Corporate social responsibility, new activism and public relations

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Abstract

Purpose – This paper aims to analyse why some contemporary corporate organisations are reluctant to articulate the effect of their market positioning behaviour on the unwilling communities that oppose their activities. It describes the communicative interactions between several large corporate organisations and the grassroots activist groups opposing their activities, in Victoria, Australia.

Design/methodology/approach – Extensive secondary data were collected, including extensive newspaper and radio transcripts from the campaign periods, web site downloads, letters and other campaign documents. The research design applied to the data, a qualitative, interpretative analysis, drawing on key theoretical frameworks.

Findings – The research findings suggest that powerful protest strategies, combined with the right political and social conditions, and a shift in the locus of politics and expertise, bring to light public concerns about the ethics of corporate practices, such as public relations, used egocentrically by organisations, to harmonise their activities in late modern Western society. It finds that no serious overhaul of business ethics can occur until the unity of public relations is critically scrutinised and reformed. It helps define an alternative holistic communicative approach which could be applied more widely to business practice that helps avoid the limitations and relativism of public relations.

Originality/value – The research flags new ways of thinking expressed in the notion of public communication that could lead to creative and unusual coherences vital to deal with the apparent ecological challenges for society in late modernity.

PR – outmoded, outmaneuvered, out of touch

In the twentieth century, communication management, or the planned teleological, or goal-oriented programs of public relations, began “as a way for an organisation to generate positive publicity that might offset public pressures to regulate big business” (McElreath, 1997, p. 6). Furthermore, organisations that employ public relations as a strategy to manage dissent in order to achieve “harmony” are promoted not only as a legitimate, but as beneficial to society. Widely known, this “Official Statement of Public Relations” appears in key public relations education texts, such as Wilcox et al. (2000), Hendrix (2001) and Cutlip et al. (2000).

Public relations helps our complex, pluralistic society to reach decisions and function more effectively by contributing to mutual understanding among groups and institutions. It serves
to bring private and public policies into harmony. (Public Relations Society of America; see www.prsa.org/_Resources/profession/index.asp?ident=pro).

But public relations, as the instrument of business and a positive harmonising effect on society, is contested. Critics of public relations (Stauber and Rampton, 1995; Beder, 1997; Nelson, 1989; Hager and Burton, 1999) argue that, as a domain, it has an unfair advantage over other social groups in ways that lead to the entrenched dominance of business interests and unscrupulous behaviour, particularly in relation to the civil sector. For example, Nelson (1989) claims that some business organisations in the USA use the hidden subterfuge tactic of environmental greening, sometimes known as “greenwashing”, to deflect criticism and disguise their other profit-based objectives. Stauber and Rampton (1995) claim that public relations practice is structured to be unethical because practitioners bow routinely to the self-interest of their employers, leading to deliberate harm to the reputation of the opposition. Similarly, Beder (1997, p. 34) argues that the public relations and practices such as “astroturfing”, or the deceptive manufacture of public support for corporate programs, are accelerating with the proliferation of new information technologies and techniques. Indeed, more recently, Salleh (see www.abc.nce.au/cgi-bin/common/2005) reports on new media developments, such as blogs and podcasts, that create online astroturfing. For example, she claims that McDonald’s set up a fake blog or “flog” to promote the fast-food multinational using a fictional character (pp. 1-2).

While these writers describe some of the detrimental effects of public relations on a democratic society, the work of Durkheim (1957) provides a deeper understanding of why these practices occur. In particular, he discusses some of the characteristics of capitalism, such as the principle of competition, which pits one business against another, and potentially leads to a conflict with the common good. He argues that business – unlike other complex unities such as the law, army and education and government – has no effective professional body to ensure that traditions are kept and common practices observed. Indeed, that when a breach occurs, there is no effective overseeing body in business, nominal sanctions, and that public opinion plays a minimalist role. The characteristic insularity of business also stops the permeation of ideas from other sources: “since opinion is not kept lively by frequent contact between individuals and since it therefore cannot exercise enough control over individual action, it is lacking both in stability and authority” (Durkheim, 1957, p. 10). Applying the ideas of Durkheim to contemporary business practices, it is not surprising that public relations’ codes of ethics are criticised as hollow and unable to protect the public from the frequent lies, exaggerations, and breaches of public confidence perpetrated by the industry, such as greenwashing and astroturfing. Indeed, Durkheim’s analysis helps in understanding why the powerful but uncontrolled position of public relations within modernity has spawned an industry of critics such as Nelson (1989), Stauber and Rampton (1995) and Beder (1997), who relentlessly lampoon the public relations industry for its meaningless ethics and lack of accountability.

