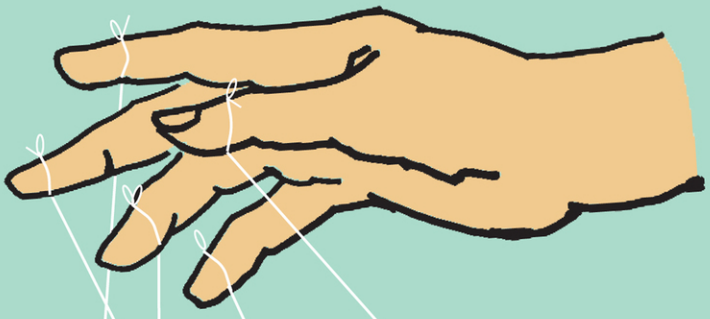

Stealth Communications

Sue Curry Jansen

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The Spectacular Rise of Public Relations

Sue Curry Jansen

polity

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All books have more sources than their authors can know or acknowledge. Even some known sources may prefer anonymity, including some of the former and current public relations people who have shared industry stories with me, whether out of amazement, amusement, enthusiasm, indiscretion, indignation, or despair.

The field is vast. Its practitioners range from former world leaders who serve as high-paid strategic consultants, to governments, to unpaid volunteers creating press releases on behalf of their local food banks. Its borders are fluid, as are the tasks it encompasses. Many PR people work for causes that they sincerely believe in, and navigate the ethical challenges they face with integrity. They are not the primary subjects of this book.

Rather, I focus on those PR people who, in George Orwell's famous phase, make a living "defending the indefensible," whether on behalf of politics – Orwell's primary target – markets, or the convergence of the two in neoliberalism.[1] Corporate public relations, along with media systems that enable it, has, from its inception in the early twentieth century, been called upon to "engineer the consent" of the public in the service of private interests.[2] Although not always successful in achieving that goal, these efforts contribute to the disempowerment of ordinary citizens, distrust of public institutions, disenchantment with democracy, and passive acceptance of economic injustices. They

[1] Orwell (1946).
[2] Bernays (1947).

also cast a shadow over all PR practitioners and, more importantly, over "publicity" itself, which, in its original meaning, has an essential role to play in deliberative democracy.

During the conception and development of the book, I have received support and encouragement from my colleagues in the Media and Communication Department at Muhlenberg College, especially Jefferson Pooley, who has pioneered our collective effort to teach public relations from a critical liberal arts perspective. Jeff has read and critiqued the early chapters. Ashley Farkas Patwell and Lora Taub-Pervizpour brought important sources to my attention. I am also indebted to colleagues who participated in our summer writing group, where I tried out some of the ideas explored in this book; they include Jeff (again), Irene Chien, Amy Corbin, John Sullivan, and David Tafler. My collaborations with Brian Martin of the University of Wollongong inform the discussion of backfire in chapter 7. As always, Marsha Siefert of Central European University has been a thoughtful listener and wise advisor on many related topics. I also want to thank Andrea Drugan and Elen Griffiths at Polity for their helpful suggestions, as well as copyeditor Sarah Dancy for her superb work.

In addition, I have benefited enormously from the foundational work of critical PR authors, both "insider" scholars and activists and "outsider" cultural critics and scholars, whose efforts I try to partially synthesize in these pages. Although they are acknowledged in text and notes, my debts to them are greater than those obligatory gestures can capture. Of course, all errors and provocations are my responsibility alone.

This book is dedicated to Ann Curry Bialy and the late Beatrice Curry McKay.

1

Introduction: Playing Fast and Loose with Words and Worlds

In his book, *The Confidence Men* (2011), Ron Suskind describes a 2009 meeting of the CEOs of the 13 largest US banks with President Obama. According to Suskind, going into the meeting the bankers were "nervous in ways that these men are never nervous." In the wake of the 2008 global financial crisis, in which the government had undertaken a massive bailout of financial institutions, the bankers faced the meeting with "lump in the throat tension."[1]

In his public statements about the crisis, the new president had been talking tough about Wall Street irresponsibility. The immediate issue precipitating the meeting was the announcement by AIG, the international insurance giant and a beneficiary of the taxpayer funded bailout, that it would pay $160 million in 2008 bonuses – a move that fueled public outrage. The meeting began with the CEOs arguing that lucrative bonuses are needed to retain talented people in an international market.

