Introduction

The Invisible Hand

In the aftermath of World War I, journalist and political commentator Walter Lippmann believed that the public needed to be managed by experts. His views developed in an era of rich intellectual debates about propaganda, conceptions of democracy, and the role of an increasingly mass public in American politics. In 1922, Lippmann argued that in an increasingly complex world, government could not work without "an independent, expert organization for making the unseen facts intelligible to those who have to make the decisions." For Lippmann, this expert elite would "allow us to escape from the intolerable and unworkable fiction that each of us must acquire a competent opinion about all public affairs." Not everyone agreed with Lippmann, but many progressives did, believing that the problems of modern society required technocratic solutions.[1]

Frustrated by the inward postwar turn in American foreign policy after 1918, Lippmann's concerns were especially pronounced in relation to foreign affairs. He argued that debates relating to domestic issues involved parties who spoke the same language and shared the same political environment. As a result, differing viewpoints could scarcely be avoided and were generally understood if not fully accepted. In foreign affairs, however, opposing voices came from a different country, spoke a different language, and held different traditions and experiences. The complex

[1] Walter Lippmann, *Public Opinion* (New Brunswick: Transaction, 1992), 31. On the broader context of the era, see Brett Gary, *The Nervous Liberals: Propaganda Anxieties from World War I to the Cold War* (New York: Columbia University Press, 1999); Jonathan Auerbach, *Weapons of Democracy: Propaganda, Progressivism, and American Public Opinion* (Baltimore: Johns Hopkins University Press, 2015).

diplomatic issues of the modern world therefore required educated and knowledgeable leadership from informed insiders who understood the matters at stake. Dismissing the wider public entirely, Lippmann concluded that "on questions as complex as those awaiting settlement in the world today, it is utterly impossible to rely on the mysterious wisdom of the people." Given the lack of public knowledge on issues such as foreign trade, war debts, or the League of Nations, he argued that "the only possible means by which democracy can act successfully in foreign affairs is access to the knowledge which the insiders possess." While they were almost certainly not the insiders Lippmann had in mind, leading figures in the rapidly expanding public relations (PR) industry were perfectly positioned to engage in the new expert opinion-shaping process.[2]

The expansion of the PR industry and America's global power ran in parallel, but these concurrent and seemingly disconnected trends were in fact closely related. The PR industry developed in the early twentieth century, evolving from press agents and publicity firms. The earliest PR firms (even if they were not yet referring to themselves as such) began in the early 1900s prior to World War I, often helping businesses respond to the criticisms of muckraking journalists. The industry grew dramatically in the years after the war, led by industry pioneers such as Edward Bernays, Carl Byoir, and Ivy Lee. Reflecting American economic growth, the industry expanded still further after World War II through firms such as Hill and Knowlton. By the end of the twentieth century, PR was big business, still building upon the techniques developed throughout the century, albeit through increasingly vast global corporate entities.

As the PR industry expanded in the twentieth century, so too did America's role in the world. In the aftermath of the Spanish-American War of 1898, the nation became the dominant military power in the Western hemisphere. The United States joined World War I in 1917, engaging with European power politics for the first time since the nation's revolutionary origins. Despite the subsequent decision not to join the League of Nations, American economic and cultural interests continued to expand overseas during the 1920s and 1930s. Once the Japanese attack on Pearl Harbor drew the nation into World War II, the United States rapidly became the world's most powerful nation, in both military

[2] Walter Lippmann, "Democracy, Foreign Policy and the Split Personality of the Modern Statesman," *The Annals of the American Academy of Political and Social Science*, Vol. 102, No. 1 (July 1922), 192–3. For Lippmann's broader view of the history of American foreign relations, see his later *U.S. Foreign Policy: Shield of the Republic* (Boston: Little, Brown and Company, 1943).

and economic terms. As the Cold War developed with the Soviet Union in the late 1940s, American leaders worked for four decades to protect the nation from communist enemies, both real and imagined. By the end of the century, following the collapse of the USSR, the United States was the world's sole remaining superpower. The PR industry played a key supporting role in helping the United States reach that position.

An examination of the complex relationship between American foreign relations and the field of PR reveals a hidden hand of influence on US foreign relations. Business interests played a significant part in shaping the broader national interest. PR companies engaged with foreign policy throughout the twentieth century, even as they remained largely hidden from public view. They did so for a variety of reasons. PR firms developed economic interests in foreign relations issues, working for clients who paid their bills. PR firms also had political interests in international affairs; some companies only worked for causes they supported, while others worked for any available client in ways that caused considerable controversy. PR had a pervasive role in the evolution of twentieth-century US foreign relations, touching almost every key incident, conflict, and debate. The PR industry is inextricable from American foreign relations since World War I.