The work of Habermas (1984, 1989, 1995) also sheds light on why, in late modernity, some corporate organisations are reluctant to articulate the ethics of their market positioning behaviour and its effect on communities. Habermas’s (1995) work explores the foundations of early modernity in the eighteenth century and the socio-economic historical changes that occurred then, such as European trade and capitalism. He argues the new mercantile classes saw free trade and competition as a fair means by which individuals could reap rewards. Indeed, Habermas (1995, p. 9) claims that the development of trade and capitalism led to
bourgeois humanism or a “concern with man rather then God or nature” (Abercrombie et al., 1994, p. 204). At this time, the bourgeoisie saw resources such as water, forests, air and soil as available for exploitation precisely because the pursuit of technological progress or advancement was regarded as an innate, good and defining human characteristic (Habermas, 1995, p. 9). Business, within the spirit of early modernity, established the domain of public relations as their instrument. Hence, public relations theorists constructed and validated knowledge about communication to promote organisations' self-interest, scientifically. They designed systematic teleological programs to measure public opinion and to classify publics, markets or audiences, and often used the press and other information technologies to reach large groups (Wilcox et al., 2000; Hendrix, 2001; Cutlip et al., 2000).

However, Habermas regarded the phenomenon of public relations as insidious because, largely, the public is unaware of its presence within the bourgeois public sphere. For Habermas (1995, pp. 3-5), the idea of the public sphere is as a centre of self-interpretation which, through discussion and debate, promotes the overall common good. But he argues that public relations mimics and undermines the original intention of the public sphere through the creation of “news” anchored to commercial self-interest (Habermas, 1995, p. 194). Therefore, consumers are given a false consciousness and believe that they are actually making a decision based on their own judgement about what is good for society. For Habermas, public relations is therefore merely the instrument of specialised commercial interests designed to create a mood of consent in which public acceptance of takes place. As a result, rational agreement arising from exchanges of different opinion has disappeared from the public sphere precisely because it is ousted by public relations (Habermas, 1995, p. 195). Significantly, for Habermas, this form of publicity in modernity is dangerous for democracy because it strengthens prestige and position, without drawing attention to unwanted discussion. Organisations and functionaries become interested in representation, not just from the outside, but through the public sphere as a form of legitimisation (Habermas, 1995, p. 201).

In a later work, Habermas (1984) sheds light on how public relations is produced and practiced. Broadly, he argues that rationality is used to form understandings and create meanings and co-ordinate action in our society. But herein lies a fine distinction: for Habermas rationality does not imply knowledge but rather how the “speaking and acting subjects acquire and use knowledge” (p. 8). I take this to mean that if the speaking and acting subjects express knowledge in ways that are congruent with notions of reliability, objectivity and in goal-directed actions, then knowledge is deemed rational in relation to the norms and conditions of the time – for example, modernity. Habermas's (1984, 1989) refinement of the concept of rationality leads to his premise that in modern societies an individual subject may respond to two aspects of reason to coordinate action. The first form of rationality is instrumental, which implies an uncritical, teleological outlook, used to create means/end systems that appear to be totally rational, for example engineering. The appearance of rationality is an important point, because Habermas argues that there is sometimes confusion between this “system rationality” and what he calls “action rationality” which leads to an inability by participants to separate the two (Habermas, 1989, p. 333). System rationality refers to instrumental reasoning that is successful to the extent that people integrated in its maintenance assume it has higher order of rationality, and lose sight of its original purpose. The second form of rationality for coordinating action is communicative; this implies an interpretative consensus of understanding and mutual agreement, for example that reached in church and community centres on issues such as
morality and law (Habermas, 1984). According to Habermas (1984, p. 397), in the conditions of modernity “religious-metaphysical world views lose their credibility” and, together with an “instrumental reason that has gone wild”, converge to override the conditions that support communicative action. The ideas of Habermas suggest that in modern society, human advancement or “progress”, through the organising principle of “system rationality”, has led to the privileging of business over other sectors, such as civil.