The president interrupted, " 'Be careful how you make those statements, gentlemen. The public isn't buying that.' . . . 'My administration is the only thing between you and the pitchforks.' " But then, Suskind reports, "Obama's flat tone turned to one of support, even sympathy. 'You guys have an acute public relations problem that's turning into a political problem,' he said. 'And I want to help. But

[1] Suskind (2011), p. 234. The meeting took place on March 29, 2009.

you need to show that you get that this is a crisis and that everyone has to make sacrifices.' "[2]

The president offered no specific proposals. And according to Suskind, "After a moment, the tension seemed to lift: the bankers realized he was talking about voluntary limits on compensation until the storm of public anger passed. It would be for show."[3] The lumps in the throats dissolved and the bankers returned to business as usual.

Assuming Suskind's interpretation is accurate, there are many lessons one could take away from this anecdote about trust, accountability, elite collusion, public opinion, citizen engagement, cynicism, democracy, neoliberalism, "too big to fail" and more. The simplest is that *We have a public relations problem*: you, me, the bankers, the president, Americans, and, by extension, much of the world. This book examines our public relations problem: its origins, development, current practices, and implications for the future of democracy.

The public relations industry is an American invention. Only a little over 100 years old, it was exported to the rest of the world in two major waves as America assumed global military and economic dominance after World War II and then reaffirmed and expanded that dominance through globalization after the end of the Cold War.

To be sure, governance by "show" has ancient roots, as does rhetoric: the artful use of persuasive language and images. Princes and powerful merchants have always required agents, interpreters, and fixers. What is novel about the development of public relations in the twentieth century is that it transformed these ancient forms of communication into a commercial enterprise. To put it bluntly, PR divorced communication from conviction and turned it into a profitable mercenary venture. Of course, not all practitioners are willing to sell their talents to the highest bidder or relinquish their convictions; and some PR agencies excuse account executives from working on accounts that make them uncomfortable. Nevertheless, that is the theory behind the practice.

Democracy, as a political form, is based upon the consent of the people. It assumes that communication and conviction are linked: that is why it privileges freedom of expression. For example, the founders of the American Republic, especially Jefferson and Madison, invested great faith in communication: in the rational deliberation of citizens and in the ability of a free and independent press to provide citizens with the information they need to render sound judgments on public

[2] Suskind (2011), pp. 234–5.
[3] Suskind (2011), p. 235.

affairs. In their view, the role of the press is to serve as the watchdog of democracy.[4]

Public relations countermands this position: its objective is to *mediate the media*. It inserts itself between the event and the report of the event, compromising or displacing the roles of reporters and editors by controlling the flow of information through press releases, strategic uses of language, staging events, promotional campaigns, third party endorsements, and other techniques. In effect, *it seeks to censor information at its source*, and thereby dilute, pollute, or deform the free flow of information upon which classic theories of democracy depend. Unlike advertising, which, despite its use of manipulative techniques, has until fairly recently openly presented itself as a straightforward, paid, sales pitch, PR actively conceals its persuasive efforts from public view whenever possible. In doing so, it violates fundamental norms of democratic discourse: transparency and accountability.

Manipulative Publicity

Instead of the public information that democratic deliberation requires, public relations delivers what social theorist Jürgen Habermas characterizes as "manipulative publicity." Under its auspices, Habermas contends that discussions of public affairs "are stylized into a show. Publicity loses it critical function in favor of staged display; even arguments are transmuted into symbols to which . . . one can not respond by arguing but only by identifying with them."[5] Habermas considers public relations the exemplar of manipulative publicity and implicates it in the decline of the democratic public sphere, maintaining that, "In the measure that it is shaped by public relations, the public sphere of civil society again takes on feudal features. The 'suppliers' display a showy pomp before customers ready to follow."[6]

Habermas's early work assumed that a universal rational consensus could be achieved through dialog. It has since been subjected to

[4] History has demonstrated that they placed too much faith in the press, something Jefferson seemed to recognize in his later conflicts with the press. The US press has generally served as a stenographer to the powerful, although there have been pivotal moments in history when journalism has risen to the challenge that Jefferson and Madison set for it.

[5] Habermas (1991), p. 206.

[6] Habermas (1991), p. 195.

extensive criticism from multiple perspectives; and he has revised it in ways that exemplify his ideal of the curative powers of reasoning under the auspices of shared communicative ethics. Nevertheless, his 1962 account of manipulative publicity – which is grounded in a critical analysis of the claims of PR pioneers Ivy Lee and Edward L. Bernays – remains a useful description of the logic, intent, and discursive form of public relations.

