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Source: *The Business History Review*, Vol. 50, No. 1 (Spring, 1976), pp. 25-45

Published by: The President and Fellows of Harvard College

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# The National Association of Manufacturers and Public Relations during the New Deal

¶ *The National Association of Manufacturers was influential in establishing public relations as a permanent fixture in American corporate life. The Association took up the use of public relations in the depths of the depression, promoted its use strongly, and increased its stature.*

Since the turn of the century, when agitation over the industrial “trusts” produced unprecedented political and journalistic criticism of the free enterprise system, American businessmen have experimented with public relations to help defend their corporations. Business bigness had frightened many Americans even before the Progressive Era, but their anxiety was fueled in the early 1900s by muckraking exposés and reform-minded politicians who questioned the preeminence of the big businessman in the American economy.

The homilies used by late-nineteenth-century businessmen to justify their economic power and social position — adherence to the Christian virtues of thrift and hard work, the law of the survival of the fittest, and the automatic workings of the free market — could no longer satisfy a more skeptical public. Thus George F. Baer’s famed assertion during the anthracite strike of 1902 that God had endowed him with his position was ridiculed as an example of the “arrogant stupidity” of the mine operators.<sup>1</sup> Businessmen learned through harsh experience that they must descend from Olympus to convince the public of their social utility by concrete argument.<sup>2</sup> It would take a generation before public relations gained general acceptance as the centerpiece of corporate communication with society. Crucial to that acceptance was the adoption of public rela-

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<sup>1</sup> George E. Mowry, *The Era of Theodore Roosevelt* (New York, 1962), 134–140. The phrase quoted is Roosevelt’s.

<sup>2</sup> Francis X. Sutton *et al.*, *The American Business Creed* (New York, 1962) 275.

tions by the National Association of Manufacturers to defend business against the New Deal. To understand the significance of the NAM's role in the growth and definition of public relations, it is first necessary to outline some early developments in the field.

Between the height of the trust movement and the depths of the Great Depression, public relations grew in fits and starts. One of its first important steps came through the recognition by the anthracite coal mine operators of the price of arrogance. When another strike threatened in 1906, they hired Ivy Ledbetter Lee to supervise their contacts with the press and public. Lee is usually thought of as the father of modern corporate public relations; and it is through techniques that he pioneered and that were refined by others, notably Edward L. Bernays and Arthur W. Page, that businesses have attempted to protect their political flank in addition to stimulating the sales of their products during this century.

Lee sought to "humanize" large and impersonal corporations by publicizing their care for their employees and customers and their efforts toward healthy community relations. He was instrumental in rationalizing the publicity that large institutions naturally attracted.<sup>3</sup> Bernays showed how public relations could help a company economically as well as politically by using techniques such as "created events" instead of paid advertising to promote its products. He emphasized the irrational nature of opinion formation and had great faith in the potential of applied social psychology for "manipulating public opinion." In the first book ever published on the subject, Bernays wrote that the public relations counsellor must operate on what has come to be known as the "Two-Way Street," changing his client's actions in accordance with public desires as well as stimulating the public's taste for the client's products.<sup>4</sup> Page perfected public relations at American Telephone and Telegraph. His methods for increasing the company's responsiveness to public opinion and for fostering an *esprit de corps* among employees became a much admired model.<sup>5</sup>

A large number of industrial firms, railroads, and utilities established press bureaus and employed outside public relations counsel during the Progressive period. Despite the atrophy of criticism of business during the New Era, interest in public relations remained great, especially among consumer-oriented firms, which were com-

<sup>3</sup> See Ray E. Hiebert, *Courtier to the Crowd* (Ames, Iowa, 1966); Alan Raucher, *Public Relations and Business, 1900-1929* (Baltimore, 1968); Eric F. Goldman, *Two-Way Street* (Boston, 1948).

<sup>4</sup> See Edward L. Bernays, *Crystallizing Public Opinion* (New York, 1923), and *Biography of an Idea* (New York, 1965).

<sup>5</sup> See Arthur W. Page, *The Bell Telephone System* (New York, 1941).

ing to recognize that sales could be affected by the public's opinion of a company as well as of its product. Leading businessmen acknowledged the importance of the function, and Lee and Bernays vigorously promoted it through the books and bulletins they wrote and distributed to opinion leaders.

In spite of the work of its partisans, however, public relations met with considerable resistance even within the business community. Executives were confused about precisely what it could do. Was it primarily a political tool, as in the hands of Lee and Page? Was its function predominantly economic — advertising carried on by other means — as with Bernays? Journalists and advertising agents objected to its economic manifestations because “free publicity” and “space grabbing” threatened their income. They denied its salutary political effects. Some corporation lawyers wanted the responsibilities for communication with the public that were being assigned to the descendants of less-than-dignified press agents.

In 1933, the National Association of Manufacturers decided that the promise of public relations outweighed doubts about it and launched a program designed to respond to labor agitation, political attacks, and public criticism, and encouraged other trade associations and individual businesses to do likewise. Its work in spreading the public relations gospel during the depression and after helped to alter the defense of business leadership.

It must be emphasized that not all businessmen agreed with the Association's methods or message. Texas manufacturer Milo Perkins might have had the NAM in mind when he remarked in 1934 that “the capitalist system can be destroyed more effectively by having men of means defend it than by importing a million Reds from Moscow to attack it.”<sup>6</sup> In the 1940s, the Committee for Economic Development was far more receptive than the NAM to government intervention in the economy, and it pursued a less bombastic public relations strategy.<sup>7</sup> And some businesses, notably AT&T, eschewed talk of the business system in favor of providing information about themselves.<sup>8</sup> Nonetheless, the NAM should be credited with pro-

<sup>6</sup> Milo Perkins, “Grab the Torch, Men of Means, Grab the Torch!” *Nation*, vol. 139 (November 28, 1934), 619. Donaldson Brown, vice chairman of the board of General Motors, was disturbed about the stridency of the NAM and worked within the Association to moderate it. Morrell Heald, *The Social Responsibilities of Business* (Cleveland, 1970), 196–197.

<sup>7</sup> See John D’Emilio, “The Committee for Economic Development” (Master’s Thesis, Columbia, 1972).

<sup>8</sup> Despite the fact that other companies have always looked to Bell as the prime example of what good public relations could do, Page, even during the twenties, sought to differentiate AT&T from other big businesses so it would be able to withstand a tide of anti-business sentiment. AT&T therefore did not directly participate in the NAM’s campaign

moting the concept that the cultivation of favorable public opinion was a matter of such importance that it should be delegated to a specific department staffed by experts. Through studying how public relations came to the NAM and what the Association hoped to accomplish through it, we can learn much about the methods and concepts of corporate communication with the public.