However, in late modernity and in advanced capitalist society, it appears that change is in the air. Ulrich Beck (1992) defines life in this era as characterised by the conditions of a risk society, that is, one where the life-threatening and hazardous by-products associated with industrialisation's production processes and their distribution cause conflict in society in ways that radically influence thinking and action. He argues “[W]e are therefore concerned no longer exclusively with making nature useful, or with releasing mankind from traditional constraints, but also and essentially with problems resulting from techno-economic development itself” (Beck, 1992, p. 19). These theories describe a significant break in the logic of early modernity that determined decision-making and cultures in business and by extension, “PR” as mission-focused system rationality ambiguously represented through the symbols and signs of communicative action.

Moreover, within the conditions of a risk society, Beck argues that in late modernity an increase in expertise will occur outside mainstream institutions (Beck, 2000, p. 29), which in turn will spearhead sub-political activity like grassroots activism or bottom-up politics. (“Sub-political” and “bottom-up politics” refer to extra-parliamentary political activity outside traditional party domains of left and right politics; Beck, 2000, p. 19). Indeed, Beck claims that there is ample evidence that citizen initiative groups now provide leadership and set public agendas in ways usually associated with the state and with the business sectors. In this sense “sub-politics has won a quite improbably thematic victory” (Beck, 2000, p. 19). By this he means that collectives of citizens working for social change are resource-poor in technology and money and operate in less powerful political positions in society, yet nonetheless can influence social change in power structures that favour the dominant ruling groups. Beck argues that this is because once people are awake to the hazardous side effects of progress they are upset, especially as some people absorb more effects than others. In this case; “[I]t is the same everywhere: the demand is for forms and forums of consensus-building co-operation among industry, politics, science and the populace”.

However for that to happen, “the model of unambiguous instrumental rationality must be abolished” (Beck, 2000, p. 29).

Therefore, to retrieve credibility for the processes of production and stop the hazardous by-products of industrialisation, “transcending borders” in unusual cross-linking and alliances of groups or new ambivalences must occur (Beck, 2000, pp. 28-31). Indeed, Beck argues that, in questioning system formations, people must recognise the state does not always act for the common good, even though that may be its objective; and that knowledge and legitimate expertise is available in different forms outside traditional administrations. Beck refers to this as the “demonopolization of knowledge” (Beck, 2000, p. 29). He argues that this situation is unlike simple modernity in which groups operated, often in isolation and bound to a fixed set of alliances or when industry was privileged and its advancement was seen as progress – and there was certainty in the state's decision making. Indeed, according to Beck, a defining characteristic in the era he refers to as “reflexive modernisation” is the public’s rigourous examination of speaking positions and rethinking of unities or the
“boundaries between subsystems”, such as the state, business and civil sectors (Beck, 2000, p. 28).