It is no surprise that the PR industry engaged with foreign relations issues. While the main focus of PR activity remained on domestic business matters, foreign policy issues represented a unique opportunity for PR companies. Critics of democracy such as Lippmann viewed foreign policy issues as ones that required leadership and particular expertise, even more so than domestic politics. PR firms were quick to respond to those issues with specific viewpoints and agendas in attempts to signify public opinion. Of course, Lippmann was not alone in believing that democracy and foreign policy were ill-suited. In his classic mid-nineteenth-century assessment of American life, Alexis de Tocqueville famously stated that "foreign policy does not require the use of any of the good qualities peculiar to democracy but does demand the cultivation of almost all those which it lacks." In particular, he saw the open and drawn-out nature of democratic decision-making as contrary to the practice of good diplomacy, especially given the nature of a democracy to "obey its feelings rather than its calculations." This represented an opportunity for PR leaders who sought to bring clarity to complex foreign relations issues. Ironically, in their efforts to do so, PR efforts often appealed directly to the nation's feelings to achieve a particular outcome.[3]

[3] Alexis de Tocqueville, *Democracy in America* (London: Fontana, 1994), 228–9.

Oddly, the PR industry is one of the more overlooked nonstate actors that have historically influenced American foreign relations. PR firms were neither the public nor the government, but the industry's leading practitioners firmly believed they could quietly influence both. By convincing the American people to think in certain ways about world affairs, PR firms engaged in efforts – for their clients and also themselves – to sway public opinion, broadly construed, in ways that might affect the foreign policy of the nation. In promoting specific foreign policy positions, PR firms encroached upon the turf of the US government, sometimes (though not always) with official backing. As a hidden technocratic elite, PR firms had limited accountability. Unlike political leaders, they could not be voted from office at the next election. The industry may not have held the formal power of government, but it still held a position of power in American political culture that enabled it to influence the public.[4]

The complex relationship between PR actors and the state has proven to be the most controversial aspect of the role of PR in foreign relations. That relationship varied by company and across time, leading to both consensus and controversy. The hidden hand of PR frequently enjoyed close connections to the actual US government, which only enhanced the power of PR businesses. Many PR firms looked to the government for guidance and advice, wary of straying too far from government policy. Particularly close connections existed during periods of war. However, American PR businesses did not always serve the needs of US foreign policy. At times, PR firms cared less about aligning with their own government. They adopted overseas businesses and foreign governments as clients in ways that created problems at home. Such instances saw the hidden hand of PR become visible in the wake of concerns regarding excessive private influence.

For PR to work most effectively, it should be invisible. The acts involved in winning favorable opinion should never be obvious to the public audience, and the public must not be aware of the efforts being made to persuade them. Yet as the twentieth century progressed, numerous cases occurred where the role of PR became all too visible to the public. It is no coincidence that these instances led to controversy over the role of PR. In these instances, fear of misleading propaganda arose. When faced with

[4] Barbara J. Keys, "Nonstate Actors" in Frank Costigliola and Michael J. Hogan (eds), *Explaining the History of American Foreign Relations*, 3rd ed. (Cambridge: Cambridge University Press, 2016), 119–34.

evidence that PR efforts had been undertaken to lead (or mislead) the public, the press and Congress stepped forward to express concern about the excesses of PR and its political power. Congressional investigations into the PR representation of foreign interests took place in the 1930s and 1960s, and the government introduced legislation forcing PR firms to register if they represented foreign interests. However, the legislation has barely been enforced, and PR firms have largely acted without restriction.

Still, the influence of PR on foreign relations remained controversial. Persuading the American people to buy products as consumers was one thing. Persuading them to think differently about the national interest as citizens was something else altogether. The century saw recurring concerns regarding the involvement of PR firms in foreign propaganda. Anxieties in the 1930s about the manipulation of public opinion in ways that might not conform to the national interest led to the passage of the Foreign Agents Registration Act (FARA) in 1938. Concerns resurfaced in the 1960s about the ways PR actors framed the world for American consumption and the potential implications of such framings. Those concerns appeared all too justified with the outbreak of the Vietnam War, before fading once more until unease at PR involvement in foreign relations resurfaced in the 1990s with the first Gulf War. At best, it appeared foreign-funded propaganda was trying to influence American public opinion; at worst, those PR efforts seemed to be dragging the United States into war.[5]

