

## Chapter 2: The History and Growth of Public Relations

### Teaching Perspective

Chapter 2 summarizes the history of public relations – from the Sophists in Greece to the early American experience to modern-day leaders. The study of public relations history is important in explaining to students how and why this relatively new field came into being. In addition, the chapter discusses the pioneers in the field and what they contributed.

It's important to indicate to students that while public relations antecedents stretch back over time – as long as individuals tried to persuade others to adopt their cause – the practice itself is very much a recent phenomenon. Ivy Lee assisting John D. Rockefeller, Jr. at the turn of the last century arguably “founded” the modern practice of public relations. The first public relations course was taught at New York University in 1923.

The point is that modern public relations practice is not yet even 100-years-old. Its history is still being written. Its leaders, therefore, are those teaching – and learning – in the practice as we speak. So the responsibility to help build this field lies with each of its practitioners and students.

The Case Study at the end of Chapter 2 chronicles the NFL ethics scandals that rocked the league in 2014 and 2015 amid domestic and child abuse charges against two players. The subject of the *From the Top* interview is Edward Bernays, a 20<sup>th</sup>-century public relations luminary who pioneered the application of the social sciences to public relations.

Among topics discussed in Chapter 2 are:

- Ancient beginnings
- Early American experience
- Later American experience
- Ivy Lee: The real father of modern public relations
- The growth of modern public relations
- Public relations comes of age
- Public relations education

### A Question of Ethics: Burson Fumbles Facebook Flap

In this mini-case, the venerable Burson-Marsteller was caught trying to make Google, their client's competitor, look bad by approaching media members and bloggers with a “whisper” campaign about one of its products.

In failing to reveal that they were representing Facebook, the two Burson employees

committed a cardinal public relations sin, according to the PRSA Code of Professional Ethics.

One blogger was so enraged with the staffer's actions that he posted Burson's entire pitch online. The story took off and grabbed media headlines across the world. Given the nature of media and the fact that it is uncontrolled information, Burson should have seen this coming a mile away.

Burson's clumsy attempt to disparage a competitor led to considerable embarrassment at both Google and Facebook. To put it mildly, Burson-Marsteller was chastened.

PRSA was quick to denounce the "fake news" efforts: "This reflects poorly upon the global public relations profession. Burson took the road of misleading and not disclosing who they were representing."

#### Questions

1. How should Burson have handled its Facebook assignment?
2. Should a public relations client always be identified?

#### Answers:

1. The Burson team would have been wise to consult Chapter 1 of this text, which advises us that true public relations is based on sound character and proper performance. Spin is the enemy and must always be avoided. Instead, the employees should have built a straightforward campaign based on Facebook's positive attributes.
2. Ideally, yes. Although some cynics claim that "the best public relations is invisible," leading practitioners (including the historical luminaries discussed in this chapter) have always held that honest and openness is the only credible approach.

#### Discussion Starters

1. The factors influencing the spread of public relations in society were: 1) the growth of big institutions, 2) increasing incidence of change, conflict, and confrontation in society, 3) heightened awareness of communications, and 4) increased importance of public opinion.
2. P.T. Barnum was a shameless self-promoter who deceived as much as he informed.
3. Samuel Adams organized Committees of Correspondence as a kind of revolutionary Associated Press.
4. Muckrakers reported the abuses of robber barons, thus leading to the creation of public relations professionals to explain the other side.

5. Both Lee and Bernays were among the first to realize that everyone deserved his or her day in the court of public opinion.
6. Both were effective forces in mobilizing public opinion in support of the United States and its objectives. They set the foundations for today's United States Information Agency.
7. Arthur Page was a pace setter as one of the first corporate public relations professionals, whose aim was to promote AT&T as an ethical and credible company.
8. Today, most public relations education programs are situated within colleges, schools, and departments of journalism and/or communication. However, given the growing influence of public relations within all organizations and across society, public relations education should also be incorporated into business programs at colleges and universities.
9. The importance of communications in every sector of society has propelled public relations practice to center stage. The field's major associations boast growing membership. Together, the agencies that dominate the public relations practice earn revenues in the billions of dollars. And public relations professionals are important figures in every sector of society.
10. The encroachment of the field by practitioners of other disciplines is a concern. So is the small number of minority practitioners and the number of women in management positions. The Internet and how it should best be "harnessed" is another issue of importance. Issues related to respect continue to dog public relations professionals, who must constantly strive to convince their employers of the merit and importance of what they do.