The emerging discourse of CSR with its holistic notions of business accountability and responsibility is also consistent with Beck’s ideas about a trend, towards consensus, occurring in the restructuring of power relations between business, state and activist groups in a risk society (Beck, 2000, pp. 28-31). These theories can be observed in action in contemporary society, where business is attuned to ideas of corporate social responsibility (CSR). CSR (Andriof et al., 2002; Lyons, 2001; Greenwood, 2001; McIntosh et al., 1998) theorises new developments in social relations and claims that it is possible to achieve an acceptable intersection between profit-making and social, economic and environmental responsibility to create sustainability that has a “positive social and environmental impact” (Birch, 2001, p. 62). In line with this, organisations can apply CSR principles to create “new self-awareness benchmarks” and more complex criteria to measure success and define public benefit, for example “business responsibilities, social and economic impacts, business behaviour, respect for rules, support for multilateral trade, respect for the environment and avoidance of illicit operations” (Goodpaster et al., 2002, pp. 52-53). Bliss (2002, p. 252) also sheds light on how business and activist organisations can apply CSR. She argues that by adopting the principles of CSR, business can communicate in more productive and sustainable ways. In particular, she argues that there are various styles in which activists can mount campaigns that determine the tenor of relations between stakeholders. One style is adversarial and another is working together through a stakeholder collaborative campaign (Bliss, 2002, p. 252). The ideas of Bliss (2002) do not assume rigid or fixed sets of social relations, and in this respect, intersect with Beck’s (2000) notions about rethinking unities, and acknowledging the possibility, and the value of, new system formations and alliances and the demonopolisation of knowledge.

New activists: groups of ordinary citizens

However, while it appears that important transitions in logic that determine social thought and action are taking place in late modernity, the pace of change is variable. Rage and frustration – sometimes manifesting in the form of grassroots activism – over the imposition of narrow profit-maximisation business agendas is palpable. Moreover, within these changed social conditions, the role of public relations to “harmonise” “pressure”, raises serious ethical questions that need to be resolved. In the Southwest region of the state of Victoria, Australia, between 1995 and 2003, three activist groups – Werribee Residents Against Toxic Dump (WRTAD), the Batesford and Geelong Action Group (BAGAG), and the Otway Ranges Environment Network – typify this reflexive response to risk. This section describes parts of their campaigns and some of their encounters with the various corporations whose activities they opposed.

Werribee Residents Against Toxic Dump

In 1995, CSR[1], an Australian sugar and building material company, announced its proposal to build a hazardous waste disposal facility (HWDF) in Wests Road, Werribee, approximately 32 kilometres Southwest of Melbourne, Victoria’s capital city. In a brochure designed to allay community concerns, CSR described “prescribed hazardous waste” as having mainly a “nuisance value”, arguing that “until it was classified as prescribed waste about 10 years ago, such waste went to ordinary municipal tips all over Victoria” (CSR, c. 1996),
CSR's approach to communication was to convince the locals – who had mobilised quickly as Werribee Residents Against Toxic Dump (WRATD) – to trust them because “they knew best”. However, as events unfolded, this appeared not to be the case. CSR initiated a raft of inept public relations moves that lost credibility with the politically, technically and media savvy local community, (Strangio, 2001, pp. 141-3). In one example, in 1998, Bob Reid, CSR’s General Manager Recycling and Waste Management announced that the landfill would now operate as a “repository” as opposed to “landfill”, meaning that the waste could be retrieved and recycled. He said that “global positioning satellite technology” could locate materials earmarked for recycling at a later date and that half the material could be turned into “environmentally friendly potting mix and other garden products” (Dent, 1998b, p. 12). But according to Strangio (2001, pp. 141-3) the proposal’s 3D mapping capacity was outlined in the original plan and therefore not news to informed locals. Additionally, in what appears to be an acknowledgement of the effectiveness of WRATD’s campaign, CSR’s Bob Reid used WRATD’s catch phrase “no toxic dump” reflexively in his key messages “it is the right technology and it is in the right place” (Dent, 1998b, p. 12). But WRATD took the unusual step of publicly countering CSR’s communication management. The following brochure extract shows how WRATD presented public relations and advertising for readers as complex instruments to filter forms of truth:

CSR makes a lot of false claims in its advertising and PR campaign, including their claims about EPA policy and about prescribed waste [...] CSR has spent a lot of money on advertising; they have lobbied politicians, held an “invitation only” press conference, and distributed more than 300,000 leaflets trying to convince the public that nothing could ever go wrong with their clay-lined toxic dumps (Werribee Residents Against Toxic Dump, c. 1998, p. 2).