The manipulative publicity of early PR sought to contain the expansion of egalitarian democracy and to secure and advance the quasi-aristocratic position of the new "industrial overlords," as President Theodore Roosevelt referred to Rockefeller, Vanderbilt, Mellon, Carnegie, and the other American railroad, mining, and banking millionaires of the day. Like Habermas, Roosevelt and other turn-of-the-twentieth-century American critics compared the imperiousness of the new industrialists to that of the feudal lords of yore. Some of Roosevelt's contemporaries went further, referring to them as "Robber Barons."[7]

Public relations developed as a defensive strategy to preserve and advance the power of these new corporate elites. More specifically, it was a response to the following threats to their ascendancy: the rapid growth of organized labor, Roosevelt's enforcement and expansion of antitrust legislation, proposals to nationalize the railroads and other public service monopolies, exposés of corporate abuses by the new national press that the transcontinental railroad had made possible, and the growing influence of public opinion and the perceived power of the press to arouse and galvanize it.

PR is now routinely deployed by governments, nongovernmental organizations (NGOs), and nonprofits, including charities. It may be an indispensable practice in the current fractious, media and information saturated global environment. Much PR is, of course, commissioned to promote innocuous commercial pursuits, such as the roll-out of a new flavor of ice cream. And some PR promotes pro-social causes, for example, raising awareness of public health issues or publicizing and organizing charitable events.

The primary focus of this book lies elsewhere. It examines high-stakes corporate public relations, the intersections of corporate and public affairs, the conduct of public diplomacy by private contractors, the use of PR in international conflicts, PR campaigns designed to mislead the public about environmental issues, PR used to advance

[7] The term was in circulation as early as 1870 and would later be used by Josephson (1934) as the title of his book.

or undermine social movements, and new hybrid forms of commercial communication that combine PR, lobbying, and marketing of ideas, incubated in partisan think-tanks, to promote or derail pending legislation. In short, it focuses on "manipulative publicity" that restricts, erodes, or distorts public communications and knowledge resources upon which informed citizen consent depends. *This represents a relatively small portion of the total output of the public relations industry: approximately 30 percent according to one estimate with 70 percent of PR involving other forms of publicity and commercial promotion*.[8] From a democratic perspective, however, it is the most insidious form, which is largely responsible for the field's shadowy reputation. This is not to give the manipulative publicity of PR-based marketing a free pass, as it too is stealth communication designed to distort consumers' judgment; but hyping a brand of shampoo is qualitatively different from misleading the public about the consequences of impending legislation or the activities of murderous regimes.

Invisible Rulers

In his 1928 book *Propaganda*, Edward Bernays claimed, with characteristic hyperbolic abandon: "There are invisible rulers who control the destinies of millions. It is not generally realized to what extent the words and actions of our most influential public men are dictated by shrewd persons operating behind the scenes."[9] Bernays's books were always promotional efforts designed to advance his own public relations business and to embellish his personal reputation. So, it requires no great interpretive leap to suggest that readers were expected to conclude that Bernays, who knew what was not generally known, was among the shrewdest of the shrewd persons operating behind the scenes.

Today, critically aware citizens do realize that public life is artfully choreographed by experts in impression management and that government agencies, private corporations, nonprofit organizations, and even individual billionaires mobilize vast resources in attempts to manipulate public perceptions of everything from global warming to electoral politics. Flack, spin, hype have become familiar pejoratives, and even terms like astroturfing and greenwashing, drawn from the

[8] Morris & Goldsworthy (2008).
[9] Bernays (2008), p. 61.

critical vocabulary of propaganda analysis, have begun to migrate into the mainstream. This migration is so pronounced in the United Kingdom that a journalist, writing in the *Guardian*, went so far as to assert that, "Astroturfing is becoming the defining trope of our times."[10]

Paradoxically, however, the public relations industry still remains an "unseen power."[11] Despite self-serving rhetoric valorizing public relations as "a two-way street" committed to openness, transparency, interactivity, stakeholder involvement, and ethical disclosure, PR initiatives, like most other forms of opinion management, are still most effective when they are invisible. "Operating behind the scenes" is what makes Bernays's "shrewd persons" so shrewd. When the curtain is pulled back and the props are exposed, the power of public relations significantly dissipates.