### **Case Study: Welcome to the NFL**

In 2014, the NFL and its Commissioner Roger Goodell were rocked by a series of domestic violence scandals with far-reaching public relations implications.

The league's problems began when TMZ.com released a video showing star Baltimore Ravens running back Ray Rice punching fiancée Janay Palmer in an Atlantic City hotel elevator. A second video released later showed Rice dragging her out of the elevator.

In the first incident, Ravens Coach Jim Harbaugh and Rice's teammates stood by him through disciplinary proceedings while the NFL said nothing publicly. But when the second video broke, celebrities and other NFL players condemned Rice. Nike dropped its sponsorship of him and the team terminated his contract. The NFL suspended Rice indefinitely as demands grew for his permanent suspension and Goodell's firing.

Later that year, Adrian Peterson of the Minnesota Vikings was indicted in a child abuse

case in which he used a wooden switch to discipline his four-year-old son. He was suspended without pay for the remainder of the season.

Rice later appealed his suspension in federal court and won the right to become a free agent. However, as the 2015 season began, he still hadn't been signed by a new team. Rice had become a public relations pariah.

**Possible Answers:**

1. After the first Ray Rice incident, any savvy public relations advisor to NFL commissioner Goodell would advise the league to immediately suspend or terminate Rice, and then publicize these actions while taking a proactive and highly public stance on the issue of domestic violence.
2. The Rice suspension following the second TMZ video was completely justified, and probably should have occurred as soon as the first TMZ video was released.
3. Absolutely not. For any organization, the foundation of professional public relations is built upon ethical performance. Even the mere perception that the NFL tolerates domestic abuse is deadly to its reputation and long-term success.
4. The NFL should take proactive and highly public stances on these issues. To start with, after first demanding that its players behave in an ethical manner, the NFL could launch public relations initiatives ranging from public service media campaigns to volunteer programs featuring NFL players giving back to their communities.

**Chapter 2 Review Quiz (\* Indicates Correct Answer)**

1. Among the fundamental trends related to the evolution of public relations is the following:
  - A. The growth of "big institutions." \*
  - B. The increasing incidence of agreement in society.
  - C. An increasing naiveté of people about what is going on around them.
  - D. All of the above.
2. The precursor of today's lobbyists were the:
  - A. Romans.
  - B. Committees of Correspondence.
  - C. Sophists. \*
  - D. British loyalists.
3. The first Presidential press secretary was:

- A. Sam Adams.
  - B. Edward Bernays.
  - C. Ivy Lee.
  - D. Amos Kendall. \*
4. The reputed originator of the line, “The public be damned!” was:
- A. J.P. Morgan.
  - B. Henry Clay Frick.
  - C. William Vanderbilt. \*
  - D. John D. Rockefeller.
5. The “muckrakers” were:
- A. Reporters and editors. \*
  - B. Robber barons.
  - C. Early public relations practitioners.
  - D. None of the above.
6. Public relations pioneer Ivy Lee was criticized for his involvement with:
- A. The Creel Committee.
  - B. The German Dye Trust. \*
  - C. Seton Filmways.
  - D. The American Tobacco Company.
7. In the 21<sup>st</sup> century, manipulation of the world’s \_\_\_\_\_ has become a disturbing objective of terrorists.
- A. Trains
  - B. Ships
  - C. Media \*
  - D. Political system
8. P.T. Barnum is beloved by public relations professionals.
- A. True.
  - B. False. \*
9. The Great Depression gave no impetus to the development of corporate public relations.
- A. True.
  - B. False. \*
10. The basic principle of successful corporate public relations is to make sure

management thoughtfully analyzes its overall relation to its publics.