Furthermore, when WRATD was sure of community support, in April 1998, it organised a consumer boycott of CSR (Werribee Residents Against Toxic Dump, c. 1999, p. 4). Indeed, the local newspaper, the Werribee Banner, reported that WRATD had “released hundreds of fliers listing items sold by CSR and the top 17 shareholders in CSR” (Werribee Banner, 1998).

Despite these circumstances, on 30 April 1998, Robert McLellan, Minister for Planning, approved the CSR proposal for a hazardous waste disposal facility. The Environmental Effects Statement (EES)[2] supported CSR’s position that the proposal was sound and within acceptable limits (Strangio, 2001, pp. 133-5; Werribee Residents Against Toxic Dump, c. 1999, p. 5). Furthermore, Victoria’s high profile, pro-development Premier, Jeff Kennett, reinforced the necessity of such a facility saying that it would be “state of the art”, and moreover, that community concerns were caused by “fear of change itself” (Lyon, 1998, p. 16). However, thousands of people from Werribee and beyond turned up at a public meeting at the Werribee race track to protest against the government approval of the CSR proposal (Strangio, 2001, pp. 136-8). Following this, CSR placed a full-page public notice in a local paper. In “question and answer” style, CSR reassured Werribee residents that when the site was full “It will be sealed, covered with earth, and planted with trees and grass as an attractive new parkland asset for Werribee” (CSR, 1998, p. 6). But a week later, on 20 May 1998, WRATD issued the media with a report that addressed CSR’s “12 false claims” and accused CSR of “trying to buy public support through a false advertising campaign” (see www.21century.aom.au/environment/wratd/). According to a WRATD media release:
CSR has spent well over $100,000 over the past ten days to try to ram a set of lies down the public throat [...] They are counting on their wealth to override truth and community opposition, in the knowledge that we don't have that kind of money (Werribee Residents Against Toxic Dump, 1998b, p. 1).

In another surprising tactic by the grassroots activist group, WRATD delivered a submission to CSR at its Annual General Meeting in Sydney on 13 July 1998 (Werribee Residents Against Toxic Dump, 1998a, c. 1999, p. 5). This document argued that the proposed HWDF would damage shareholder value by drawing attention to the prospect of litigation and add further damage to CSR's corporate identity. Another WRATD communication, aimed more specifically at stockbrokers and shareholders, was a flyer that listed reasons for the decline in CSR share value, including its diversification into “non-core and non-profitable business ventures”. It included a plea to shareholders that “the 70,000 Werribee residents and their many supporters who oppose this proposal should be seen as potential customers, not adversaries” (Werribee Residents Against Toxic Dump, c. 1998, p. 1).

However, regardless of being given state-government approval to proceed with its installation, by November 1998, CSR was ready to abandon the proposal for the hazardous waste disposal facility and sell the quarry site to Wyndham City Council. Indeed, CSR and the Wyndham Council were engaged in talks “conducted in strict confidence, with all other parties, including the Kennett government, left in the dark” (Strangio, 2001, p. 169). The Herald Sun, Melbourne's tabloid daily, reported the meeting outcome:

CSR last night announced it had accepted an offer from Wyndham City Council for the council to purchase CSR's quarry site, shelving plans to dump 120,000 tonnes of toxic substances into the quarry [...] Mr Reid (CSR Recycling and Waste Management General Manager) said the offer was an opportunity to end a protracted and expensive legal dispute that started 12 months ago and could continue for 12-18 months (Dent, 1998c, p. 7).

CSR's policy change caused deep embarrassment for the Kennett-led coalition state government. The Herald Sun reported Kennett as saying that:

CSR would have to have been the most inept private sector organisation I have come across in trying to establish a facility [...] the management of this issue has been appalling and in the end they simply didn't have the stomach for seeing it through (Dent, 1998d, p. 9).