The public may realize that opinion management is now a pervasive presence in their lives; the negative reputation of the public relations industry, which even PR people acknowledge, suggests that the public resents that presence. Cultural critics certainly do. They claim "spin" erodes the trust in public institutions upon which democracy depends, corrupts language, cultivates cynicism, and creates a climate in which what satirist Stephen Colbert calls "truthiness" trumps truth.[12]

Yet, few people outside the industry can name a single public relations firm. The industry's relative invisibility remains intact. Instead, its proxy, partner, and primary purveyor, "the media," is a visible target for the public's resentment and disdain for public relations. Public opinion polls show a precipitous decline over the past four decades in the public's confidence in media institutions, even though people are consuming more media than ever.[13] Media may deserve public distrust, but killing willing messengers does not get to the source of the problem: the "shrewd persons operating behind the scenes."

Early in the last century, journalist Walter Lippmann warned that both democracy and journalism are imperiled by the contamination of news and information at their sources by press agentry and propaganda: what would be widely known a few years later as public relations. He considered this contamination a form of censorship, and maintained that after World War I, "the manufacture of consent"

[10] Glaser (2009), p. 7.
[11] Cutlip (1994).
[12] Colbert (2005).
[13] Dugan (2014).

had become "an unregulated private enterprise."[14] Lippmann was not alone in sounding this alarm: his mentor, British social reformer Graham Wallas, as well as American philosopher John Dewey and others all shared this concern. By then, however, the influence industry had already proven its usefulness to both governments and corporations.

Today, PR firms, government public affairs officers, and celebrity publicists are the primary sources of much of what passes as news. Estimates of just how much influence PR has over news content vary. Leon Sigal's classic study of the US press, *Reporters and Officials* (1973), revealed that almost 60 percent of the editorial content of the *New York Times* and the *Washington Post* was generated by public relations efforts; some current estimates run as high as 80 percent.[15] A 2008 Cardiff University study of Britain's five most prestigious national newspapers found that reliance on PR was so extensive that only 12 percent of the stories published were based on material gathered by reporters themselves, leading the researchers to conclude that "any meaningful independent journalistic activity by the press is the exception rather than the rule."[16] Known within journalism as "churnalism," the practice of publishing press releases or wire copy without further investigation or fact checking, has become increasingly common as the news industry has contracted. A 2009 study of 12,000 US editors and journalists found that 94 percent said that they regularly use submissions from PR people, with younger respondents (29 or under) reporting significantly more use of PR sources (99 percent) than their older counterparts.[17] In 2010, the BBC commissioned an independent study of its coverage of science, which found that "stories about science are almost all associated with PR activity" – the source for 75 percent of the stories was an institutional press release.[18] Researcher Felicity Mellor cautioned that reliance on PR "isn't unique to the BBC," where journalists do rework the material, "but they often don't move beyond the framing provided with it." The frames are factual but promotional, simplifying the science and glossing over cautionary qualifiers. According to Mellor, "one thing that's very striking is that there's a real lack of questioning of claims about science, even though that is an essential feature of science."[19]

[14] Lippmann (1920), p. 8.
[15] Sigal (1973); Turney (n.d.a).
[16] Davies (2008), p. 53.
[17] Bates & Arno (2009), p. 9.
[18] BBC Trust (2011); Mellor (2011).
[19] Mellor (2011).

To its credit, the BBC used the study to develop a plan for improving its scientific coverage; however, the study raised larger questions about the distortion of scientific knowledge by PR.[20]

Research on PR sourcing highlights the success of public relations in shaping news agendas as well as the failure of most journalism to play the independent role that international press organizations endorse. The vocal disdain for PR expressed by many journalists seems to function, at least in part, as an attempt to camouflage journalism's symbiotic relationship with PR. The recent introduction of so-called "native advertising," whereby advertisers provide paid news content, is likely to further compromise the integrity of what now passes as news.[21]

The Internet has been a game changer for public relations: it allows PR to bypass traditional media gatekeepers entirely and to address the public directly. The anonymity of the web also creates numerous opportunities for preserving and expanding the invisibility of the shrewd persons behind the keyboards who blog for dollars, troll the comment sections of major publications, manufacture "likes," host astroturfed websites, and engage in other forms of "sockpuppetry" (deceptive use of online identities).