### THE BRASS HATS

The National Association of Manufacturers' public relations campaigns of the depression were prefigured by decades of effort to "control national questions of importance to manufacturers."<sup>9</sup> The most important of these questions, following a change in leadership in 1902, was the status of organized labor.<sup>10</sup> The Association's officers during the Progressive Era expressed a single-minded determination to stamp out unionism. Since public opinion was acknowledged to be the ruling force in the land, this goal could best be achieved by conducting a mighty propaganda campaign designed to bring the public back to the proper American and Christian viewpoints. By 1918, the Association was publicizing its opinions through a news-plate service and an extensive speakers' bureau, whose lecturers were attracting a gratifyingly large amount of publicity. It produced and distributed three series of posters, a newsletter, *American Industries* (the official magazine of the Association), and even a motion picture.

The NAM also recognized the strategic role of the press in influencing public opinion, and its leadership was not bound by respect for the integrity of the Fourth Estate. One of its presidents encouraged members to advertise only in those publications that were "bold and fearless" on the labor issue and to withdraw all support from the "cowardly" ones "whose columns and pages are filled with cheap sensational trash tending to breed discontent, chaos, and anarchy."<sup>11</sup>

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to save free enterprise. However a subsidiary, Western Electric, did belong to the Association. Arthur W. Page, "Public Relations," General Operating Conference, May, 1930, vol. 5, 1, Arthur W. Page papers, State Historical Society of Wisconsin, Madison, and see Roger Barton, "What Should a Business Do about Public Relations?" *Advertising and Selling* (October, 1946).

<sup>9</sup> Albert K. Steigerwalt, *The National Association of Manufacturers, 1895-1914* (Grand Rapids, Mich., 1964), 42; Circular of Information # 23, February 10, 1898, 1-2, papers of the National Association of Manufacturers, Eleutherian Mills Historical Library, Greenville, Wilmington, Del. (cited hereinafter as NAM papers).

<sup>10</sup> It should be noted that even before this change in leadership, the Association recognized "the value of printers' ink" and conducted "general propaganda." It is not correct to call the early NAM, as Robert H. Wiebe did, a "relatively quiet organization." *Businessmen and Reform* (Chicago, 1962), 25.

<sup>11</sup> *Proceedings of the 19th annual convention of the NAM, 1914, 167-168; Proceedings*

Under the presidency from 1921 to 1931 of John W. Edgerton, a relatively benign and paternalistic textile manufacturer from Tennessee, the Association continued to concentrate on the labor issue. It lent its support to the Open Shop Movement, which was springing up around the country at war's end. It also tried to attract publicity for its conventions and other activities.

The depression had a devastating effect upon the organization. In their drive to cut expenses, firms terminated their affiliation or went into arrears on their dues. By 1933, membership dropped from a high of 5,350 in 1922 to under 1,500, and resignations were averaging sixty-five a month. Publication of *American Industries* ceased in 1930, and various other economies were instituted. By the end of 1931, the Association had clearly reached a crisis,<sup>12</sup> and it must have been apparent even to Edgerton himself that his regime was incapable of coping with it. He wanted to resign his post at the end of 1931, after eleven years of service. The board of directors, however, agreed that his retirement might further injure Association morale, so he was promoted to the newly-created position of chairman of the board despite stringent cost cutting elsewhere.<sup>13</sup>

Robert L. Lund was nominated to take the office that Edgerton vacated on December 18, 1931. He had no illusions about the difficulties he faced. As conditions of acceptance — in justice, as he put it, to the Association and to himself — Lund insisted that each member of the board contribute \$250 for an emergency fund and that each secure twenty-five new members. Five directors resigned forthwith, but the remainder persevered, and the modern history of the National Association of Manufacturers began.<sup>14</sup>

Lund was a member of the "Brass Hats," a group of industrialists who were not content to see "radicals" and "demagogues" supplant them and their colleagues as the leaders of the nation. The group's origins are obscure, but it seems to have been informally organized

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of 16th NAM, 1911, 87; Clarence Bonnett, *Employers Associations in the United States* (New York, 1922), 340-342. In addition to the helpful discussions of early Association propaganda by Wiebe, Steigerwalt, and Bonnett, see Albion G. Taylor, *Labor Policies of the National Association of Manufacturers* (Urbana, Ill., 1928) and Allen M. Wakstein, "The National Association of Manufacturers and Labor Relations in the 1920s," *Labor History*, vol. 10 (Spring, 1969), 163-176. Considering the amount of research on NAM publicity from 1895 to 1930, it is surprising that so little has appeared about it during the New Deal.

<sup>12</sup> *The NAM and Its Leaders* (Privately printed, 1947), 7, Drawer #11, File Cabinet #6, NAM papers; "Renovation in NAM: Industry's Intransigent Spokesman Now Says 'Yes' as well as 'No,'" *Fortune* (July, 1948), 75.

<sup>13</sup> Letter from Board of Directors to NAM membership, December 18, 1931; Executive Committee Meeting of Board of Directors, vol. 19, 83-85, Minute Books of the Board of Directors of the NAM, office of the NAM, New York City (cited hereinafter as BOD). Edgerton, however, was to enjoy his new position for a mere six months. Minutes of Executive Committee Meeting of BOD, June 23, 1932, vol. 19, 159. These minute books were made available to me with the help of Dr. Richmond D. Williams of the Eleutherian Mills Historical Library and through the kindness of Mr. John R. McGraw of the NAM.

<sup>14</sup> Minutes of BOD meeting, December 18, 1931, vol. 19, 73-75.

as a dinner club in 1931 or 1932, meeting first in Detroit and later in New York City.<sup>15</sup> Its prominent members included Tom Girdler, iron-fisted president of Republic Steel and leader of the employers in the "Little Steel" strikes, Robert B. Henderson, president of Pacific Portland Cement, Charles R. Hook, president of American Rolling Mill and future president of the NAM, Ernest T. Weir, chairman of National Steel, and finally Lund, president of Lambert Pharmaceutical and a former vice president of the Association.<sup>16</sup> The fact that three of these men hailed from an industry with a traditionally hard line toward organized labor indicated the conservative persuasion of the group as a whole.