Fears about the misuse of PR were exacerbated by tension between the democratic desire to use PR to seek broad democratic legitimacy, and the more cynical desire to use PR to either lead public opinion or manipulate it for particular purposes. Leading PR counsellors shared a common view regarding the developing concept of public opinion. Building on the work of Walter Lippmann, early PR leaders such as Bernays and Lee focused on shaping opinion. In the absence of mass popular support, the appearance of mass popular support would suffice. PR executives worked with opinion leaders within the American public rather than with the mass public. The next generation of PR executives followed the same pattern: focus on securing the elite and the rest will follow. This approach can be seen in the way PR figures made close connections to the press for

[5] For an article that considers the ethical questions raised by the intersection of public relations and foreign relations, see James E. Grunig, "Public relations and international affairs: Effects, ethics, and responsibility," *Journal of International Affairs*, Vol. 47, No. 1 (Summer 1993), 137–62.

publicity purposes. It can also be seen in the way PR leaders encouraged citizens' organizations to make links with the leaders of various key representative sectors of society (e.g., business, labor, and religion) rather than society as a whole. In this sense, many PR appeals to the public were only superficially democratic.

Governmental efforts to restrict the power of PR reflected anxieties that PR had the power to undermine American democracy. In representing foreign interests, especially those that did not align with American interests, PR work looked increasingly like propaganda. Concerns expanded about propaganda in the post-1918 world. Harold Lasswell concluded his classic study of propaganda with Anatole France's observation that "democracy (and indeed, all society) is run by an unseen engineer." In his 1928 book, openly entitled *Propaganda*, PR pioneer Edward Bernays wrote about "invisible governors" who manipulated the opinions of the masses. The potential for Lippmann's expert elites, France's unseen engineers, and Bernays's invisible governors to mislead the public seemed too great. As one British author later observed, "it is chiefly because public relations specialists are paid propagandists that society has to take any cognizance of them." In the face of ongoing suspicion of propaganda, PR firms frequently appeared as an undemocratic elite that sought to manipulate public opinion on vital issues of national security.[6]

For all the fears that PR could undermine American democracy, the simple fact that PR firms engaged with foreign relations did not guarantee influence. Attempting to quantify the success of PR influence is an almost impossible task, in part because of the hidden nature of PR activity. In addition, even when a cause supported by a PR campaign succeeded, it is difficult to measure the exact extent of that PR campaign's influence, especially when numerous other factors are often involved. It is easy to mistake correlation for causation. As a result, measuring the effectiveness of PR campaigns is not the primary focus of this book. What is clear is that the direct influence on issues varies over time and by issue.

Nonetheless, the PR industry successfully convinced others of its influence and power. This success came despite a lack of hard evidence to support the bold claims of key figures such as Edward Bernays. The PR industry believed the public could be engineered to think and act in

[6] Harold D. Lasswell, *Propaganda Technique in World War* (New York: Knopf, 1927), 222; Edward Bernays, *Propaganda* (New York: Ig Publishing, 2005 [1928]), 37; J. A. R. Pimlott, *Public Relations and American Democracy* (Princeton: Princeton University Press, 1951), 241.

certain ways. It promised results and sometimes delivered. Believing PR support to be effective, or even just fearing the consequence of rejecting it, citizens' organizations, businesses, the US government, and foreign governments paid handsomely for PR assistance. Even if PR lacked the rather conspiratorial persuasive power attributed to it by critics such as Vance Packard in his 1957 book *The Hidden Persuaders*, it achieved enough (and appealed to people's fears sufficiently) to expand dramatically as an industry as the century progressed, and to exert regular influence on foreign relations issues.[7]

DEFINING PUBLIC RELATIONS

Despite the numerous connections between PR and American foreign relations, there has been almost no assessment of the relationship between the two. Historians have examined the history of American foreign relations in vast detail. However, even as they have broadened the focus of the field to consider economic interests and nonstate actors, they have rarely considered the role of PR firms. There have been calls for more analysis in this broad area: in 2014, historian Emily Rosenberg argued that "to the extent that carefully crafted PR campaigns now frame so much of the media coverage and public discourse about the world, foreign policy historians need to understand more about mass consumerism and marketing." Similarly, classic political science literature on the relationship between public opinion and foreign policy shows no interest in the role of corporate PR. An assessment of the relationship between PR and US foreign relations is long overdue.[8]

[7] See for example Edward Bernays, *Public Relations* ([Unknown]: Snowball, 2012 [1952]), 3–10. Vance Packard, *The Hidden Persuaders* (New York: David McKay, 1957).

