



Recent Trends in Public Relations Activities

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These new trends have in turn had their effect on fund-raising technique. The obstacles noted are being met. The major moves in that direction are the following:

1. The appeal or "reason why" must be much stronger and more intelligently presented than in the past. In meeting the present intense competition for the country's philanthropic fund, the appeal must stand up against a barrage of questions seldom heard in 1929.

2. Large-scale fund-raising is a much more serious business than formerly. Such obstacles in public opinion as political animosity, increasing taxes, and the spread of social legislation, must be overcome. As a result the effort must be thoroughly organized along scientific lines. Unless this is done and the well-proved principles of modern fund-raising employed, disaster is likely and disappointment certain.

3. As a result of these forces the fund-raising business has rapidly developed from the hit-and-miss methods of the early '20's to an established profession possessing a substantial body of knowledge. And one of the fundamental requirements for success in that profession is a wide knowledge and deep appreciation of public opinion and its primary position in our national life.

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RECENT TRENDS IN PUBLIC RELATIONS ACTIVITIES

The public relations profession enlarged its activities throughout the great depression, because business

realized that in addition to selling its products under unfavorable conditions it needed also to sell itself to the public, to explain its contribution to the entire economic system. Business recognized that if it did not do this, conflicting ideas might abolish or modify business itself. Then, too, the increasing attention given by universities, publicists and writers to the importance of sound public relations in the maintenance of our system of free enterprise made business aware of the need for modifying its attitudes and actions to conform to public demands, as well as for getting the public to understand its position.

Previous to the depression, the public relations activities of industry were, to a large extent, confined to trade associations and the larger corporations. Trade associations which had specific problems of public relations—competition, taxes, sales difficulties—called in the expert on public opinion. The coal, the meat, the oil industries were cases in point.

There was the tax problem, for instance—chain stores were faced by a wave of special taxes. And there were problems of markets, such as maintaining and developing markets for artificial flowers, concrete roads, velvets, or citrus fruits. Competing products such as coal vs. oil, steel vs. wood, vegetable fat vs. animal fat, utilized public relations methods to make clear to the public the advan-

tage of one over the other product. The public relations activities of large corporations were of the same general character. Large corporations were faced with maintaining and developing leadership in their fields. They often used public relations techniques to develop members of their own organizations as symbols of leadership. In industry these two broad fields of action kept the public relations men busy, either as professional advisers, on the outside, or as officers within the corporation or trade association, charged with public relations activities.

Then came the depression and deflation. For a time there was little attempt to grapple with the new conditions. Neither steel nor wood, coal nor oil, velvet nor silk, thought there were markets worth fighting for on the old basis of important cooperative effort in public relations. The deflation of stocks, bonds, and general values caused a recession of trade-association public relations activities. While the efforts of trade associations in public relations activities languished, the large corporations realigned their policies and efforts. They were faced with entirely new conditions in the market. They needed experts who could keep them constantly informed as to the new demands of the public. Corporations and leaders had lost prestige simultaneously. From a market standpoint, the public was keenly sensi-

tive, because of its feeling of insecurity, to everything about a corporation that it did not understand. Companies were exposed on all sides to attacks from the most unexpected quarters. Not only had many leaders lost their prestige with the public, but product sales fell off for the most improbable and unlikely reasons, as for instance false rumors that X company was inimical to Catholics, Jews, or Protestants. Or the false rumors might be that the product was short-weight, or the owners were Fascist or anti-Fascist. No possible subject that could be a matter of disagreement between two groups of the public was too trivial to cause a wave of public disapproval or a falling off in buying. The public relations counsel was called in at all hours of the day or night to rush to the fire and put out what might well have spread into a disastrous conflagration.

Advising and aiding in the rebuilding of established reputations which had been blasted, and attempting to develop new reputations, were greatly important tasks of the period. The day of the straw man and the stuffed shirt was over. America no longer wanted clay idols. It wanted real heroes, who kept pace with the changed times and anticipated changed conditions by changing policies and actions in advance of public pressure or law—men who recognized *that private business is a public*

trust. In the field of politics straw men did appear on the horizon, but in business and industry leaders had to be made of sterner stuff.

Trade associations came back, too, not only in the previous fields of action, but mainly in connection with their relationship to government. The NRA created numerous public relations problems for a number of industries.