A. True. \*

B. False.

11. McClure's magazine had an anti-industry bias.

A. True. \*

B. False.

12. To advocate ratification of the Constitution, political leaders like Alexander Hamilton and James Madison banded together, under the pseudonym Scandalous.

A. True.

B. False. \*

13. What were the four fundamental trends that helped shape public relations?

The growth of "big institutions."

The increasing incidence of conflict and confrontation in society.

The heightened awareness of people everywhere because of more sophisticated communications technology.

The outbreak of democracy in the world.

14. Why is public relations more important for organizations today?

The credibility of organizations today is challenged constantly, and their role in society changes instantly.

Expectations of an organization's responsibilities have increased today.

Emerging technologies of the computer age put added pressure on an organization to adapt continually to the standards of society.

For all these reasons, good public relations is no longer an option, but a necessity.

15. What did Ivy Lee contribute to public relations?

Ivy Lee, the "father" of public relations, was one of the first to preach that the key to business acceptance and understanding was that the "public should be informed." Lee firmly believed that the only way business could answer its critics was to present its side honestly, accurately, and forcefully. This he did in representing the Rockefellers and other business leaders.

## **Chapter 2: Essay Examinations**

1. Explain why public relations is a "20<sup>th</sup> century phenomenon."

It was not until the early part of the century, when John D. Rockefeller hired Ivy

Lee to “humanize” him, did public relations emerge as a bona fide profession.

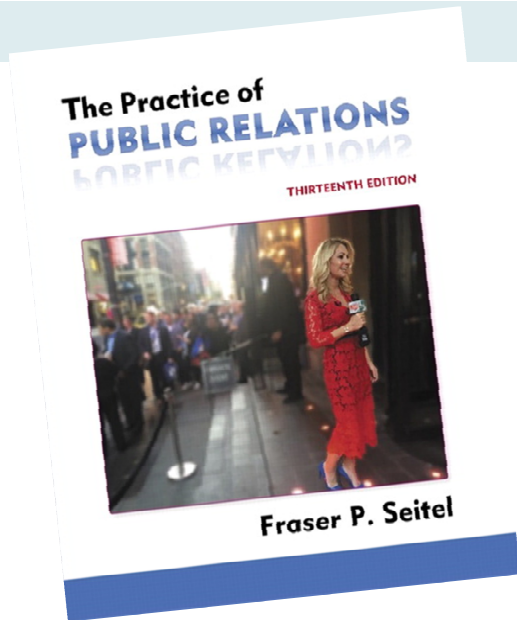
Today, the size of society, change and conflict that pervade our lives, pervasive communication from all varieties of media and, of course, the Internet have all contributed to the great value and importance of public relations.

2. What is the historical impact of the Internet on public relations?

The Internet has had and will have a profound impact on the practice of public relations.

With hundreds of millions already wired around the world and with innovations computerizing every aspect of society, the Web and social media as persuasive communications vehicles – for sales, news, and information – will be unrivalled, especially considering the rise of social media.

The challenge to public relations professionals will be to harness the Web and social media so that messages not only are received but understood and acted upon by key publics.



# Part I: Evolution

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## CHAPTER 2: THE HISTORY AND GROWTH OF PUBLIC RELATIONS



# Learning Objectives

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1. To track the development of the practice of public relations from ancient times to the present.
2. To underscore the contribution to the field of two pioneers, in particular, Ivy Lee and Edward Bernays, whose philosophies and policies set the tone for modern-day public relations.
3. To chart the growth of public relations and its emergence as a major societal force in the 21st century.
4. To examine the factors, like social media, that have propelled the practice of public relations as a powerful and valuable force in this new century.