Melbourne's daily broadsheet The Age discussed the implications of WRATD's challenge to the state government:

It was, after all, an unaccustomed experience for the Premier to witness a project he has anointed being defeated by the actions of a group of ordinary citizens. For six years, his Government has successfully fended off the protests of organised lobby groups and the State opposition over everything from the privatisation of public utilities to the curtailment of powers of the auditor-general (The Age, 1998, p. 24)[3]

Batesford and Geelong Action Group

Almost a year later, on 18 September 1999, “the unthinkable happened”; a minority Australian Labor Party (ALP) state government replaced the radical right-wing coalition
(Strangio, 2001, p. 178). Indeed, while in office, Premier Kennett had overseen a range of controversial issues, such as the locating of toxic dump at Werribee, and instigated some significant long-term policy changes for Victoria, including the privatisation of the state’s power utilities (Alford and O’Neill, 1994). But rather than resolve the issues about supply, the privatization policy reduced the state’s capacity to meet and/or manage energy demand, which was under increased pressure due to a consumer trend to buy and use air conditioners. Therefore, the newly elected state ALP government – which had pledged a different approach to government characterised by community consultation and consensus – was confronted by the need to take swift action to address the predictions of power shortages in the state’s electricity grid and the potential for blackouts, particularly in the Southwest region of the state (Gardiner, 2002, p. 13).

In 2001, and in response to the state government alert, US multi-national energy company AES Corporation applied for a generation licence under the Electricity Industry Act 2000. It proposed to build a peaking power station at the small rural centre of Stonehaven, near the regional city of Geelong, 75 km Southwest of Melbourne. The power station was intended to ease the pressure on the electricity network and to provide timely back-up for the state’s power reserves. It was to be known as AES Golden Plains and operated by their subsidiary, AES Power One (AES Power One, 2001, p. 1). AESPO reassured the Labor state-government in its application that the Golden Plains facility was “clean, quiet, safe and reliable” (AES Power One, 2001, p. 2), while The Sunday Age (Adams, 2001, p. 11) reported that the proposed Golden Plains project would have positive economic flow-ons, as it “was a direct capital investment of $260 million” that drew on local Victorian services, products and workforce as much as possible (Adams, 2001, p. 11).

The state government, led by new ALP Premier Steve Bracks, and the proponent AESPO, wanted the power station operational as soon as possible. AESPO's licence application stated that “Golden Plains is being fast-tracked in an attempt to address the current shortfall in reserve capacity” (AES Power One, 2001, p. 3). A spokesperson for Planning Minister John Thwaites said the government “believed key environmental issues would be addressed in the planning permit and the Environment Protection Authority (EPA) approval processes” (Hodgson, 2001, p. 39). However, residents in the semi-rural Dog Rocks estate, only a few kilometres from the proposed site, were upset that the project was proceeding so fast. They were uncomfortable, not only with the idea of a polluting power station so close to their homes, but also with the way the ALP state government appeared to be circumventing process to suit the proponent.

Local residents, environmentalists and other concerned citizens quickly mobilised to communicate opposition to the proposed AESPO power station. In mid-2001, Batesford and Geelong Action Group (BAGAG) formed “to stop AES Corporation building a gas fired, peaking power station at Stonehaven” (Oliver Baird, 2001, pp. 12-3). In a letter to the Office of the Regulator-General, Victoria[4] the group’s steering committee stated that widespread community concerns about the proposed power station had led to the group’s formation. “Recent meetings have been attended by up to 150 people. Their opinions are representative of thousands more” (Batesford Action Group Steering Committee, 2001). BAGAG mounted arguments against the proposed power station’s production of hazardous risks based on contradictions in local, state and federal policy, its location, its technology and the proponent’s reputation for corporate irresponsibility and violations. On a state level, BAGAG questioned the government’s commitment to reducing greenhouse gases and
consumption, particularly of air conditioners, which were known to create significant power demands. In particular, BAGAG criticised the incumbent ALP government for taking shortcuts in the community consultation processes. Indeed, the state planning and health minister, John Thwaites, had bypassed the Environment Effects Process (EES) process which Premier Bracks previously had stated was needed to accompany any new power station development in Victoria. According to BAGAG, an EES process would consider the plant’s environmental impact in relation to, for example, water and air quality over a 12-month period, taking into account locally specific meteorological conditions. Without such a detailed study, the group maintained the approvals process was flawed. Furthermore, BAGAG argued that AES Corporation’s compliance record in the international electricity industry made it an inappropriate licensee for the power plant. The group found that AES was currently being investigated for price fixing in the US by five statutory authorities and that in 2000 it was fined for a number of breaches of environmental standards. BAGAG claimed it presented this information at a mediation meeting to AESPO Director Jerry McBrien who admitted it was true and that “no one is perfect” (see www.chalicedreams.com/Batesford-Action-Group/b-aes.htm).