[8] Emily Rosenberg, "U.S. Mass Consumerism in Transnational Perspective" in Michael Hogan and Frank Costigliola (eds), *America in the World: The Historiography of American Foreign Relations since 1941* (Cambridge: Cambridge University Press, 2014), 325. George Herring's huge survey of the field contains just two brief references to the PR industry. See George C. Herring, *From Colony to Superpower: U.S. Foreign Relations since 1776* (Oxford: Oxford University Press, 2008), 653–4, 684. There are none in Howard Jones, *Crucible of Power: A History of American Foreign Relations from 1897* (Lanham: Rowman and Littlefield, 2008). The recent four volume *Cambridge History of America and the World* also contains none at all (for which I am partly to blame as one of the contributors). See *The Cambridge History of America and the World*, 4 Vols (Cambridge: Cambridge University Press, 2022). For the political science literature, see Gabriel A. Almond, *The American People and Foreign Policy* (New York: Harcourt, Brace and Company, 1950); James N. Rosenau, *Public Opinion and Foreign Policy* (New York: Random House, 1961); Bernard C. Cohen, *The Public's Impact on Foreign Policy*

There is a growing amount of scholarship on the history of PR, both in the United States and in the wider world. In addition to a handful of older works of business history, the history of PR is a burgeoning field of interest. However, historians of PR, communications, and business have focused largely on the impact of PR firms on the domestic corporate world. PR historians have certainly touched upon foreign relations issues more than foreign relations historians have considered the PR industry, but it has not been their primary focus. While some of this literature is extremely critical of the industry, much of it is sympathetic to PR activity. In addition, some recent work on PR adopts a broad definition of the term that goes beyond the PR industry itself.[9]

The focus of this book is on the PR industry, as represented by those companies and actors who defined themselves (or eventually did so) as PR professionals, whatever their exact definition of PR. The main actors are the major PR firms and their leaders and individual PR consultants. Thus, the main emphasis is on PR as a *profession* rather than the *practice* of PR in its broadest sense. This emphasis is for the sake of scope and

(Boston: Little, Brown and Company, 1973); Ole R. Holsti, *Public Opinion and American Foreign Policy* (Ann Arbor: University of Michigan Press, 2004); James M. McCormick (ed.), *The Domestic Sources of American Foreign Policy: Insights and Evidence* (Lanham: Rowman and Littlefield, 2012).

[9] Examples that focus on the United States include Irwin Ross, *The Image Merchants: The Fabulous World of American Public Relations* (London: Weidenfeld and Nicholson, 1959); Alan R. Raucher, *Public Relations and Business 1900–1929* (Baltimore: Johns Hopkins University Press, 1968); Richard S. Tedlow, *Keeping the Corporate Image: Public Relations and Business, 1900–1950* (Greenwich, JAI Press, 1979); Scott Cutlip, *The Unseen Power: Public Relations. A History* (Mahwah: Lawrence Erlbaum, 1994); Stuart Ewen, *PR! A Social History of Spin* (New York: Basic Books, 1996); Larry Tye, *The Father of Spin: Edward Bernays and the Birth of Public Relations* (New York: Henry Holt, 1998); Roland Marchand, *Creating the Corporate Soul: The Rise of Public Relations and Corporate Imagery in American Big Business* (Berkeley: University of California Press, 1998); Cayce Myers, *Public Relations History: Theory, Practice, and Profession* (New York: Routledge, 2021). On recent efforts to broaden the study of public relations, see Karen S. Miller, "U.S. Public Relations History: Knowledge and Limitations," *Annals of the International Communication Association*, Vol. 23, No. 1 (2000): 381–420; Margot Opdycke Lamme and Karen Miller Russell, "Removing the Spin: Toward a New Theory of Public Relations History," *Journalism and Communication Monographs* Vol. 11, No. 4 (December 2009), 280–362; and Tom Watson (ed.), *North American Perspectives on the Development of Public Relations: Other Voices* (London: Palgrave Macmillan, 2017). For a more theoretical approach that is critical of much of the above literature, see Cory Wimberly, *How Propaganda became Public Relations: Foucault and the Corporate Government of the Public* (London: Routledge, 2020). For an American political history that takes a broad definition of "spin" that goes far beyond corporate PR, see David Greenberg, *Republic of Spin: An Inside History of the American Presidency* (New York: W. W. Norton, 2016).

coherence, and not to suggest that a broader definition is not worthy of analysis. Indeed, there are other aspects of the broader concept of PR that could be considered here. For example, the adoption of PR methods and bureaucracies by government agencies and businesses is worthy of consideration but beyond the scope of this study. Similarly, while scholars of American foreign relations have increasingly examined "public relations" in a broader sense through governmental propaganda and public diplomacy overseas, that is quite different from the story of how PR firms worked inside the United States and even beyond. Of course, PR professionals frequently worked with government, sometimes even joining it.[10]