The evidence suggests that neither Lund nor the other Brass Hats had any preconceived notions about a public relations program for the defense of business before they assumed control of the NAM. Even after a year in the presidency Lund did not mention public relations, publicity, or propaganda as the rationale for the organization's survival. Its principal purpose, he felt, was to provide leadership for other business organizations.<sup>17</sup>

On September 7, 1933, however, Lund issued a key memorandum that indicated that he had discovered the purpose for which the NAM had been groping. He observed that the National Industrial Recovery Act had brought "revolutionary changes in the industrial picture," the most significant of which were in the realm of labor relations. The act had unleashed an intense organizing activity on the part of unions, including not only the AFL but also "the communistic groups whose activities, as time passes, may bring highly serious consequences." Lund added:

All of these organizations, having lost in the Act their long-time conventional appeals to workers, have resorted to untruthful or misleading statements about the law, particularly that it requires workers to join unions; that the worker cannot secure the benefits contemplated by the law unless

<sup>15</sup> The report of the LaFollette Civil Liberties Committee stated that the Brass Hats organized themselves after the 1932 election. They then chose the NAM as the proper vehicle for "business salvation" and restructured it in 1933, making Lund president. Actually, Lund became president at the end of 1931, and the restructuring took place soon thereafter. The logic of events and my reading of the minutes of the meetings of the Board of Directors from 1931 to 1934 suggest that the Brass Hats were born in 1931 and became involved with the NAM not to "save" business but rather to fill the leadership void in the collapsing organization. Not till September 1933 did they recognize the necessity of having a public relations spokesman for industry or the potential of the NAM for that role. See U.S. Senate, Committee on Education and Labor, *Labor Policies of Employers Associations*, Report No. 6, Part 7, 76th Cong., 1st Sess., 1939, 211 (cited hereinafter as *Labor Policies*).

<sup>16</sup> *Ibid.*, 211-212; John N. Stalker, "The National Association of Manufacturers" (Ph.D. Dissertation, University of Wisconsin, 1950), 3.

<sup>17</sup> BOD minutes, November 15, 1932. The question of a "program of industrial education" was given lengthy consideration at the February 12, 1932 meeting, when a staff member submitted a five page memorandum inspired by the "dissemination of economic errors."

he joins such unions; that employers' organizations of workers are prohibited by the law; and other statements.

It is reasonable to expect that a campaign based upon such false statements will ultimately defeat itself as the facts come to light. The outcome, however, will depend upon the activity of employers in combatting these misstatements. . . . The dire need of the strongest possible employer opposition is obvious.

Four major tasks, therefore, now faced the NAM, he said. It must develop a legislative program to deal with problems arising from the NIRA. It must step up its efforts at consolidating manufacturers' organizations. It must become the authority on business statistics. And finally: <sup>18</sup>

The problem of public relations must have an active consideration that the Association has never been able to give it. The public does not understand industry, largely because industry itself has made no real effort to tell its story; to show the people of this country that our high living standards have risen almost altogether from the civilization which industrial activity has set up. On the other hand, selfish groups, including labor, the socialistic-minded and the radical, have constantly and continuously misrepresented industry to the people, with the result that there is a general misinformation of our industrial economy, which is highly destructive in its effect.

The Association must have a more effective publicity staff than at present. The task of public relations, however, involves more than telling the public of the activities of the Association. Discretion and careful planning must be used in carrying it out and all channels through which the public may be reached must be used. The job, it will be recognized, is similar to that which has been done for individuals and large corporations by men such as Lee, Bernys [*sic*], Bruce Barton, and others.

Lund's memorandum contained the kernel of the NAM's message during the thirties. Industry's problems, he believed, were caused chiefly by public misunderstanding of its great services. This misunderstanding had resulted from industry's failure to "tell its story." Businessmen should launch "an active campaign of education." <sup>19</sup>

<sup>18</sup> "CONFIDENTIAL. A Consideration of the Policies and Programs of the National Association of Manufacturers by Robert L. Lund, President, Sept. 7, 1933." BOD, vol. 20, 119.

<sup>19</sup> This refrain has been sung throughout this century. As early as 1916, an official of the NAM called a "campaign of education" a "hackneyed phrase," yet in 1974, M. A. Wright, chairman of the board of Exxon, rued the fact that "Business has failed to do an effective job in communicating its point of view to the general public." This explanation of business unpopularity has the obvious advantage of not requiring businessmen to change their actions. It assumes that there exists a harmony of interests in an economy characterized by free enterprise (an important concept to which we will return) and that the only cause for dissatisfaction is an inability to see this harmony, or as some of the more direct public relations men put it, "economic illiteracy." *Proceedings of 21st NAM*, 1916, 160; Wright is quoted in J. K. Galbraith's review of *The Assault on Free Enterprise*, *New York Times Book Review*, September 15, 1974, 7; John W. Hill, *The Making of a Public Relations Man* (New York, 1963), 169-170, 174-178, 220-222.

The memorandum also showed that Lund and like-minded businessmen had no intention of relinquishing their claim to national leadership. Arthur M. Schlesinger, Jr. has written that by the time of Roosevelt's inauguration, any such claim "had long since collapsed" not only because of the hardships caused by the depression but also the gross misconduct revealed in the Senate Banking and Currency Committee investigations in 1932, the suicide of Ivar Krueger, and the disintegration of the Insull empire. Not only had the nation lost confidence in business, but business too, it seemed, "was losing confidence in itself."<sup>20</sup> The very existence of the Brass Hats, their decision to rejuvenate the NAM, and their determination as early as September of 1933 to launch the kind of public relations program described by Lund proved that at least some big businessmen even in the depression's darkest days had not lost faith in a business-dominated social and economic order.<sup>21</sup>

The thrust of Lund's critique was that labor was his primary opponent in the battle for men's minds. He was willing to assume that the government would act in the interests of business. However, by his proposal for the preparation of a legislative program, he gave notice that he was not going to leave this good will to chance.

To run the public relations program, Lund picked the combative Walter W. Weisenberger, an ex-newspaper man and a former executive of the chamber of commerce of Lund's native city of St. Louis. Weisenberger became executive vice president of the Association. His chief aide was another former journalist, James Selvage, who was given the title of public relations director.<sup>22</sup> Two committees were formed to oversee the campaign. The Public Relations Committee, with a membership of from forty to fifty businessmen, was founded in 1934 to evaluate the plans of Weisenberger and his staff. The National Industrial Information Committee was founded in 1935 to raise money specifically for the NAM's public relations crusade.<sup>23</sup>

Although Association propaganda of the 1930s resembled in some

<sup>20</sup> Arthur M. Schlesinger, Jr., *The Coming of the New Deal* (Boston, 1958), 423-425; Linda Keller Brown, "Challenge and Response" (Ph.D. Dissertation, University of Pennsylvania, 1972), 174-179.