To harmonise community anxiety over these apparent contradictions in logic, in early October, AES produced a letter signed by AESPO's Golden Plains Manager Graeme Dowers, in part, to respond to alleged false and misleading claims and unethical communication practices that accompanied the approvals process. They argued that this had come in two forms, through the local media and “people opposing the development” (Dowers, 2001):

There has been a degree of negative reporting of the AES Golden Plains power station and AES itself recently through the local media. This has been based upon the misconception of some key facts, and regretfully, in some cases the result of misleading information propagated by people opposing the development. As we move closer to the power station's imminent construction phase, I am pleased to report AES will considerably step up communication with key stakeholders, including the local Golden Plains and Greater Geelong communities in order to ensure the station's smooth integration. First and foremost, AES is concerned to encourage a full understanding of the project – particularly to clarify present misconceptions regarding environmental impacts (Dowers, 2001).

Despite representations from BAGAG and other activists, the planning dispute resolution process Victorian Civil and Administrative Tribunal (VCAT)[5] announced approval for the AESPO to build the $260 million, 500 MW peak power station (Mayne, 2003, p. 5) on 14 December 2001. AESPO Director Jerry O'Brien was reported to have said that “VCAT has made an independent assessment [...] and determined it won't be harmful to the community or the environment in Geelong. We would hope that people would be comforted by that assessment” (McCann, 2001, p. 5).

However this was not the case. A separate entity to BAGAG, Community Picket Line (CPL) was formed in response to VCAT’s decision to uphold the Golden Plains Shire's planning permit and designed to physically block access to the site (Geelong Independent, 2001, p. 3). The act of forming a picket line was a singularly effective communication tool, conveying the long-term commitment of the protesters. It provided a visual reference point for the protest and a means by which signage and the human face of the protest could be effectively communicated to local media (Johnstone, 2002b, p. 5; Box, 2002, p. 14; McCann, 2002, p. 1).
However, ironically, at the same time as the Stonehaven activists were preparing for long-term community opposition to the proposal, the proponent was reconsidering its viability. AESPO had announced its USA parent company, energy giant Enron, had lost money and investments and for this reason it was considering withdrawing its interest (Poehland, 2002, p. 7). According to AES Project manager Matthew Barley, the current reassessment did not necessarily mean that the power station would not be built, rather “AES would maintain its planning permits and could reconsider construction some time after this year” (Murphy, 2002, p. 3).

The state government, however, in the confusion surrounding the withdrawal of AES Corporation, took the opportunity to reassess its decision regarding the power plant's construction. It argued that the completion of other electricity upgrades had catered for the shortfall, and it was now questionable as to whether the power station was needed at all, even though it had previously said the 500 MW power station was essential to service Victoria's power shortages (Johnstone, 2002a, p. 5).

**Otway Ranges Environment Network**

At the same time that WRATD was forming in 1995, a collective of environmentally concerned citizens was mobilising in the vast forests of the Otway Ranges, approximately 200 km Southwest of Melbourne. Their campaign was centered on protecting the Otway region’s diminishing reserves of old growth and other native forest areas and stopping large-scale commercial logging practices (see www.oren.org.au/othistory.htm). When it formed, members of the Otways Ranges Environment Network (OREN) were a mix of practised and novice activists. