilization accomplished? That question is open to interpretation. A previous round of Shell stakeholder dialogue sessions, held in Lima, London and Washington, was attacked as an ineffective attempt to undermine opposition to the company’s controversial plans to drill for gas in Peru’s ecologically and culturally sensitive Amazon rainforest. The Environment Council’s “national stakeholder dialogue” over genetic engineering in the UK descended into farce when the majority of the environmental NGOs walked out. The anti-smoking group Action on Smoking and Health (ASH) declined to attend the stakeholder dialogue with British American Tobacco, calling it “primarily a PR exercise, designed to co-opt critics into dialogue.” All the other major health NGOs invited in the UK have declined for the same reason.

Tensions were also present at “Getting Engaged.” Conference organizers admitted that several grassroots groups had declined invitations to speak at the event, including Reclaim the Streets and the UK-based Corporate Watch, which stated that the event “just seemed to be helping companies’ PR departments.”

Even among those who did attend, old hostilities were never far from the surface, as evident in an exchange between Melchett and a representative from Monsanto. The Monsanto representative was obviously taken aback by Greenpeace’s unwavering opposition to biotechnology. “Is there complete opposition to biotech,” he asked

Melchett, “or where can we work together to look at the benefits of this technology?”

“I agree dialogue is important,” Melchett replied, “but you have to do so before your views become intransigent. Monsanto only listened to its scientists, you never asked anyone else if they wanted biotech. There are still fundamental problems with the technology.” On this issue at least, “engagement” seemed unlikely to lead to marriage.

Unease persists about how far NGOs should go in embracing their old adversaries. Speakers worried whether the relationship between the two sides was getting “too cozy.” WWF Program Director Francis Sullivan, who chaired the Getting Engaged conference, admitted that there “could be a future where a number of NGOs get too close to business and could be seen to be out of touch with the public.”

Simon McCrae from Friends of the Earth admitted that engaging with business was still a “contentious issue” at his organization. He said local FoE groups were extremely “sensitive” about a proposed partnership between FoE and a leading renewable energy company. “The conference seemed to consist of NGOs telling corporations how they work,” said one person who declined to attend. “It was an exercise in NGOs telling business how to get around NGOs. It was just assisting their PR departments in helping them to know the enemy.”

LET'S DANCE

Businesses seemed to feel unanimously that a closer working relationship between the two camps was the way forward. “A decade ago, the feeling within the insurance industry to environmental problems was ‘go away and leave me alone,’” said Anthony Sampson, the Director of Environmental Management at insurance giant CGNU. Issues such as climate change, he said, have changed that dynamic, creating awareness that businesses need to take action in defense of the environment because “we don’t have another planet to go and do insurance on.” As a result, he said, “engaging with NGOs is now the essential part of the corporate radar.”

“Over the last ten years there has been a changing role between business and NGOs,” said the WWF’s Francis Sullivan. “It is like a dance taking place between the two groups where they are slowly getting closer and closer.” No one quite knows, however, where the dance is leading. The backdrop to this tango is the worldwide debate over economic globalization and the increasing international power of corporations. Mainstream environmental groups find themselves caught between those who believe the future lies in working with industry and those

who contend that institutions of corporate power, such as the World Trade Organisation, must be dismantled.

Most environmentalists believe the movement benefits from its ability to encompass a broad spectrum of views and strategies, ranging from moderates to hard-line direct action groups. This diversity, however, guarantees an ongoing debate between moderation and radicalism, as well as over the question of whether working with business is the best way to achieve environmental change. Is dialogue really the best way for business to change for the better, or could it actually be a tool for preventing change?

The hosts of “Getting Engaged” are adamant that dialogue is beneficial for all sides. “A fruitful and mutually rewarding dialogue with stakeholders is possible,” argues the Environment Council’s Chief Executive, Steve Robinson.

“That NGOs will have to interact with companies is not in doubt; how they will interact is the question,” says Simon Heap of Intrac, the International NGO Training and Research Center.