<sup>21</sup> An NAM in-house historian gave great emphasis to the immediacy of the Association's opposition to F.D.R.: "At 1:08 p.m. on March 4, 1933 the New Deal began. Business overnight came under attack, and, as president of the NAM, Robert L. Lund became one of the leaders of the defense." *The NAM and Its Leaders*, 8. The activities of the Brass Hats suggest that the New Deal "honeymoon" was not quite as ardent an affair as some have supposed.

<sup>22</sup> When Selvage was first hired, the titles "Publicity Director" and "Director of Public Relations" were apparently used interchangeably. "Report of the Secretary," December 7, 1933, BOD, vol. 20, 139.

<sup>23</sup> *Labor Policies*, Report No. 6, Pt. 5, 154-155.

ways that of the Progressive Era, it also differed in important respects. Chief among these was an increased sensitivity to the opinions of others rather than the mere expression of the NAM viewpoint. For example, one of Weisenberger's first moves was to commission Cherington and Roper to conduct a nationwide poll of more than 6,000 employees of large and small manufacturers. Probably no such effort had been made by the Association up to that time. The new NAM sought to sell free enterprise the way Procter and Gamble sold soap. Weisenberger, therefore, ordered a market survey to discover the opinions of, and the best appeals to reach, the potential consumers.<sup>24</sup>

Another departure from the old ways was the attitude toward the press. The new public relations program made extensive use of paid advertising, thus encouraging the allegiance of advertising men and newspapers alike. Perhaps because it was run by former newspapermen, the program did not try to lecture or threaten journalists but sought to work with and through them.

As had their predecessors, the public relations directors tried to make use of every medium of communication to put their message across, including radio programs, motion pictures, film strips, paid advertisements in newspapers and magazines, outdoor billboard advertisements, direct mail, displays for schools and plants, clip-sheets for plant publications, a speakers' bureau, and more. The financial support behind this effort grew geometrically.<sup>25</sup> There were numerous propaganda campaigns directed against the New Deal organized by individual businesses and other business associations, but Lund claimed that the NAM's generated a greater "volume of publicity . . . than all other programs combined."<sup>26</sup>

The public relations department had three basic guidelines for

<sup>24</sup> *Proceedings* of 39th NAM, 1934, 359-360, 370-372.

<sup>25</sup> NAM Expenditures on Public Information (Public Relations):

Year	Expenditure on Information Program	Total Income	Expenditure on Public Information as % of Total Income
1933	---	\$240,900	---
1934	\$36,500	480,317	7.2
1935	112,659	617,143	18.2
1936	467,759	1,171,390	39.9
1937	793,043	1,439,548	55.1

Source: *Labor Policies*, Report No. 6, Pt. 5, 168.

Figures for the succeeding years are not completely reliable, but the budget for public relations did continue to increase. Nor do these expenditures tell the whole story. The NAM was receiving space in publications, outdoor billboards, and radio time at either greatly reduced rates or free. It was given over \$1,250,000 worth of outdoor advertising space, \$1,000,000 in newspaper space, and over \$1,000,000 in radio time free in 1937. U.S. Senate, Subcommittee of the Committee on Education and Labor, Hearings Pursuant to S. Res. 266, Violations of Free Speech and Rights of Labor, 74th-76th Congs., 1936-1940, Pt. 17, 7761-7762 (cited hereinafter as *Hearings*).

<sup>26</sup> *Proceedings* of 43rd NAM, 1938, 10.

the preparation of copy: avoid involved explanations using complicated statistics; emphasize the self-interest of those at whom the message is directed; and be positive and assertive rather than negative. These rules, only inconsistently followed at best, resembled the teachings of Ivy Lee. The staff was too pugnacious, however, to accept some of the subtler precepts of Edward L. Bernays, who tried to avoid direct replies to critics of his clients. Such replies, he argued, only served to polarize the public, which had no way of discovering the truth in such a dialogue. The NAM, on the other hand, issued immediate replies to attacks.<sup>27</sup>

### THE PUBLIC RELATIONS MESSAGE

The central theme of NAM public relations material was that industry's managers were the true leaders of the nation. The public interest, and especially the workingman's interest, was safe in their hands. Business was on trial. (Although the staff was constantly warning itself that its propaganda should not be defensive, a recurring theme of its material was a courtroom scene at which industry stood accused by radical agitators or social planners while the judge was the American public.) False leaders were attempting to usurp its rightful place. Should they succeed, the great blessings of the American system would be forfeited.

"A man is worth the wages he can earn," pronounced a business journalist of the 1920s,<sup>28</sup> and so was an economic system, according to the NAM. The public relations staff sought to show that despite temporary difficulties, the American worker could afford more food, clothing, and luxuries than the worker of any other nation. This great achievement was the result of American business genius. The benefits of the system, however, were not described solely in material terms. The civil liberties everyone so cherished would be endangered should the social planners gain control. Freedom was indivisible; it could not be subtracted from enterprise without also taking it from speech, press, and religion.<sup>29</sup>

Although some students have argued that 1936-1937 was a turning point in business-sponsored anti-New Deal propaganda, the

<sup>27</sup> Bernays, *Idea*, 241; "Brief Outline of Purpose and Operation of the Industrial Mobilization," February, 1940, Drawer #1110, NAM papers.

<sup>28</sup> James W. Prothro, *The Dollar Decade* (Baton Rouge, La., 1954), 34.

<sup>29</sup> In 1940, the NAM launched the "Tripod of Freedom" public relations symbol designed to illustrate graphically that "individual freedom in this country rests on a tripartite foundation. . . . One leg of that tripod is representative democracy, the second is civil and religious liberty, and the third is free private enterprise." Remove one leg and the whole structure collapses. *NAM and Leaders*, 26.

basic message of the NAM did not vary through the decade.<sup>30</sup> There did seem to be a softening of the tone of its annual Congress of American Industry,<sup>31</sup> but when looking for moderation or stridency of expression, the dividing lines are more likely to conform to the nature of the medium of communication and the audience than to chronology.

The speakers' bureau lecturers, for example, spoke to small groups whose composition they knew. When Dr. Allen R. Stockdale addressed the Kiwanis convention in Poland Springs, Maine on September 22, 1939, he declared that "Crackpots and demagogues have been trying to indict business before the bar of public opinion, but American business is getting out of the dog-house."<sup>32</sup> These were not calm or moderate words, and they were eschewed in the mass media program.