# Public Relations Has Come a Long Way

The 1956 film, *The Man in the Gray Flannel Suit*, suggested a freshly-pressed suit and bathing regularly were the main criteria for success in public relations.

Today, public relations is responsible for billions of dollars in revenue.



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Figure 2-1 (Photo: akg-images/Newscom)

# Learning Objective 1

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To track the development of the practice of public relations from ancient times to the present.

# “The Tylenol Murders”

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- Johnson & Johnson (J & J) products were sabotaged; customers were murdered
- The respectful way J & J handled the crisis is a large reason the field enjoys prominence today
- J & J’s “Credo” of corporate values is a model for companies around the world

# Johnson & Johnson 2010

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- Johnson & Johnson (J & J) products were recalled in fall 2010
  - Children's liquid Tylenol
  - Thousands of artificial hips
  - Millions of contact lenses
- Highly publicized product problems cast a pall over J & J's integrity
- A public relations reputation is fragile

# Evolution of Public Relations

Modern public relations 100+ years old

John D. Rockefeller Jr. – 1914 Ludlow massacre

Ivy Ledbetter Lee, journalist, helped Rockefeller deal with the crisis



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*Figure 2-2 (Photo: Rockefeller Archive Center)*

# Evolution Influenced by

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- Growth of big institutions
- Heightened public awareness and media sophistication
- Increasing incidence of societal change, conflict and confrontation
- Globalization and the growing power of global media, public opinion and democratic capitalism
- Dominance of the Internet and growth of social media

# Ancient Beginnings

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Sophists

Romans

Creel Committee

Catholic Church



# Public Relations Pope

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Pope Francis, who assumed the Papacy in March 2013, forged a positive public relations image around the world

He outstripped Kanye West in terms of Twitter followers

Pope Francis is considered the “People’s Pope”



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*Figure 2-3 (Photo: ANGELO CARCONI/EPA/Newscom)*

# Early American Experience

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American Revolution

“Taxation without representation is tyranny”

Committees of Correspondence

Events (e.g. Boston Tea Party)

Thomas Paine’s *Crisis* papers

# Later American Experience

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Federalists vs. anti-Federalists (newspaper articles, pamphlets)

*The Federalist Papers*

# Into the 1800s

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Press agency took hold in the 1800s

Amos Kendall

Phineas T. Barnum

# P.T. Barnum Redux

Page 30

Public relations communication should reflect “performance” and “truth”

Barnum’s publicity-seeking methods are still effective

The Kardashians are publicity-generating masters of media



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*Figure 2-4 (Photo: WP#EAG/ZOJ/WENN/Newscom)*

# Kardashian Quest for Publicity

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Discussion Question:

How does their ability to get publicity relate to the idea that public relations communication should always reflect performance and truth?



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*Figure 2-4 (Photo: WP#EAG/ZOJ/WENN/Newscom)*

# Emergence of the Robber Barons

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Big business took over in the American Industrial Revolution

Small mills and shops gave way to massive factories

Country hamlets were replaced by sprawling cities

Limited transportation and communication facilities became nationwide rail lines and communication wires

Businessman was king

# Emergence of the Robber Barons

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Railroad owners were led by William Vanderbilt

Bankers were led by J.P. Morgan

Oil magnates were led by John D. Rockefeller

Steel impresarios were led by Henry Clay Frick

The industrialists who ruled the fortunes of others were thought to care little for the rest of society



# Enter the Muckrakers

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Muckrakers were a group of journalists that criticized operations of America's business enterprises

*The Jungle* by Upton Sinclair

*History of the Standard Oil Company* by Ida Tarbell

*McClure's* struck out systematically at one industry after another

# Breakdown of Communications

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Government got more involved

Congress passed laws

Trust-busting became the order of the day

Labor unions organized

Public opinion swelled up against business freedom

Industrialists were ill-prepared to defend themselves against public condemnation

# How Should Businesses Influence Public Opinion?

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The best way to influence public opinion was through honesty and candor

Telling the truth was the method used to get the public to consider the business point of view

# Learning Objective 2

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To underscore the contribution to the field of two pioneers, in particular, Ivy Lee and Edward Bernays, whose philosophies and policies set the tone for modern-day public relations.