Even Greenpeace now sees dialogue as an “essential” part of its work, although Stephen Tindale, Greenpeace’s new Executive Director in the UK, admits that some people will always see engagement as a “sell-out.”

CAN'T WE ALL JUST GET ALONG?

But just as an increasing number of NGOs are now dialoguing with corporations, many do not understand the mechanics of the process they have entered, let alone know where it will lead.

Many grassroots activists wonder why leading environmental NGOs are sitting down with businesses at all. What, for example, is Greenpeace really accomplishing by discussing its campaign goals with Burson-Marsteller, one of the world’s largest PR companies whose clients include some of the biggest, baddest, most polluting companies on the planet? Are groups like Greenpeace and the Environment Council accomplishing something substantial, or are they naively playing into the hands of corporations in an end game that could leave the environmental movement on the defensive while corporations come out on top?

Some groups have already concluded that it would have been wise to ask more questions before entering into dialogue with their adversaries. In 1998, Oxfam held an Interagency “Seminar on Corporate Campaigning” to evaluate its ongoing dialogue with BP/Amoco, which was being criticized for collusion with paramilitary groups and appalling human rights abuses in connection with its activities in Colombia. Eighteen months after beginning the dialogue, Oxfam leaders realized that they really

did not know what they were doing and wondered if they were being taken for a ride by the oil company. The Oxfam Seminar was held to see if a consensus existed between NGOs as to whether they should sit down and dialogue with corporations. As one of the speakers at the seminar, I talked about the PR strategies that companies use against activists. "Dialogue," I explained, "is the most important PR tactic that companies are using to overcome objections to their operations."

This statement did not go down well with certain sections of the audience. Sir Geoffrey Chandler, an ex-senior Shell executive and head of the Amnesty Business Unit, accused me of "peddling conspiratorial nonsense." Slightly taken aback by this rebuttal, I asked the audience how many people there had heard of Burson-Marsteller. Fewer than half the hands went up.

Most of the people in the room, which included more than 100 of the UK's leading environmental, development and human rights activists, had never heard of BP/Amoco's PR firm, and of course they had no idea what it was up to. Even today, the majority of NGOs and activists do not understand how public relations firms are helping corporations manipulate them. This is a fundamental strategic mistake.

MANAGING THE ACTIVIST THREAT

For insights into the real reasons why corporations favor dialogue, activists might read *Managing Activism*, a book which was published recently in the UK by the Institute of Public Relations. Written by Denise Deegan, *Managing Activism* offers advice to help companies deal with activists and pressure groups who "represent a growing threat to organizations around the globe."

Deegan describes her strategy as "two-way symmetrical communications"—PR jargon for "learning as much as possible about activists and seeking to initiate two-way dialogue with them with a view to working together on an on-going basis to reach a situation that benefits both parties. Central to the two-way communications process is relationship building and an acceptance that compromise on both sides may be necessary."

Ironically, Deegan's thoughts on "compromise" parallel those of Mark Dowie, a former editor of *Mother Jones* magazine. In his book, *Losing Ground*, Dowie criticized so-called "third-wave environmentalism," whose essence "is the shift of the battle for the environment from the courtroom to the boardroom. In fact," he wrote, "third-wave environmentalism represents nothing so much as the institutionalization of compromise."

But does "compromise" mean that corporations will change their behavior? Apparently not. "Two-way symmetrical communications offer a way forward where the

company does not have to give in to activists or persuade them to give in," Deegan writes.

WEARING MORE SUITS, RAISING LESS HELL

The hidden risk to NGOs in all of this cozy collaboration is that they are coming to resemble corporations themselves, adopting not only their language but their attitudes. "NGOs are ripe for an injection of business thinking," commented one delegate at Getting Engaged. Another said, "Well, we all wear suits now."