In the case of radio, with an indeterminate audience, the message was appropriately muted. The most effective broadcasting effort was a serial called "The American Family Robinson." According to an advertising brochure for the program, it provided "industrial information which becomes entertainment — it stresses the value of the very business principles now most under fire by those advocating reform before recovery." Included in its cast of characters were Luke Robinson, "the sanely philosophical editor of the Centerville *Herald*, [who] espouses a fair deal for business and industry" and Professor Broadbelt, "prototype of the panacea peddler, organizer of Arcadia, Inc."<sup>33</sup>

In one series of episodes, an accident at a local plant leads to rioting by citizens who charge the owner with pocketing his profits instead of replacing unsafe machinery. At a "trial," Luke Robinson

<sup>30</sup> Students of business opposition to the New Deal have made various attempts to divide it into periods. Two contemporary journalists, Strother H. Walker and Paul Sklar, saw the election of 1936 as a turning point. Businessmen had "relied too heavily on . . . persuasive material" prior to the election, but Roosevelt's overwhelming electoral endorsement made them turn inward. Public relations, they now decided, must begin with the corporation itself. The product, in other words, must be improved and emphasis placed not on slick advertisements but on down-to-earth community relations. *Business Finds Its Voice* (New York, 1938), 59-63.

Two historians have also seen 1936-1937 as a turning point, but in different ways. Thomas C. Longin ("The Search for Security" [Ph.D. dissertation, University of Nebraska, 1970], 17-18) believed that business propaganda was more emotional and extreme before the election than it was afterwards, Longin contradicted himself on this point on 299-300. Lloyd M. Wells has asserted that big business based its soft-defense on constitutional law during F.D.R.'s first term and turned to public relations during his second. "The Defense of 'Big Business'" (Ph.D. dissertation, Princeton University, 1955), 48.

<sup>31</sup> *Business Week* headlined an article on the 1935 NAM convention "The NAM Declares War" (December 14, 1935), 9-10. The headline for the 1938 convention read, "We're Ready to Talk It Over" (December 17, 1938), 20. Frances Perkins is said to have "rubbed her eyes with astonishment" at the liberality of the 1939 resolutions. Lee R. Tillman, "The American Business Community and the Death of the New Deal" (Ph.D. Dissertation, University of Arizona, 1966), 28-29.

<sup>32</sup> Press Release, September 23, 1939, 1, Drawer #1110, NAM papers.

<sup>33</sup> "Industry's Own Radio Program," Drawer #1110, NAM papers.

shows that the plant had actually been operating at a loss, and the owner dramatically returns from another town to announce that he has just sold some property to meet the payroll. He thus wins the support of the community, and the trial concludes with Robinson explaining that reform is necessary but only when brought about "within the rules of the game."<sup>34</sup> Industry is acquitted; its managers are shown to be sensitive and decent men. Rabble rousing is discredited. Because the business leader is trustworthy, the success of his enterprise will foster a harmonious polity.

The harmony of all classes was a pillar of Association public relations. The clearest statement of this belief can be found in a series of twelve newspaper advertisements that the Association bought and distributed in 1936 and 1937. They were originally composed by Charles A. MacDonald, of the "small but enterprising" South Bend, Indiana advertising agency of MacDonald-Cook. They were published at the expense of a citizens' committee or employers' association in the local papers of such hotbeds of labor unrest as Canton, Ohio and Johnstown, Pennsylvania. The NAM public relations staff was so impressed with the copy that it bought the rights to it and, after revising it, sent it out to 367 newspapers across the country. All or part of this package appeared in more than 200 newspapers.<sup>35</sup>

A typical advertisement featured a construction worker high on a steel girder looking down and waving at a man in a chauffeured limousine. The headline reads: "I knew him when he pushed a wheelbarrow," and the text purports to show that in America, every man had an equal chance for success. "[U]nder no other flag and under no other social plan" has such a high degree of economic mobility been achieved. There is opportunity for all primarily because of "the spirit of good will among all groups." At the bottom of the page is the motto of the campaign: "Prosperity dwells where harmony reigns."<sup>36</sup>

Here was a remarkably mild, insubstantial message for these climactic years of labor-management conflict. Employers preached harmony while the LaFollette Committee on Violations of Free Speech and the Rights of Labor "found war."<sup>37</sup> What did those who distributed these advertisements hope to accomplish through them? According to their author, MacDonald, they were designed "to promote industrial harmony and a clear understanding between the workers and management, to help avoid misunderstandings

<sup>34</sup> "Synopsis of Succeeding Broadcasts of 'The American Family Robinson,'" Drawer #1110, NAM papers.

<sup>35</sup> Walker and Sklar, 18-19; *Hearings*, Pt. 18, 7766-7778.

<sup>36</sup> Drawer #1110, NAM papers.

<sup>37</sup> Jerold S. Auerbach, *Labor and Liberty* (Indianapolis, Ind., 1966), 143.

which were costing thousands and thousands of dollars in communities, loss of employment, loss of incomes that were taking care of families, homes, women and children and general business in the community.”<sup>38</sup> This explanation can be quickly dismissed. They did not dispel misunderstanding, and it is hard to believe MacDonald himself really thought they did. Were they aimed at labor? Were they supposed, for example, to convince the demonstrators at Republic Steel’s South Chicago plant that they should go back to work peacefully because their children might someday be like Tom Girdler? Though the worker seemed to be the principal target, the advertisements showed little comprehension of his point of view or goals. Were they, as has often been charged of public relations propaganda, merely examples of management talking to itself? Over forty businessmen belonged to the Public Relations Committee of the NAM and more than 3,000 businesses paid for the advertisements through their dues and contributions. From firms of different sizes in all regions of the country and from competing industries, these businessmen could agree perhaps upon having themselves portrayed as self-made men and social benefactors, but upon little else.

There is some merit in both these speculations. It may seem naive of employers to have thought that they could overcome union sympathies through public relations, but some of the most outspoken advocates of public relations in the NAM, like Ernest T. Weir and Fred Crawford of Thompson Products, were also among the most paternalistic. They sincerely believed that if management would simply talk to workers, “outside agitators” would never gain a foothold.

It is probable that organizational dynamics also had a hand in shaping the harmony campaign. The NAM has long worked for “unit thinking and unit action” among the membership in order to increase the strength of its positions,<sup>39</sup> but it has not always been able to contain conflict. Holcombe Parkes, the energetic director of the Association’s post-war public relations, correctly assessed the particular difficulties of his position. It simply was “not possible for us to function as an advertiser should function. . . . [W]e are wrapped with endless red tape in an association of this kind, hence, our advertising must always be partly unrealistic and admittedly

<sup>38</sup> *Hearings* Pt. 18, 7766.