# Ivy Lee: The Real Father of Modern Public Relations

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Public should be informed

Critics should be answered honestly

Company should strive for public confidence and goodwill

Distinguished publicity and press agency from public relations



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*Figure 2-5 (Photo: Seely G. Mudd Manuscript Library)*

# Lee's Advice to Rockefeller

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*“Tell the truth, because sooner or later the public will find it out anyway. And if the public doesn't like what you are doing, change your policies and bring them into line with what people want.”*

# Efforts to Humanize the Rockefellers

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Lee featured the Rockefellers in real-life situations

- Playing golf
- Attending church
- Celebrating birthdays

Aimed to present Rockefellers in terms that every individual could understand and appreciate

# “Poison Ivy”

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In the late 1920's, Ivey Lee advised the parent company of the German Dye Trust

The parent company was an agent for the policies of Adolf Hitler

Lee was branded a traitor and dubbed “Poison Ivy” by members of Congress



# Learning Objective 2

## Discussion Question

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Why is Ivy Lee considered the father of public relations?

# Learning Objective 3

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To chart the growth of public relations and its emergence as a major societal force in the 21st century.

# The Growth of Modern Public Relations

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## Government

- Creel Committee
- Office of War Information
- World War II public relations officers
- President Harry Truman
- President Richard Nixon
- “Great communicator” Ronald Reagan
- President Bill Clinton
- President Barack Obama

# Counseling

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Edward L. Bernays was the author of *Crystallizing Public Opinion*

He taught the first course in public relations in 1923

He recruited the first distinguished female practitioner, Doris E. Fleischman

Bernays transformed practice from journalistic-based to one underpinned by social psychology

# The Growth of Counseling

Edward L. Bernays

- From “publicity direction” to “counsel on public relations”
- Pioneering counseling efforts resulted in a number of public relations firms

Hill & Knowlton

Burson-Marsteller



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*Figure 2-6 (Photo: Courtesy of the Museum of Public Relations, [www.prmuseum.com](http://www.prmuseum.com))*

# Burson Fumbles Facebook Flap

Facebook planted stories about Google (Page 36)

How should Burson have handled its Facebook assignment?

Should a public relations client always be notified?



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Figure 2-7 (Photo: PETER DaSILVA/EPA/Newscom)

# Corporations

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Arthur W. Page's five principles for successful corporate public relations

1. Make sure management thoughtfully analyzes relation to public
2. Create system to inform employees about firm policies and practices
3. Create system giving contact employees knowledge to be polite and reasonable to public
4. Create system drawing employee and public questions and criticism back through organization to management
5. Ensure frankness in telling the public about the company's actions

# Corporations

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Paul Garrett

While working for GM, Garret explained that the essence of his job was to convince the public that the powerful auto company deserved trust

“to make a billion-dollar company seem small”

GM executives often treated him with wariness



# Learning Objective 3

## Discussion Question

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What was the significance of Arthur Page to the development of corporate public relations?

# Learning Objective 4

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To examine the factors, like social media, that have propelled the practice of public relations as a powerful and valuable force in this new century

# Heightened Public/Media Awareness

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In the 1970s and 1980s, companies were obligated to consider social issues

New policy of corporate social responsibility (CSR) continued into the 1990s

Publics have become more fragmented, specialized, and sophisticated

# Societal Change, Conflict, and Confrontation

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Social and political upheavals in the 1960s dramatically affected public relations

The Vietnam War fractured society

Consumer movements and activist groups mobilized

Minorities began to protest for rights

People challenged the legitimacy of large institutions

# Societal Change, Conflict, and Confrontation

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By the 21<sup>st</sup> century, nongovernmental organizations (NGOs) took the place of consumer movements