Social media and the 24/7 news cycle also pose new challenges for PR. A call to a friendly journalist or editor is rarely enough to spike a story today; and scandal in high places is raw meat on Twitter, Reddit, and other social media platforms where, for many users, fact checking is "so last century." Increasingly, PR people have to be proactive rather than reactive. In the aftermath of the Enron and World.com debacles, the public meltdown of BP's CEO, Tony Hayward, during the Deepwater Horizon oil spill, the News Corp hacking scandal, and the 2008 financial crises, business journalists – who had long served as compliant stenographers for corporate power – became more aggressive and adversarial. These factors, combined with the rise of citizen journalism and stockholder activism, have made corporate boards and CEOs risk-averse, which, in turn, has enhanced the role of corporate PR, especially strategic planning, crisis management, and reputation protection.[22]

[20] Taylor (2014).

[21] US Federal Trade Commission (2015) issued guidelines on native advertising and indicated it would take action against businesses that engaged in deceptive advertising.

[22] Burt (2012) provides a comprehensive account of financial PR.

Definitional Quandary: Spinning Spin

Bernays himself conceived of public relations as a higher calling than journalism. Unlike journalists who, in his view, simply record news, Bernays claimed that the "public relations counselor" is "not merely the purveyor of news; he is more logically the *creator* of news."[23] Creating news is just a small, although important, part of the unseen power of the public relations industry today. Attempts to fully map those powers are, however, destined to fail because even PR experts cannot agree on a definition of public relations.[24]

According to PR educator and internal critic of the field, Kevin Moloney, PR people avoid discussions of what they actually do. Moloney contends that they resist definitional straightjackets and "play fast and loose with what is PR, including and excluding purposes and techniques to suit their business pitches and their sense of status."[25] This definitional looseness is especially prevalent among those operating in elite PR circles. This is an arena where the famous "revolving door" between the public and private sector is operative: lobbying, public relations, and other influence management consultancies such as partisan think-tanks, along with corporations more generally, recruit former (and future) high-profile officeholders to their staffs with lucrative salaries in exchange for the networking access to current officeholders that these recruits can provide. For example, according to a 2010 *Washington Post* report, 75 percent of lobbyists in the oil and gas sectors previously worked in the federal government, including 18 former members of Congress.[26] The revolving door swings freely for former members of the European Commission as well, with many finding lucrative second careers as lobbyists, PR people, and members of partisan think-tanks and front groups.[27]

Although some revolving door commuters do show up on the official executive rosters of public relations and lobbying firms, many prominent people working in the influence business have prestigious titles like "executive vice-president for public affairs": titles that are

[23] Bernays (2011); italics in original.
[24] Seitel (1995). In an attempt to come up with a definitive definition of the field, the Foundation for Public Relations Research and Education conducted a study in 1971, which found 472 definitions of public relations.
[25] Moloney (2000), p. 59. On the problem of defining public relations, see also Vos (2012), pp. 119–40.
[26] Silverstein (2010).
[27] Corporate Europe Observatory (2015a) provides a list.

largely impenetrable to the uninitiated. They may, for example, function as high-level PR/lobbyists, perform tree-tops public relations (PR targeting elites), use their name recognition to open doors, and/or use their insider knowledge to secure government contracts or other favors. When they return to public office, they presumably retain some loyalties to their former (and possibly future) employers. One of the most famous examples of a PR practitioner, who never carried that title, is former US President Ronald Reagan. He is usually referred to as a former actor, but following his acting career he became a corporate spokesman for General Electric, hosting and acting in some episodes of a GE sponsored television program, and also visiting GE factories throughout the country, giving speeches to workers to raise morale and burnish the company's image. GE's website describes him as a "brand ambassador."[28] Former British Prime Minister David Cameron is also a former PR practitioner, serving as director of corporate affairs for Carlton Communications, now part of ITV, from 1994 to 2001. Former Prime Minister Tony Blair pushed the revolving door in the opposite direction, setting up a PR consultancy after leaving office; he came under heavy fire from Human Rights Watch in 2013 for advising Kazakhstan's autocratic president, Nursultan Nazarbayev, on how to repair his international image after his regime killed 14 protesters.[29] But Blair is not the only prominent Kazakhstan apologist. Corporate Europe Observatory reports that "a veritable club" of former European leaders serves on the International Advisory Board, funded by Nazarbayev, "to promote Kazakhstan's image internationally": they include former German Chancellor Gerhard Schröder, former Austrian Chancellor Alfred Gusenbauer, ex-Italian Prime Minister and former European Union President Romano Prodi, and others.[30] Advising governments, especially those led by autocrats, is a particularly lucrative form of PR, and one that not only calls for high levels of confidentiality, but also requires playing especially "fast and loose with what is PR."