<sup>39</sup> Alfred S. Cleveland, “NAM: Spokesman for Industry?” *Harvard Business Review*, vol. 26 (May, 1948), 360.

naive in that it represents the common denominator of the vigorous views of fifty or more people.”<sup>40</sup>

The principal force behind the design of this and other NAM campaigns may have been something other than a desire to reach the workers, flatter employers, or meet organizational exigencies. One scholar has astutely suggested that the true goal was to influence the middle classes, small businessmen, farmers, skilled craftsmen, professionals, and white collar workers. By the 1930s, much American advertising directed its appeal to this broad middle stratum rather than to the industrial worker. The belief was then current that “the market is a diamond” rather than a pyramid. That is to say that regardless of numerical composition, the middle classes have the most purchasing power and are therefore the most important consumers. The idea may have been that the “sale of ideas” should follow the lead of the sale of products,<sup>41</sup> since the middle classes had the most political power as well.

The idea of harmony was not original with the public relations staff of the NAM nor was the Association’s the only version of it. American businessmen have traditionally expounded a belief in a fluid society in which there was a harmonious relationship between employer and employee. The lynchpin of this system in the nineteenth century was the protective tariff, which enabled industry to grow and maintain acceptable profit margins and thus facilitated high wages for labor.<sup>42</sup> The executive’s primary duty was narrowly interpreted as maximizing profit for the stockholders.<sup>43</sup> To better achieve this goal, he had to steel himself against excessive sentimentality and cultivate the “gumption” necessary to make the hard decisions.<sup>44</sup> The ultimate outcome of this apparent selfishness was general prosperity, thanks to the guidance of “the invisible hand.” Frederick W. Taylor’s scientific management also claimed to accommodate the interests of everyone. The differential piece rate

<sup>40</sup> Memo, Parkes to R. S. Smethurst, February 12, 1946, Drawer #1134, NAM papers. Smethurst, an NAM lawyer, scribbled “My deepest sympathy!” on the memo.

<sup>41</sup> Robert A. Brady, *Business as a System of Power* (New York, 1943), 274–276.

<sup>42</sup> Henry C. Carey, the foremost American economist of the Middle Period, was a leading exponent of the tariff as an agent of harmony. After a brief flirtation with an advocacy of an ill-defined free trade, Carey came to believe that the tariff would do more than just advance the interests of entrepreneur and laborer alike. According to his biographer, he believed that it would “find husbands for old maids and free the entire sex from an age-old bondage . . . , make Southern planters rich but . . . also ultimately free the slave . . . , [and] lower the bastardy rate, improve morals, eliminate crime and war.” Arnold W. Green, *Henry Charles Carey* (Philadelphia, 1951), 134–143; Joseph Dorfman, *The Economic Mind in American Civilization*, II (New York, 1946), 789–805. See also an appropriately entitled book that Carey published shortly before the Civil War: *The Harmony of Interests, Agricultural, Manufacturing, and Commercial* (New York, 1856).

<sup>43</sup> Thomas C. Cochran, *Railroad Leaders* (Cambridge, Mass., 1953), 78.

<sup>44</sup> Edward C. Kirkland, *Dream and Thought in the Business Community* (Ithaca, N.Y., 1956), 71.

would keep total labor costs low, thus making possible a higher wage for workers who remained on the job and lower prices for the public.<sup>45</sup> Production would be supervised by highly trained experts, insuring fairness and efficiency.

In the 1920s, increasingly professionally trained "managerial" leaders came to look upon themselves not merely as extensions of the stockholders' will but as trustees, mediating the claims of employers, consumers, and the public as well as the owners. The managerial executive was not bound to abstain from involving his firm in public causes. He could foster social harmony by contributing profits to worthy charities and claimed to take the public impact of his firm's activities into consideration.<sup>46</sup> Thus an officer of a large New York bank explained in 1927 that most of "the best upper class men in business . . . would not consider a policy which enriched them or their company and was at the same time against the public interest."<sup>47</sup> In the nineteenth century world of classical economics, such a policy would be impossible by definition.

The NAM has usually been looked upon as one of the foremost exponents of the conservative, classical model of harmony, and not without reason. The keystone of its beliefs was business leadership. In the newspaper campaign referred to above and even more explicitly in such public relations material as "Uncle Abner Says," a series of cartoons designed to be inserted in plant publications, the politician was often denigrated and the role of the government minimized.<sup>48</sup> Thus in the 1940s, its public relations staff fought post-war price controls, the Full Employment Bill, and Keynesian economics while the more managerially-oriented Committee for Economic Development gave qualified support to all three. Nevertheless, elements of the managerial approach were in evidence. The public relations staff portrayed the businessman as actively working for the best interests of the community as a whole. He was more than a mere automaton with the gumption to pursue exclusively the interests of the stockholders.<sup>49</sup>

<sup>45</sup> Samuel Haber, *Efficiency and Uplift* (Chicago, 1964), 27.

<sup>46</sup> Morrell Heald, "Management's Responsibility to Society: The Growth of an Idea," *Business History Review*, XXXI (Winter, 1957), 375-384.

<sup>47</sup> Quoted in Morrell Heald, "Business Thought in the Twenties: Social Responsibility," *American Quarterly*, vol. 13 (Summer, 1961), 127.

<sup>48</sup> There is a good collection of the NAM's "Service for Plant Publications" from July, 1935 to December, 1940 in Drawer #1111, NAM papers.

<sup>49</sup> The "managerial" influence in the NAM was evidenced by the remark of its president, Colby M. Chester, following the 1936 election that "Industry must accept its responsibility for the national welfare as being an even higher duty than the successful operation of private business." Quoted in Heald, *Social Responsibilities of Business*, 194.

## AN ASSESSMENT

What effect did the public relations program have upon the attitudes of Americans toward business? It is impossible to render more than a tentative answer. The wide exposure and constant repetition of the Association's message probably changed some minds, but on the other hand, as was the case with the Liberty League, its extremism provided a convenient foil against which defenders of the New Deal could crystallize sentiment.

Its sponsor certainly thought that it in large measure succeeded. "I shudder to think," ran a set speakers' bureau speech, "of the fix we would be in today if we had not developed industrial conscientiousness." Robert Lund, sensing that public opinion was at last turning to the right after the 1938 elections, declined to credit all the change to public relations, but he did believe that the "new era and new formula of public contact by industry" had played its part. An analysis of the Association's crusade prepared after the 1940 elections pointed out that, although business had recently been "about as popular as a skunk at a lawn party," Wendell Willkie had just polled more votes than any Republican predecessor, "and his open and avowed platform was industrial — those lost-sight-of fundamentals that NAM began preaching seven years ago." Even though many seemed unaware of the "imminent danger" private enterprise was in, at least now "They favor the system, all right. That phase of our job has been well done."<sup>50</sup>

But what of the businessmen of the NAM? Public relations counsellors have constantly asserted over the past three quarters of a century that the social utility of their vocation rests on two-way communication, with business changing as well as the public. Did increased communication facilitated by public relations lead executives to adopt different policies toward employees, plant communities, the government, and the public?