From the point of view of many activists, however, this is exactly the problem. As Francis Sullivan admitted at the conference, environmental groups risk losing "their identity." If environmentalism loses its identity as a movement whose values are above commerce, it will have lost something that no amount of money or "win-win solutions" can ever buy back. This identity, after all, is the sole basis of public support, and as Melchett observed, "NGOs will only ever run a successful campaign when they are backed by public opinion and also more importantly public values."

The PR firms that broker marriages between corporations and environmentalists understand very well that the real purpose of the wedding is to get in good with the in-laws—namely, the concerned citizens and activists who look to environmental groups for leadership and inspiration. The Edelman website offers the following advice to corporations with image trouble: "You've got an environmental disaster on your hands. Have you consulted with Greenpeace in developing your crisis response plan? . . . Co-opting your would-be attackers may seem counterintuitive, but it makes sense when you consider that NGOs are trusted by the public nearly two-to-one to 'do what's right' compared with government bodies, media organizations and corporations."

In other words, companies have everything to gain and nothing to lose if environmental groups serve as their go-betweens in communicating with an increasingly restive public. But what do environmental groups themselves gain from this? If the public comes to perceive them as "just more guys in suits," environmentalists will find themselves under attack to justify their continuing existence and their status as public interest groups.

If NGOs are not careful, they could find that the public trust they currently enjoy is lost and passes from them to the business community. If that happens, it will be too late for them to understand why they fell into a very well-prepared trap designed by PR executives they have never heard of. ■

Andy Rowell is the author of *Green Backlash: Global Subversion of the Environmental Movement* (Routledge, 1996).

ENDANGERED WILDLIFE FRIENDS ARE HERE!

by John Stauber

I recently stopped at a BP/Amoco gas station near the office of *PR Watch*. The gas pumps were gaily adorned with colorful posters featuring stuffed toy timber wolves, golden frogs, elephants, spotted leopards and panda bears. “Endangered wildlife friends are here!” the poster proclaimed. “Collect All 5—Only \$2.99.” The posters carried the logo of Amoco at the top. Beneath a picture of the spotted leopard, the logo of the National Wildlife Federation accompanied text explaining that sale of the stuffed animals would help raise funds for the NWF.

Inside I found the stuffed toys, bagged in plastic and labeled “made in China.” When I asked the cashier, he said they weren’t moving too well. He pointed to a corner display where they had marked the price down from \$2.99 to \$1.99, “just to get rid of them.”

In February 2001, journalist Michelle Cole reported that the National Wildlife Federation had formed a “partnership” with BP/Amoco. NWF gladly accepts corporate donations, and Cole noted that it has also “partnered with some businesses with which other environmental groups would not want to be associated. As a part of a special promotion, customers who purchased at least eight gallons at BP/Amoco gas stations could also get stuffed toys, ‘Endangered Wildlife Friends,’ tagged with the National Wildlife Federation logo and bearing the message that fossil fuel consumption contributes to global climate change. . . . Marketing experts refer to this type of activity as ‘branding.’ Or, roughly translated, the lengths to which businesses, organizations and some individuals will go to burn a favorable image into the public’s minds and hearts and to be distinctly remembered for it.”

When Cole interviewed NWF’s Vice President of Communications, Philip B. Kavits, he declined to say how much money his group had received from BP/Amoco, and he defended the partnering because it helped NWF “reach a new audience.” I called Kavits myself in late July, and this time he was a bit more forthcoming. “The latest figure is \$113,000,” he said when I asked him about the money. Kavits admitted that the NWF has no measurable evidence that peddling plastic stuffed animals from gas stations really contributes in any way to public education on the issue of global warming, but he asserted that “large numbers of people did go to our website where they found more information.”

I asked if the “made in China” logo meant that the stuffed animals were made in sweatshops. Kavits said he didn’t know. He also said that NWF’s partnership with BP/Amoco did not imply an endorsement.

