

D6 TUESDAY, AUGUST 20, 1991 ★

MARKETING / BRUCE HOROVITZ

Are Public Relations Agencies Selling Out to Rich, Unsavory Clients?

Public relations superstar Frank Mankiewicz is only too happy to rattle off the rather murky international clients that his giant PR firm has received inquiries from—and rejected.

"We turned down the government of Libya. We turned down the Contras. We turned down the government of Colombia," said Mankiewicz, now vice president at the Washington office of Hill & Knowlton and one-time architect of Sen. George McGovern's unsuccessful presidential campaign. "With international clients, we always look to see if their interests are compatible with the interests of the United States."

But recent Senate subcommittee hearings are raising questions about what role Hill & Knowlton played in advising associates of the corrupt Bank of Credit & Commerce International. Although officials admit to giving PR guidance to BCCI several years ago, they deny offering any counsel since the bank's alleged financial shenanigans became front page news.

BCCI is just one of a growing number of public relations clients to raise eyebrows among the general public. The Church of Scientology recently named a new PR firm. And the nation of Colombia also has an agency handling its PR. Because of circumstances such as these, the question of ethics within the public relations field is being more closely monitored—from inside and outside.

Critics say a growing number of public relations officials are selling their spin control techniques to disreputable clients who dangle lots of money. But top officials within the field say the opposite is true. They point to stronger code of ethics adopted in 1988 by the Public Relations Society of America—a code that is even included in some client contracts.

Meanwhile, one of the nation's foremost public relations officials believes that he has a solution. "Any nitwit, crook or dumbbell can call himself or herself a PR practitioner," said 99-year-old Edward L. Bernays, regarded by many as the father of public relations. "I'm trying to bring about licensing and registration of people who call

themselves public relations specialists, but I'm finding very little support for that."

At one time, Bernays turned down Adolf Hitler as a client, after a Hitler aide called him while posing as a representative for the German railroads. Bernays said he later turned down Spanish strongman Generalissimo Francisco Franco. "I'm sorry," Bernays recalls telling the Franco aide who called him. "I can't do work for a dictator."

The BCCI affair is far less clear cut. Earlier this month, a former top federal official told a Senate

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subcommittee that "influence peddlers" including Mankiewicz and his business partner, Robert Gray, were instrumental in helping to squelch investigations of BCCI. "That's totally false," said Mankiewicz, in an interview. "We made no calls on behalf of BCCI."

But several things are certain. Mankiewicz is an adviser to Clark M. Clifford, the former U.S. secretary of defense and recently resigned chairman of First American Bankshares, a Washington bank that has been linked to BCCI. Officials at the London and Tampa, Fla., offices of Hill & Knowlton acknowledge giving public relations counsel to BCCI between 1988 and 1990.

The agency's Tampa office "monitored" local media coverage of a 1988 trial in Tampa after BCCI officials were indicted on money-laundering charges, said Joseph Hice, acting general manger of the office. When the trial ended, the firm stopped doing work for them, Hice said.

The type of clients a PR firm

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Spin Control

During recent testimony before a Senate subcommittee, a former U.S. customs commissioner linked the giant public relations firm Hill & Knowlton with the Bank of Credit & Commerce International. Hill & Knowlton is hardly alone in being accused of performing public relations work for a provocative client. Here are some examples of eyebrow-raising clients who have been accepted—or rejected—by PR firms:

PR Firm	Clients accepted	Clients rejected
Hill & Knowlton	Bank of Credit & Commerce Intl. Tobacco Institute Nat. Conference of Catholic Bishops	Colombian drug cartel Manuel A. Noriega Government of Libya
Epley Associates	Burroughs Wellcome Co.	Jim Bakker's PTL Club
Edward L. Bernays	Lucky Strike cigarettes	Adolf Hitler Gen. Francisco Franco
Soyer Miller Group	Nation of Colombia	
Bain & Lichtenstein	Church of Scientology	

accepts usually depends on the attitude of the agency's top executives, said Jack Heeger, associate professor at Cal State University Long Beach. "It comes down to this: Does the chairman feel it's OK to represent a client that may have some shady dealings?"

That's precisely why Joe Epley, president of the Public Relations Society of America, says he turned down a request to represent Jim Bakker's PTL Club back in 1983. "I didn't feel they were being honest with the people they were appealing to," Epley said.