Walter Weisenberger took his responsibility seriously in this regard. He was particularly proud of a nationwide survey of employee

<sup>50</sup> "Your City's Stake in Industry," Drawer #1111, NAM papers; *Proceedings* of 43rd NAM, 1938, 8-10; "Certain Recommendations in Connection with NAM's Public Information Program for 1941," 1-2, Drawer #1111, NAM papers.

Further indication of the NAM's confidence in the future of public relations was its sponsorship of over a dozen national and regional public relations forums in the 1940s, where independent counsellors, corporate public relations officers, and other executives could discuss and refine the function. These meetings were the most important of their kind up to that time, marking, it has been claimed, the "coming of age" of the vocation. The Association also continued its own public relations program, which gained the support of an increasing number of businesses. See "Industry's Public Relations" (New York, 1942), Drawer #1110, NAM papers.

relations policies that his department assembled and distributed. For this project, the department retained a physician "to advise us in the assembling of material as to what constitutes good hygiene, good sanitation, good lighting, good health. There again the object is to set forth to the average-sized manufacturer who cannot employ experts, that here are the things that are done by others and how they can adopt them economically and the good business side of putting those practices in. All of this is self-analysis which I believe no other national group has made as much progress [in] as we have." The results of this study, which were even mailed to some non-members, excited considerable interest and went through at least two printings. From meetings and correspondence, Weisenberger concluded that the information was being put to good use.<sup>51</sup>

There is, however, another side of this story. The NAM's corporate executives may have had a different idea from that of the public relations staff of the true aim of the program. In replying to a question about the financing of the harmony campaign, the then president of the Association Colby M. Chester wrote that "The main purpose of the NAM public information program is to stimulate increased publicity and advertising that truthfully tell industry's story." Nowhere in his letter did he mention the two-way street idea.<sup>52</sup> When pressed before the LaFollette Committee about the meaning of a letter soliciting funds for public relations, Ernest T. Weir, an original Brass Hat and the first president of the National Industrial Information Committee, characterized the embarrassing passages as "the elaborations of a salesman," an answer that must have made Weisenberger acutely uncomfortable. Backed into yet another corner, Weir claimed to "know very little about advertising and publicity." If this were true of a man so closely connected to the public relations program, one must wonder how much other businessmen knew of it.<sup>53</sup>

Another incident shows the limits of the application of the two-way street concept. When Remington-Rand's Ilion, New York plant was hit by a strike in June of 1936, James H. Rand, Jr. broke the union by what came to be called the Mohawk Valley Formula. This consisted of the use of strikebreakers, espionage, and pervasive propaganda in an aggressive fashion later denounced by the National Labor Relations Board. Weisenberger and an aide felt that all industry should be apprised of the Mohawk Valley Formula, so

<sup>51</sup> Wells, 71-72; *Hearings*, Pt. 18, 7824; *Hearings*, Pt. 17, 7411.

<sup>52</sup> *Ibid.*, 7761-7762.

<sup>53</sup> It is also possible, of course, that Weir gave this answer in order to avoid responding to a difficult line of questioning. *Ibid.*, 7468, 7478.

they prepared an article about it for the NAM Law Bulletin. In gathering information about the strike, Weisenberger spent a few hours, and his aide two days, interviewing the company's publicity man and the head of the company-supported citizens' committee. The result was an unqualified endorsement of the company and the citizens' committee for their contributions to "law and order" and "civic dignity." At no time did Weisenberger or his staff give a fair hearing — or any hearing — to the other side. No attempt was made to play the role of ombudsman. Remington-Rand was a prominent member of the NAM, and James Rand sat on the board of the National Industrial Information Committee. He was proud of his conquest of the union and would not have approved of mediation from the public relations staff even had it been offered.<sup>54</sup>

Weisenberger, like other public relations counsellors, did make honest attempts to reform his employers. But these attempts were only possible when they did not seem forced, when, that is, they could be interpreted as resulting from the businessman's paternal regard for employee or customer and not from the push or threat of a countervailing power like organized labor or government. In the latter situations, the corporate public relations man is forced to close ranks with the beleaguered businessman.<sup>55</sup>

The LaFollette Committee, which investigated NAM public relations in the late 1930s, ridiculed the Association's talk of educat-

<sup>54</sup> *Hearings*, Pt. 18, 7779-7800.

<sup>55</sup> Those few historians who have given careful consideration to public relations have been skeptical about the extent to which the activities of public relations men have liberalized corporations or made them more responsive to society's needs. Alan Raucher acknowledged that some public relations counsellors, such as Lee, Page, and Page's predecessor at AT&T, James D. Ellsworth, did attain high staff positions, but that did not necessarily mean they were influential in policy formation. Even if they did have some say, he doubted that their voices were significant. If they had little or no influence over policy, they obviously could not act as ombudsmen. "One of the basic flaws in the exaggerated claims of social significance," he concluded, "was simply that practitioners were not able to carry out those functions." The exaggeration of the power of public relations men was an important theme in Raucher's book. He believed that their abilities to persuade the public had also been greatly overestimated. He discounted Lee's claims to knowledge of social psychology and labelled Bernays' description of his methodology "jabberwocky." Raucher, *Public Relations*, 148, 101, 154, 125-126, 134.

Thomas Cochran agreed with Raucher that pre-depression public relations was primarily a matter of corporate persuasion of the public with very little feedback involved. He disagreed, however, with Raucher's belief in the ineffectiveness of this persuasion, giving it part of the credit for the increase in good will toward business in the twenties. "[T]his older style of public relations was in the realm of words and pious exhortation" and utterly inadequate to meet the problems of the thirties. Only in the late thirties did a genuine two-way street approach begin to appear. Cochran, *The American Business System* (New York, 1962), 154-157; *Business in American Life* (New York, 1972), 152, 254.