“BP is one of a huge number of partners that we’ve dealt with,” Kavits said. “This is a small one compared

with others we’ve done. All of Dannon’s yogurt containers for years carried fun facts. It really got kids attuned, hopefully, to what’s out there in the world. . . . It’s a two-way relationship. NWF gets revenue out of it. . . . In return, hopefully these companies get a chance to showcase their concern.” In any case, Kavits asserted, the promotional arrangement with BP/Amoco “ended in February.”

Perhaps it had ended in the minds of NWF, but at the BP/Amoco station I visited, the promotion was still being hyped in September, half a year later.

I conducted an unscientific survey of one customer who agreed with me that having wildlife posters from the National Wildlife Federation on the pump did sound like an endorsement. She was in a hurry, however, and didn’t have much time to talk with me. She paid her bill and drove off in her giant SUV, minus the stuffed toy and without any apologies or evident concern about its gas-guzzling, climate-destroying engine.

PIECES OF SILVER

The \$113,000 that NWF has received from BP/Amoco is pocket change for a company that spends millions of dollars on PR and advertising to create the impression that it cares for the environment more than, say, Exxon. From the company’s point of view, being able to decorate its pumps with NWF posters for this price is an incredible marketing coup.

BP/Amoco has been carefully positioning itself as a good guy in the fossil fuel industry. It was one of the first oil companies to break publicly with the Global Climate Coalition, the industry’s front group on the issue of global warming. It has even tried changing its name, claiming that “BP” stands for “Beyond Petroleum” instead of British Petroleum.

Now that the Bush administration plans to allow oil extraction in the Alaska National Wildlife Preserve, however, BP/Amoco finds itself on the horns of a PR dilemma. Like other oil companies, it stands to make a bundle of money by drilling there, even though the preserve is home to some real “wildlife friends,” not just stuffed animals. Like the rest of the oil industry, BP knows very well that it is not really “beyond petroleum,” and when this kind of business opportunity comes its way, good-guy rhetoric quickly falls by the wayside.

This contradiction is merely a minor PR dilemma for the spinmeisters employed by BP/Amoco, whose ranks include Burson-Marsteller, Ketchum, MSI Strategic Communications and BSMG Worldwide.

For the National Wildlife Federation, however, it ought to be a major embarrassment. If it is, though, Kavits give no such indication when I interviewed him.

THE OTHER DIALOGUE

This cozy collegiality between traditional opponents contrasts markedly with the other setting where activists and businesses are colliding—the pitched street battles that have taken place in Seattle, Genoa and other cities where protesters have gathered to challenge globalization and raise issues of economic and ecological sustainability. For PR firms that traffic in “crisis management,” the protests have provided a convenient marketing hook as they seek to sell their services to nervous corporations.

The latest wrinkle on this strategy of co-optation has seen the environmental movement's own executives and PR advisors taking six-figure jobs with major PR firms. Other eco-warriors are coming in from the cold to set up their own lucrative consulting companies, trading on their connections to seduce ex-colleagues at non-profits into joining the partnership bandwagon. Former Greenpeace head Paul Gilding is now a corporate consultant in Australia. Thomas Friedman, a leading advocate of corporate globalization, now touts Gilding as the effective cutting edge of environmental change.

Immediately after the Seattle World Trade Organization meeting was shut down by thousands of demonstrators, the Burson-Marsteller firm sent a letter to corporate executives, trolling for clients by promising that it was familiar with the groups responsible for the protests. In the two years since Seattle, all of the leading international PR firms have jumped in to hype their own capabilities.

Edelman PR tells clients that activists are winning because “they play offense all the time; they take their message to the consumer; they are ingenious at building coalitions; they always have a clear agenda; they move at Internet speed; they speak in the media's tone.”

To answer the activist threat, Edelman is promoting still more partnerships. “Our experience to date is positive,” they say, citing examples such as “Chiquita-Rainforest Alliance” and “Home Depot-Forest Stewardship Council.”

WITH FRIENDS LIKE THESE . . .