Referring to PR as a profession raises additional questions about terminology and bigger questions about the very nature of PR. The issue of whether those who conduct PR are part of a profession is open to question. In many ways, PR counsellors can be seen as part of a profession, as there are organizations that set ethical standards and provide development opportunities, such as the Public Relations Society of America. Notably, at least one PR figure disagreed with this characterization. Burson-Marsteller's Robert Leaf claimed that it is not a profession but an industry or a business. While medical and legal practitioners can be struck off, PR executives are beyond accountability, and "as long as I have a phone and you want my help, nothing can stop me from plying my trade, whether my clients and peers consider me professional or not." In the absence of a consensus, this book uses the terms interchangeably.[11]

Even with a clear definition of PR as a profession rather than a practice, defining the aim and role of the profession is a further challenge.

[10] See for example, Richard T. Arndt, *The First Resort of Kings: American Cultural Diplomacy in the Twentieth Century* (Washington, DC: Potomac Books, 2005); Nicholas J. Cull, *The Cold War and the United States Information Agency: American Propaganda and Public Diplomacy, 1945–1989* (Cambridge: Cambridge University Press, 2008); Laura A. Belmonte, *Selling the American Way: U.S. Propaganda and the Cold War* (Philadelphia: University of Pennsylvania Press, 2008); Justin Hart, *Empire of Ideas: The Origins of Public Diplomacy and the Transformation of U.S. Foreign Policy* (Oxford: Oxford University Press, 2013); Michael L. Krenn, *The History of United States Cultural Diplomacy: 1770 to the Present Day* (London: Bloomsbury, 2017); Caitlin E. Schindler, *The Origins of Public Diplomacy in US Statecraft: Uncovering a Forgotten Tradition* (Cham: Palgrave, 2018); Sarah Ellen Graham, *Culture and Propaganda: The Progressive Origins of American Public Diplomacy* (Routledge: London, 2020). For an example of work on the public relations bureaucracy within the US government, see Ryan D. Wadle, *Selling Sea Power: Public Relations and the U.S. Navy, 1917–1941* (Norman: University of Oklahoma Press, 2019).

[11] Robert Leaf, *The Art of Perception: Memoirs of a Life in PR* (London: Atlantic Books, 2014), 42–3.

The fact that the industry itself struggled to produce a satisfactory definition for "public relations" suggests that it might be an impossible task. In 1947, *Public Relations News* editor Glenn Griswold sought to find one truly effective definition. After being sent hundreds of definitions by his subscribers, he turned to his editorial board, asking them to choose their preferred three from a shortlist of nineteen. Some definitions were more abstract ("any activity or non-activity which advances human welfare by fostering a spirit of understanding and cooperation …"), while others were more corporate ("the continuing process by which management endeavors to obtain the good will and understanding of its customers …"). Hill and Knowlton's John Hill replied with his preference: "public relations is the technique of winning and holding favorable public opinion." Even then, Hill conceded that he had "never seen what seemed to me to be a satisfactory definition of public relations, and I am not sure that one is possible." His preferred definition offers nonetheless the most effective summary of PR work.[12]

The PR industry was very much a product of its time. Its leaders were inspired by contemporary debates regarding the potential of mass psychology and the power of persuasion to solve the problems of modern society. PR efforts certainly employed vivid emotional appeals to win over the minds and especially the hearts of the American people. In addition to the work of his uncle Sigmund Freud, Edward Bernays found books such as Gustave Le Bon's *The Crowd* and William Trotter's *Instincts of the Herd in Peace and War* useful in thinking broadly about crowd psychology. The innovation of Bernays and Ivy Lee was to turn these broader social theories into everyday practical solutions that could be applied to a variety of issues, including those relating to foreign relations.[13]

At a more concrete level, the role of PR in foreign relations has been broad in nature. As Edward Bernays described it, a PR executive functions "primarily as an adviser to his client, very much as a lawyer does." However, while that strategic description is true, it does not do justice to the amount of hands-on service work undertaken by PR firms. That advice and work could be on any number of issues relating to the winning of public opinion. The work that defined PR counsel included broad strategic advice on various issues, supporting the staffing of PR

[12] Glenn Griswold to John Hill, April 16, 1947, and John Hill to Glenn Griswold, May 6, 1947, Folder 2 Public Relations News 1947–1956, Box 35, John Hill Papers, Wisconsin Historical Society, Madison, Wisconsin (hereafter Hill papers).

[13] Edward Bernays, *Biography of an Idea: Memoirs of Public Relations Counsel* (New York: Simon and Schuster, 1965), 290–1.