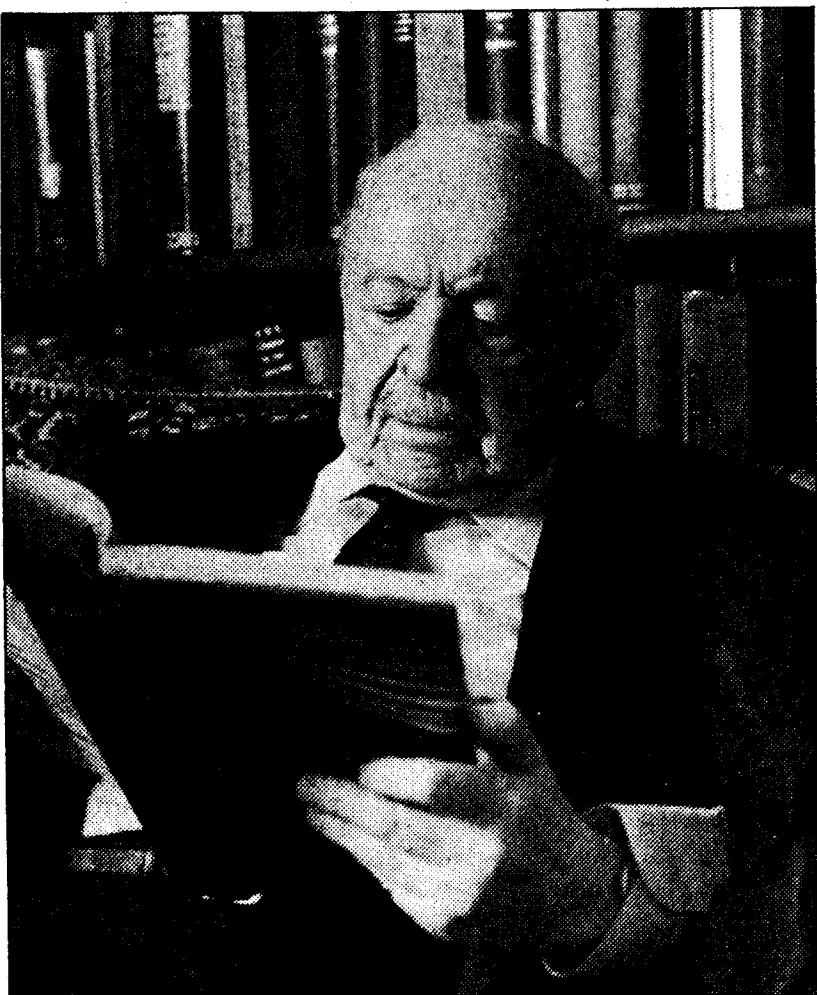
At the same time, however, Epley's Charleston, N.C., agency provides PR counsel to Burroughs Wellcome, the firm that has angered some in the gay community for the high prices it has charged for its AIDS treatment drug AZT. Epley declined to comment on Burroughs, but he was willing to state where he draws the line. "Once you know something is not truthful, and you perpetuate a deception, you fall out of ethical bounds," he said.

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Take the Church of Scientology. Hill & Knowlton represented the firm until it resigned in June because of a client conflict. Since Aug. 1, Bain & Lichtenstein, a new public relations firm in Washington, has been handling PR for the Scientologists.

"Frankly, I think these are fine folks," said Jackson Bain, a principal of the firm who also oversaw the client at Hill & Knowlton. "My own belief is they're doing some awfully good things. The controversy comes from outside," said Bain, who noted that he is an Episcopalian.

Among other things, Bain said



PAULA ALYCE SCULLY / For The Times

PR veteran Edward L. Bernays wants profession to be licensed.

he leads media training sessions with the church. "They need to understand how to deal with hostility, not by managing it but by diffusing it," Bain said.

Some Americans have hostile feelings toward the nation of Colombia—regarded as the world's drug capital. Nevertheless, the country has an American public relations firm that tries to put it in the best light.

"There is no question that the government of Colombia is involved in vigorous attempts to eliminate the country's drug problems," said John Scanlon, a partner at the Washington-based public relations firm Soyer Miller Group and Colombia's advisers. To characterize Colombia as the world's drug capital, he said, "does an injustice to the people of Colombia."