Some people, myself included, would call Ron Duchin a “spy.” His crisis management PR firm, Mongoven, Biscoe & Duchin (MBD), specializes in gathering military-style intelligence. The “enemies” it spies on, however, are not foreign governments. His enemies are the thousands of activist organizations around the world that seek in various ways to change the behavior of mining, chemical, nuclear, tobacco and other industries.

MBD specializes in developing strategies that isolate and marginalize the activists they consider “radicals” by

engineering divisions between radicals and the “realists” within their movement. The “realists” are typically mainstream organizations willing to accept industry money and enter into supposed “win-win” agreements that both they and their corporate partners can tout in the press as progress.

Last September 7, 2000, Duchin was surrounded by the sort of realists he likes at a snazzy banquet event held in Washington's National Press Club. The occasion was the Sixteenth Annual Conservation Community Awards, sponsored by a group that few environmentalists have ever heard of, the Natural Resources Council of America. Duchin, the anti-environmentalist spy, served on the official banquet committee with his friend Patrick F. Noonan and other notables including William K. Reilly, a Monsanto board member and former head of George Bush Sr.'s Environmental Protection Agency.

Beyond well-heeled schmoozing, the purpose of the event was to dispense official awards to many of the mainstream environmental groups in attendance, including the Wilderness Society, the Defenders of Wildlife, Earth Share and the National Wildlife Federation. Financial support was provided by a host of corporate “benefactors, patrons and contributors” including AT&T; E.I. du Pont de Nemours & Company; International Paper; Royal Caribbean Cruises, Ltd.; Toyota Motor Company, USA; American Forest & Paper Association; Eastman Kodak; Rolex Watch USA, Inc.; Bank of America; Cargill Incorporated; Johnson & Johnson; Lucent Technologies and Procter & Gamble.

Sitting at Table 23, Ron Duchin had reason to look like the cat that just swallowed the canary. “If *PR Watch* knew we were here, they would freak,” he remarked to his entourage, not realizing that he was within earshot of another attendee who was familiar with Duchin's role as an anti-environmental strategist.

Unlike the rest of the minglers, Duchin primarily kept to himself, talking with his assistants. Indeed, his presence and the event itself would certainly “freak” many among the thousands of environmental activists who labor in a variety of campaigns against Duchin's corporate clients.

What about the large environmental groups with multi-million dollar budgets attending the dinner? No one I contacted afterwards from any of these groups admitted knowing much about Duchin. If they recognized his name at all, they said they only knew him as a friend of someone else, and no doubt this is the way Duchin wants it. Perhaps the environmental “realists” in these organizations also prefer not knowing much about their corporate partners. ■

CORRECTION: BURSON-MARSTELLER AND THE GLOBAL CLIMATE COALITION

by Sheldon Rampton and John Stauber

Nearly four years ago, a report on global warming in the Fourth Quarter 1997 issue of *PR Watch* stated that the Burson-Marsteller PR firm created the Global Climate Coalition to help the oil and auto industries downplay the dangers of global warming. We based this statement on a source which we regarded as reliable. Burson-Marsteller made no attempt to deny this claim until July 2001. Following a recent denial from Burson-Marsteller, however, we have undertaken a thorough review of our files and have spoken with several sources, none of whom can substantiate this claim. We are therefore retracting our statement that Burson-Marsteller created the Global Climate Coalition.

We should point out that Burson-Marsteller has been subscribing to *PR Watch* since 1995, so they received our Fourth Quarter 1997 issue at the time of its publication. Since Burson-Marsteller is in the business of “reputation management,” its failure to request a correction previously on this point is rather striking—particularly since our article was subsequently cited on this point in dozens of other published news stories.

The most important issue, however, is the question of whether Burson-Marsteller has participated in the petroleum industry’s campaigns to block measures aimed at preventing global warming. B-M may not have actually created the GCC, but its work for the petroleum industry on this issue is beyond dispute.