In Morrell Heald's view, attempts to use publicity to broaden social approval during the New Era "were undoubtedly directed more toward public persuasion than toward self-examination. Nevertheless, a new sensitivity to community opinion had begun to take form." Heald saw the thirties as a retreat from even this modest beginning. Overall, he was extremely circumspect about the reforming impulse of public relations. Counsellors have so often flagrantly exploited the tools of mass persuasion that questions have been, and continue to be, raised "regarding the morality and the social utility of the public relations function." Heald, "Management's Responsibility to Society," 378; *Social Responsibilities of Business*, 86.

ing the public. Its campaign "cannot be said by any stretch of argument to contribute to a better understanding of our 'Industrial Economic Society,' or to an easier adjustment of prospective recruits from schools and colleges for industrial employment." It was a propaganda barrage, pure and simple: <sup>56</sup>

Unnerved by the impact of the depression, apprehensive of the growing strength of labor, enraged at critics of the failures of business and rejecting almost in toto the devices of the new administration in Washington to find solutions to the problems it inherited in 1933, the leaders of the association resorted to "education," just as they had done in 1903-08, and 1919-21 under the guise of the "industrial conservation movement." They asked not what the weaknesses and abuses of the economic structure had been, and how they could be corrected, but instead paid millions to tell the public that nothing was wrong and that grave dangers lurked in the proposed remedies. In addition to this broad political objective, the association considered its propaganda material an effective weapon in its fight against labor unions.

This criticism was not without justification. The corporate public relations apparatus had indeed sought to quell labor unionism, and it had been used in tandem with the most vicious anti-union tactics in order to protect the public opinion flank of the conservative corporation. Thus we see the NAM supporting the Mohawk Valley Formula of Remington-Rand, or the public relations firm of Hill and Knowlton looking after the reputation of Republic Steel's Tom Girdler while he was equipping a private army, employing an extensive espionage network, and locking workers out of plants.<sup>57</sup> And public relations had aided in the formation of citizens' committees, which acted as a vehicle of employer intimidation of workers after direct communication for this purpose was prohibited by the Wagner Act. There was, however, another side to the role of public relations in labor-management conflict, one that the LaFollette Committee, with its pro-labor bias, failed to recognize.

Symbolic of this other side was a March 1937 *Printers' Ink* article, which the NAM's public relations staff believed to be sufficiently important to merit circulation to Association members. The article held that though many manufacturers seemed to think that advertising was of no account as an anti-strike weapon, if they would invest just "one-tenth of the money in advertising preparation that they are apparently quite willing to invest in labor spies, tear gas, and other methods, which have proved worse than useless, they will stand a far better chance of winning public support than is possible

<sup>56</sup> *Labor Policies*, 175, 178.

<sup>57</sup> Irving Bernstein, *Turbulent Years* (Boston, 1969), 482-483.

under present circumstances.”<sup>58</sup> The LaFollette Committee condemned the ulterior motives for corporate communication revealed by this article and endorsed by the NAM. Victory over the unions, rather than rational dialogue, was the goal. The Committee did not see that the article’s point of view could lead to more peaceful labor relations. Some public relations and advertising men of the thirties were telling employers that their profession offered a better way to deal with unions and strikers than the brutal methods of the old time industrialists. The National Labor Relations Board disagreed with this assessment, as did LaFollette himself.<sup>59</sup> But over the past thirty years, most major employers have abandoned strong arm tactics while increasing their investment in public relations.

It is not intended here to assert that public relations counselling caused the demise of espionage, the yellow dog contract, private corporate armies, and violence, or even that it was the major factor in setting such practices on the road to ultimate extinction. Scholars have given the lion’s share of credit for the civilizing of industrial relations in America to the Wagner Act and its liberal interpretation by the National Labor Relations Board.<sup>60</sup> Nevertheless, public relations did play its part. For although its methods and messages may not have satisfied the liberal politician or union leader, it did provide the employer with a nonviolent means of expressing himself. And its basic tenet since the earliest days of Ivy Lee had always been that an underlying harmony of interests existed, which needed only proper communication to be generally recognized.

Talk, after all, rather than violence, was what public relations was all about, and as Professor Marvin Meyers has observed, “With talk begins responsibility.” Perhaps the employer came to believe some of the rhetoric of industrial harmony and “adjustment” that his own public relations men were composing for the consumption of others.<sup>61</sup>

Confusion about and opposition to public relations did not disappear immediately with the NAM’s adoption of it. Businessmen did recognize the need to make the “fundamental institutional sale”

<sup>58</sup> *Labor Policies*, 178.

<sup>59</sup> In the *Freuhauf* case of 1935, the NLRB held that nothing “is more calculated to interfere with, restrain, and coerce employees in the right to self organization” than espionage — an impressive testimony to its effectiveness. The Board thus rated it more potent than advertising or public relations. On March 28, 1939, LaFollette introduced a bill designed to prohibit espionage, strikebreaking, use of gas and automatic weapons, and use of armed guards beyond an employer’s premises. He contemplated no regulation or prohibition of public relations or advertising. Auerbach, *Labor and Liberty*, 57, 198.

<sup>60</sup> Harry A. Millis and Emily Clark Brown, *From the Wagner Act to Taft-Hartley* (Chicago, 1950), 252–268; Joseph G. Rayback, *A History of American Labor* (New York, 1968), 341–436.

<sup>61</sup> Meyers, *The Jacksonian Persuasion* (Stanford, 1960), ix. “Quite simply,” according to Robert Heilbroner, “business has sold itself the bill of goods it originally intended to sell the public.” “Public Relations — The Invisible Sell,” *Harper’s* (June, 1957), 31.

of private enterprise to the American public, but were uncertain as to how to accomplish this.<sup>62</sup> As one public relations counsellor wrote in 1936, "The American businessman may not know what public relations work is, but he pretty generally thinks it is a good thing."<sup>63</sup> Opponents to public relations work were still plentiful in law, journalism, and advertising.

By the end of the decade, however, both confusion and opposition had begun to dissipate. Public relations was gaining recognition as a staff function whose responsibilities included organizing the news that a corporation generated with an eye to maintaining a good reputation for it and keeping the executives up-to-date about trends in public opinion. Political duties overshadowed economic ones, thanks in no small degree to the NAM's emphasis.

Thus the National Association of Manufacturers was influential in establishing public relations as a permanent fixture in the American corporation and trade association. The NAM had embraced public relations in the depths of the Great Depression and, more than any other organization, promoted its use. Its campaigns, supported by 3,000 businesses in the mid-1930s and by almost four times that many a decade later, and its intense discussions at the annual Congresses of American Industry introduced the function to a wide audience of businessmen, small as well as large, and generally increased its stature. A major weapon in the defense of business in the twentieth century had been forged.

<sup>62</sup> *Economic Forum* (Winter, 1936), insert following 324.

<sup>63</sup> Bernard Lichtenburg to Bruce Barton, February 13, 1936, vol. 14, Bernard Lichtenburg papers, State Historical Society of Wisconsin, Madison.