The definitional quandary is further complicated by recent changes in the persuasion industries in response to globalization and digital

[28] General Electric (2010).

[29] Mendick (2014) contends that Blair gives Kazakhstan's autocratic president tips on how to defend a massacre. It should, however, be noted that APCO Worldwide, Edelman, Hill+Knowlton, Livingston Group, and Arnold & Porter also have represented Nazarbayev. McCauley (2013) and Silverstein (2014) present extensive inventories of Tony Blair's PR activities.

[30] Corporate Europe Observatory (2015b).

integration. These developments have led to initiatives that bring together and more tightly coordinate the separate but related pursuits of advertising, marketing, and public relations, both materially and philosophically. This fusion involves corporate mergers and acquisitions that combine these functions within large holding companies and the adoption of new management theories that advance and support this synergy. As a result, advertising now borrows from the traditional repertoire of PR and PR is increasingly moving into the realm of paid media rather than relying exclusively on Bernays's old formula of generating newsworthy publicity. Integrated corporate communications (ICC) and integrated marketing communications (IMC) are new forms of management-speak that describe these efforts. Even small independent public relations firms are affected by these changes, adopting names like Smith and Brown Communications, with the C-word implying a broader reach than traditional PR.[31]

Definitions of the field proposed by PR associations tend to do PR for PR. For example, in an effort to "modernize" its definition, the Public Relations Society of America launched an international crowdsourcing definitional exercise and public vote. The result was announced in 2012: "Public relations is a strategic communication process that builds mutually beneficial relationships between organizations and their publics."[32]

Conversely, Trevor Morris and Simon Goldsworthy, UK public relations practitioners, educators, and authors of *PR – A Persuasive Industry* (2008), conclude a discussion of the elusive nature of PR by characterizing it as "the ultimate postmodern industry. No one knows what it really is, but it sounds interesting." Nevertheless they are very clear about its purpose: it is "about persuading people to act in particular ways in the interests of the people who pay for it."[33]

The definitional conundrum does, however, reflect a real issue: the broad range of activities encompassed by PR and the difficulty of specifying who can actually be classified as a PR practitioner. A low-wage employee writing a newsletter for a nonprofit charity is performing a PR function; so is the unpaid activist rallying support for a human rights campaign. Indeed, PR is now so ubiquitous that all of us who have contact with the public sometimes find ourselves performing PR functions for our employers.

[31] Siegel (2014).
[32] Public Relations Society of America (n.d.).
[33] Morris & Goldsworthy (2008), pp. 13, 26.

Fixers and "Knowing Capitalism"

Yet, such efforts are very far removed from the high stakes involved in PR work done by strategic communications advisors to presidents, prime ministers, and CEOs of major corporations: the "invisible rulers who control the destinies of millions" (or who, at least, mobilize formidable resources in attempts to do so). These are the "invisible," or quasi-visible, big stakes international players who negotiate and blur the boundaries between public and private interests. They are the "fixers" who use whatever legally defensible measures are necessary to remove obstacles that stand in the way of their clients' commercial or political agendas.[34] Some operate under the broad umbrellas of the large global firms like Brunswick, Edelman, Havas PR, Hill+Knowlton, Media Consulta International, and Weber Shandwick, while others work within more specialized boutique firms that are often located in capital cities and major financial centers around the world. Many of these firms also offer legal and lobbying services. In the United States, where lobbyists are required to register with the government, some PR firms function as shadow lobbyists, operating below the radar of regulatory agencies to preserve the invisibility of their efforts.[35]

PR and PR lobbying shops perform a wide array of services, including familiar textbook practices such as media relations, news management, strategic use of language to frame issues, branding, third party endorsements by "thought leaders," surveys and push polls, networking, events management, media monitoring, crisis management, reputation building or repair, and internal corporate communication strategizing to promote workers' allegiance. The globalization of free market ideologies and practices has, however, substantially expanded this repertoire.