In 1993, for example, Burson-Marsteller led a \$1.8 million campaign to defeat President Clinton’s proposed BTU tax on fossil fuels, the centerpiece of Clinton’s plan to combat global warming. Journalist David Helvarg described this campaign as follows in the December 1996 issue of *The Nation*: “Clinton committed the United States ‘to reducing our emissions of greenhouse gases to their 1990 levels by the year 2000.’ The Administration’s plan to accomplish this included a deficit-reducing energy tax and increased gasoline taxes of up to 25 cents a gallon. Then a computer-driven ‘grass roots’ letter and phone-in campaign orchestrated by the American Energy Alliance, along with an oil-funded push by PR giant Burson-Marsteller, helped undermine support for the energy tax. The Administration abandoned the tax in the Senate after House Democrats, braving the wrath of industry, had passed it. Relations between the White House and Congressional Democrats soured quickly after that. Congress also voted to keep the gas tax below 5 cents, guaranteeing that with the lowest fuel prices in the developed world, alternative energy sources would remain noncompetitive.”

Burson-Marsteller’s campaign against the BTU tax was also described in *Time*, which reported on June 21,

1993 that the National Association of Manufacturers (the original sponsor of the Global Climate Coalition) “got together with the American Petroleum Institute, 1,600 large companies, small businesses and farmers to form the American Energy Alliance (AEA), a group designed solely to defeat the BTU tax. The coalition paid more than \$1 million to Burson-Marsteller, a public relations firm, to deploy nearly 45 staff members in 23 states during the past two months. . . . Burson’s operatives drafted anti-BTU editorials and sent them to copy-hungry weekly newspapers. They helped school boards figure their estimated annual energy taxes. They commissioned local economists to produce studies about potential job loss and then organized rallies and press conferences to publicize the results. They bombarded TV and radio stations with feeds from local business owners angry about the BTU tax. ‘It was unlike anything I’ve ever seen,’ said Brent Stanghelle, farm-news director of radio station KMON in Great Falls, Montana. ‘It was like spring planting—frantic, crazy. I couldn’t begin to take all the calls.’”

Campaigns and Elections magazine noted in May 1994 that the campaign against Clinton’s BTU proposal was run by a Burson-Marsteller division called the “Advocacy Communications Team,” headed by James E. McAvoy, a former aide to Dan Quayle and Bob Dole. Burson-Marsteller’s role in the campaign was also noted in the *Legal Times* (May 31, 1993), *New York Times* (June 14, 1993), *Christian Science Monitor* (June 15, 1993) and *Political Finance and Lobby Reporter* (June 25, 1993). It was also mentioned on May 4, 1993 in the *Oil Daily*, a petroleum industry trade publication, which stated, “Among the petroleum industry groups joining the multimillion-dollar campaign are the American Petroleum Institute, the National Petroleum Refiners Association and major oil companies, including Amoco Corp., Ashland Oil Inc., Chevron Corp., Diamond Shamrock Inc., Exxon Corp., Fina Inc., Phillips Petroleum Co. and Texaco Inc. The alliance is spearheaded by the National Association of Manufacturers (NAM). . . . The alliance has hired the public relations powerhouse Burson-Marsteller and a direct-mail firm called Direct Impact Inc. to conduct the public relations campaign.”

Finally, Burson-Marsteller itself has boasted about the success of this campaign. The February 1994 issue of *O’Dwyer’s PR Services Report* carried a section titled “Profiles of Top Environmental PR Firms,” submitted by the PR firms themselves. Burson-Marsteller’s profile stated, “B-M’s client the American Energy Alliance was credited by Treasury Secretary Lloyd-Bentsen in a Washington Post article as ‘one of the most sophisticated

jobs I've seen by lobbyists in a long time.” The 1994 issue of *Washington Representatives*, a comprehensive directory of Washington lobbyists and PR firms, also lists the American Energy Alliance as one of Burson-Marsteller's clients.