Industry also woke up and recognized that the Huey Longs, Coughlins, Townsends, Sinclairs, and others who flooded America with economic and other "isms," might really be undermining the basis of our economic system. They began to realize that they had neglected many important phases of their own existence, as for example:

1. The importance of always adhering to the principle that, to survive, private business must always be in the public interest.
2. That the public interest is a changing concept and business must change with it.
3. That the place of business in the American system must be sold to the public.
4. That public relations techniques can help to do this.

The trade association has come back not only with a recognition of its specific problems, but with a recognition of these broader problems. It has recognized that it must serve the interest of the public. It is recognizing that it is not enough to do lip service to the principles of Adam

Smith. It is necessary to modify policies and acts—for instance, on wages, on labor. Great trade associations are dealing with these problems. Reactionary members in an industry are not aware that the world has changed. Liberal members must convince them.

This period, too, saw the development of campaigns by large aggregations of industry to attempt to rationalize and integrate business into the thinking of the American people. The United States Chamber of Commerce, through the *Nation's Business*, edited by Merle Thorpe, has carried on important public relations activities. The National Association of Manufacturers, under Colby Chester, has striven aggressively in many different ways along many fronts, attempting to rationalize industry to the public.

Large corporations have expanded their public relations activities. The United States Steel Corporation, for instance, under the aegis of Edward R. Stettinius, Jr., appointed J. Carlisle MacDonald, as its public relations officer. John Wiley Hill became the public relations officer of the American Iron and Steel Institute; Merle Crowell, the public relations officer for the Rockefeller Center interests; Arthur Page widened his sphere of usefulness for the American Telephone and Telegraph Company; Paul Garrett enlarged his field of activities for General Motors

Corporation; Ivy Lee, Jr., and T. J. Ross carried on for the Pennsylvania Railroad; Northrop Clarey did public relations work for Standard Oil of New Jersey; and R. Gordon Wasson for J. P. Morgan and Company.

Outside influences helped to further this growing recognition that industry's intelligent planning of its relationship with the public is an important part of management's duty. The problem of public relations, with reference to propaganda, was made the basis of a discussion at a meeting of the American Political Science Association in December 1934. The American Academy of Political and Social Science devoted itself to a study of propaganda and pressure groups in 1935. The *Herald Tribune* Institute, under Mrs. William Brown Meloney, in 1935 devoted one of its important sessions to the subject of propaganda. Bruce Barton only recently delivered an important speech on the subject at a convention of business men, which was widely reprinted and commented upon. Several large universities took up the subject at institutes. The University of Virginia, at its Institute on Public Affairs in 1936 devoted a session to the subject. Bucknell University, under the direction of Professor Harwood L. Childs of Princeton did likewise. Then the Boston Conference on Distribution covered the subject of public rela-

tions thoroughly, when Daniel Bloomfield, its director, had leading speakers in the field go into the matter last fall.

Dr. George Gallup, in his American Institute of Public Opinion, Archibald Crossley, and others, drew attention to the techniques of measuring public opinion in the national political campaign, and, of course, the activities of Charles Michelson, as director of publicity of the Democratic National Committee, focused further interest on the strategies of working with public opinion. All of these elements had an important effect on the mind of business. The lay, the financial and the trade press carried on the discussion. The *Atlantic Monthly*, the *Financial World*, *Today*, *Business Week*, *Tide*, *Nation's Business*, and other magazines presented articles discussing what only a few years ago would scarcely have been touched upon. Meetings of executives in fields as diversified as railroads, banks, and gelatine, devoted themselves to the subject. And only recently Dean Carl Ackerman, of the Columbia University School of Journalism, proposed a Public Opinion Foundation.

Business in America is no longer merely private business—it is individual enterprise devoted to public business, and the sooner American business appreciates that fact, the better. Nor is business a self-perpetuating function, as some business men

seem to think it is—with practices and rites that must be maintained, merely because they have always been maintained before. Business cannot survive and grow on an emotional credo. It must be based on the soundest logical foundation, based on public interest, convenience, and necessity.

This thought is fundamental to any sound public relations approach. American industry, taking the view that its interests and the public in-

terest coincide, recognizes that intelligently planned actions that conform to these interests are basic to its continued existence. And American industry today is devoting more of its time and energies to the carrying out of policies which recognize public relations activities as one of the basic and most important factors in management.

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