Under what Nigel Thrift refers to as "knowing capitalism" – flexible capitalism able to agilely reproduce itself by incorporating new information that allows it to adjust to rapidly changing conditions – public relations plays an indispensable role. It contributes to crafting more intuitive, ad hoc responses to the less predictable "performative" nature of contemporary competitive environments: creating improvisations that can cope with what Thrift describes as "the order of the moment and the crafting of the moment."[36] For example, a

[34] I borrow the term from Thrift (1987) who describes services rendered by fields such as public relations, accounting, law as capitalism's 'fixers.'
[35] Edsall (2013).
[36] Thrift (2005), p. 78.

corporation planning a significant initiative in an unfamiliar community may hire PR people to do advance research, including undercover quasi-ethnographic research within the community, to identify possible sources of resistance so that they can be neutralized before they coalesce into viable political forces.[37] Where resistance cannot be neutralized, PR people may help design *globalocal* solutions, which include elements of the local culture in media plans.

Thrift's theory is an attempt to come to terms with the challenges of the new global environment of digital capitalism. Media scholars and activists have been highly attuned to this development: documenting the privatization of public media throughout much of the world and the expanded global reach of Western media and markets, as well as local resistances to these moves. The mergers and acquisitions in communication industries in the 1990s, which have concentrated ownership of the world's media within a small number of mega corporations, have been extensively chronicled. Yet, little attention has been paid to processes of conglomeration and concentration in the public relations industry that have also accelerated dramatically in recent years. The PR industry's relative public invisibility, as compared to mass media and advertising, seems to have largely shielded it from critical analysis by political economists of communication. Moreover, outside the industry itself, the recent transformation of public relations from a defensive, crisis management strategy into an offensive, constitutive, management practice has attracted little attention.

What was a distinctly American enterprise with only a small number of firms located primarily on the East Coast less than a century ago, focused on opposing the labor movement and government regulation of business as well as cultivating a pro-business cultural environment, is now a global enterprise. It is impossible to accurately gauge the size of the public relations industry, or even to definitively determine who is conducting public relations activities. *The Holmes World Report*, which compiles information and revenue figures of the 250 largest PR firms annually, estimates that the global earnings for the industry in 2014 was $13.5 billion, growing 7 percent over the previous year. The report also estimates that PR agencies employed more than 85,000 people in 2014.[38] However, this figure grossly underestimates the number of people working in PR: according to

[37] Blyskal & Blyskal, M (1985), p. 92. The authors draw this example from an interview with the president of a PR firm, Walt Lindenmann of GAC.
[38] *The Holmes Report* (2015b).

one knowledgeable source, the largest PR firms in the United States and the United Kingdom employ fewer than 1 percent of the people working in PR in those countries.[39] *The Holmes World Report* only tracks PR agencies. The US Department of Labor figures for 2014 reported 240,700 people working in PR in the United States, but its count is also incomplete.[40] *Actimedia* estimate that there are about 4,200 PR agencies in the United Kingdom with about 48,000 practitioners; and the UK National Careers Service predicts rapid growth in the field.[41] A 2006 study conducted for the Institute for Public Relations, which attempted a more comprehensive count, indicated that there may be as many as 4.5 million public relations practitioners globally; and that the largest investors in PR today are more likely to be the US government, the United Nations, the European Union, or the World Bank, rather than ExxonMobil, Shell, General Electric, etc.[42] As a writer for the *Spectator*, a British weekly, notes: "It is increasingly common for the capital's top public relations firms to work for dubious countries, rather than dodgy people."[43] In PR circles, London is known as the world's launderette for its whitewashing and greenwashing of repressive regimes.[44] According to *The Holmes World Report*, UK firms led the 2013 growth surge; however, spectacular annual growth rates have been reported in recent years in China (30 percent), Russia (40 percent), and Turkey (60 percent). In 2014 China and Russia were the fastest growth areas.[45]

Overall, PR people now outnumber journalists by at least 4.7 to 1 in the United States as PR fills the content void left by the shrinking news business.[46] At its peak in 2000, there were 56,200 newspaper reporters, editors, and other journalists in the United States; in 2014, there were 32,900 full-time journalists. According to the US Department of Labor, the mean annual salaries for public relations specialists were $64,050 in 2014 as compared to $45,800 for reporters and correspondents.[47] A 2015 salary survey by *PRWeek* reported much

[39] Morris & Goldsworthy (2008), p. xi; UK National Career Service (n.d.).
[40] US Department of Labor Bureau of Labor Statistics (2016). The Bureau does not count in-house PR employees.
[41] *Actimedia Media Directory* (2016); UK National Careers Service (n.d.).
[42] Falconi (2006).
[43] Quoted in Burt (2012), p. 106.
[44] Corporate Europe Observatory (2015b).
[45] Morris & Goldsworthy (2008), p. 1; *The Holmes Report* (2014); *The Holmes Report* (2015b).
[46] Sullivan (2011).
[47] US Department of Labor Bureau of Labor Statistics (2014); American Association of Newspaper Editors, Census (2000, 2015).