Renewed disenchantment with those in charge of government and business

# Spread of Democracy and Capitalism

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Democracy and capitalism have “broken out everywhere”

Continuing repression, terrorism, and war in the Middle East, created setbacks

The world is near-completely wired, so the power of communication and public relations to build democracy is profound

# Growth of Social Media

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In the 21<sup>st</sup> century, two-way communication grew with online access

The Web and social media have had a phenomenal impact on public relations practice

# Public Relations Education

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Over 200 programs offer concentrated study in public relations

Public relations should be incorporated into business schools

Journalists should also be educated about public relations



# Learning Objective 4

## Discussion Question

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Where should the practice of public relations be situated in a university?

# Case Study: Welcome to the NFL

Page 42

1. Had you been public relations advisor to the NFL commissioner, what advice would you have given him after the Ray Rice incident was first reported?
2. What is your view on the fairness of the Rice suspension after the second TMZ video was exposed?



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*Figure 2-8 (Photo: ANDREW GOMBERT/Newscom)*

# Case Study: Welcome to the NFL

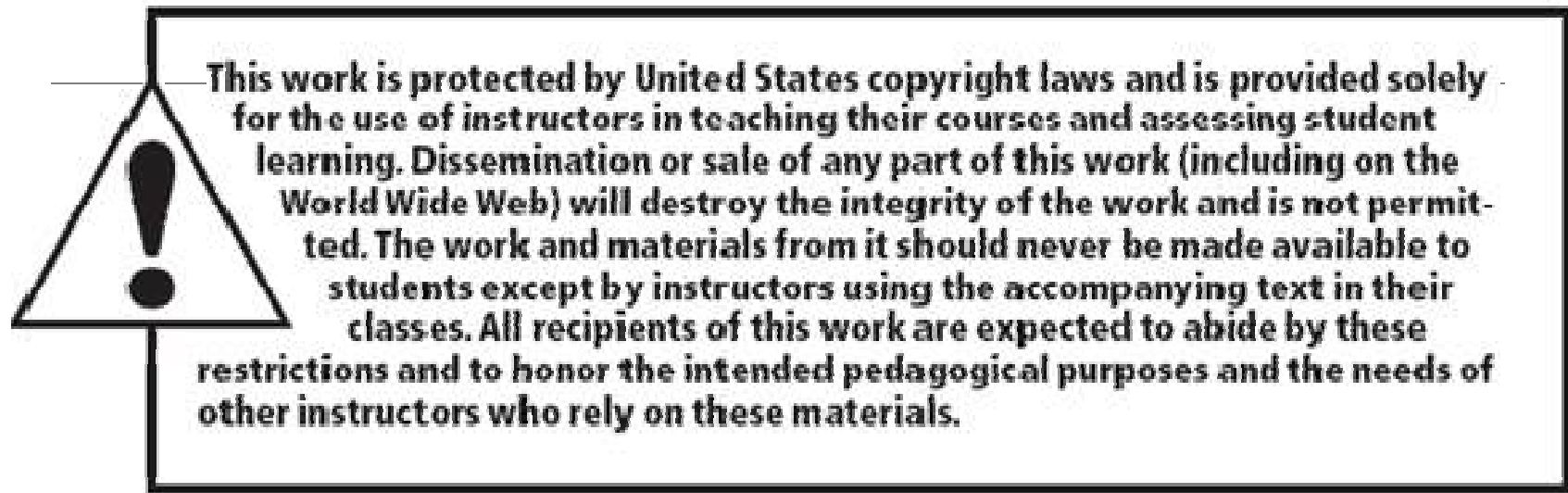
Page 42

3. Should the NFL allow players like Rice and Peterson and future domestic abusers to remain in the league?
4. What public relations initiatives would you recommend the NFL take relative to domestic and child abuse?



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Figure 2-8 (Photo: ANDREW GOMBERT/Newscom)



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