We have been trying to determine how our source might have concluded that Burson-Marsteller created the Global Climate Coalition. It is hard to reconstruct what might have happened four years ago, but it is possible that confusion might have arisen about the difference between the GCC and the American Energy Alliance.

In any case, Burson-Marsteller continues to work closely with the petroleum and automobile industries. The 1997 issue of *O'Dwyer's Directory of Public Relations Firms* listed the American Petroleum Institute, British Petroleum, Chevron, Ford Motor Company, Mitsubishi, and Pennzoil among its clients. Other clients historically have included Occidental Petroleum, Caterpillar and the government of Saudi Arabia.

On November 3, 1998, the *New York Times* reported that Burson-Marsteller was behind a front group called “Californians for Realistic Vehicle Standards,” formed to oppose restrictions on automobile emissions of nitrogen oxide and other polluting gases. “The address of the month-old lobbying group is the Sacramento headquarters of the California Chamber of Commerce, while the group's phone number is that of the Sacramento office of Burson-Marsteller, an international public relations firm often used by the auto industry. Detroit auto makers provided the bulk of the money for the new group,” the *New York Times* stated.

Burson-Marsteller is also behind a deceptively-named group called the “Foundation for Clean Air Progress” (FCAP). Judging from its name, you might think that FCAP supports measures to control air pollution. In fact, it was formed specifically to pressure the U.S. Environmental Protection Agency (EPA) *not* to adopt tougher air pollution controls. The *Washington Post* reported on June 17, 1997 that FCAP participates in a “multimillion-dollar campaign to turn back EPA regulations for smog and soot. . . . The nerve center behind the attack is a coalition of more than 500 businesses and trade groups that calls itself the Air Quality Standards Coalition. Created specifically to battle the clean air proposals, the coalition operates out of the offices of the National Association of Manufacturers, a Washington-based trade group. Its leadership includes top managers of petroleum, automotive and utility companies as well as longtime Washington insiders such as C. Boyden Gray, a counsel to former president George Bush. The same industries would likely bear the brunt of the costs

for the new regulations, which the EPA estimates at more than \$ 6 billion a year. . . . Exxon, a member of the coalition, recently sent notices to its credit card customers urging them to oppose the EPA regulations. Other companies helped pay for TV and newspapers ads produced by the Foundation for Clean Air Progress, a nonprofit institute funded by energy, transportation and manufacturing companies that operates out of the offices of the public relations firm, Burson-Marsteller.”

According to Frank O'Donnell, executive director of a *genuine* environmental group called the Clean Air Trust, FCAP “was formed to distract the public from the dangers of air pollution. It tries to ignore the fact that air pollution—much of it produced by the foundation's financial backers—is still linked to tens of thousands of premature deaths a year.” O'Donnell noted that FCAP's members are also major sources of greenhouse gases (*U.S. Newsweek*, March 16, 1998).

The *Tennessean* reported on July 14, 1996 that FCAP was “made up of 20 organizations” including “the American Petroleum Institute, Petroleum Marketers Association of America, American Trucking Associations, American Farm Bureau Federation and the Transportation Coalition for Clean Air. . . . The foundation itself is not listed with Washington, D.C., telephone directory assistance. Burson-Marsteller staffers answer calls made to a number listed in a handout.” ■

PR WEEK OFFERS FREE ADVICE TO PHILIP MORRIS

The Philip Morris tobacco company was recently forced to apologize for its role in commissioning a report which claimed that the Czech Republic benefits economically from the premature deaths of citizens. Ever eager to help an old friend, the August 6 issue of *PR Week* asked PR pros, “How can Philip Morris regain PR ground following the publication of the Czech report?” Advice from the experts included:

- “More advertisements praising the philanthropic activities of its Kraft and Miller subsidiaries would be wise.”
- “The best thing for it to do is minimize its public profile.”
- “Partner itself with a consumer watchdog group.”
- “Fire all of those involved in commissioning these studies, and obtain confidentiality statements from each of them.”
- “Resist interview requests; any interviews on this will be no-win situations.” ■