higher PR pay, with mean salaries of $90,000, a 5.9 percent increase from 2014. PR people directly employed by corporations fared even better, at $120,000, the same as in 2014; while those working in non-profits made $75,000, down $5,000 from 2014. The highest salaries were in industrial and manufacturing corporations, $145,500, and the lowest were in education, $70,000. Over 72 percent of the global PR agency workforce is female; however, the gender wage gap is stunning. The mean salary of males is $127,500 and just $81,000 for females, with males dominating the managerial positions globally.[48]

PR practitioners play a much larger role in "knowing capitalism" than they did under industrial capitalism. According to Richard Edelman, CEO of Edelman Public Relations, which bills itself as the world's largest independent PR firm with offices in 65 cities and affiliates in more than 35 additional cities, "We used to be the tail wagging the dog," but now, PR is "the organizing principle" behind many business decisions.[49] Today, he says, PR functions as "the cutting edge of corporate power."[50] It is also frequently a cutting edge of state power and of neoliberal mergers of corporate and state power. We now live in what one critic calls "The Golden Age of PR."[51] Another analyst, writing for a respectable academic journal even went so far as to claim "We are all in PR now."[52]

Does PR Work?

We may all be in it, but does it work? *Forbes* magazine claims that PR is 90 percent more effective than advertising and much less expensive.[53] There are large qualitative and quantitative scholarly and trade literatures that do attest to PR's efficacy in various contexts: improving relations within organizations, customer relations, reputations, visibility of products and events, and more.[54] The industry is constantly seeking to improve its evaluative instruments, since strong analytics are part of the pitch to both clients and investors; however, some forms of PR will always elude measurement – for example, the

[48] Bloom, Gross, & Associates (2015); Pace (2015).
[49] Quoted in *The Economist* (2010).
[50] Miller & Dinan (2008), p. 1.
[51] Reinish (2011).
[52] Evans (2010).
[53] Wynne (2014).
[54] On measuring PR effectiveness, see Kim (2000); Kim (2001); Likely & Watson (2013); Jain (2014); Macnamara (2014).

potentially damaging news that is censored at its source, the crises averted by strategic PR planning and reputation management. There is considerable evidence that PR blunders can be very costly to corporations, directly in revenue losses and indirectly through litigation and fines by regulatory agencies.[55] Further, cultural critics appear to agree that PR has a powerful unintended effect in cultivating cynicism and distrust of public institutions. So, it seems reasonable to assert that the PR industry has a significant impact on all our lives whether we know it or not.

Global public relations industries cultivate public receptivity to market values, neoliberal policies and practices, and the commercialization of everyday life by equating these values with rationality, prosperity, human freedom, and happiness. As early as 1947, Erich Fromm lamented the spiritual emptiness of the human condition under the "marketing orientation."[56] Later writers argue that consumer industries seek to fill that void by producing not just desire for products, but also by seeking to produce the subjectivities of consumers themselves: brand identities, loyalties, and even brand "communities" – for example, the loyalties and sense of superior digital prowess of Apple versus PC users. Competition for consumer loyalty fuels a steady demand for media metrics, public relations, advertising, and marketing services.

The PR industry also performs what might be called 'intelligence services' to defend the immediate interests of its clients as well as neoliberal policies and practices more generally, with some private intelligence firms specializing in neutralizing grassroots activism.[57] That is, highly skilled PR operatives identify, monitor, and work to counter, disable, displace, or censor organized forms of resistance to their clients' agendas.[58] On the Internet, PR 2.0 or 3.0 performs these and additional functions. Commercialization of social media platforms amplifies both the surveillance and marketing potential of the Internet. Edward Snowden's revelations of the US National Security Agency's (NSA) surveillance of global communications, including the private communications of US citizens, demonstrated the vast reach of cyber surveillance. It also exposed the cooperation of corporations in government surveillance and, to a lesser degree, shed light on lucrative commercial markets for personal data for use by marketing, PR, and political campaign strategists. Increasingly, the private security

[55] Deegan (2001).
[56] Fromm (1947).
[57] Horn (2013).
[58] Lubbers (2007).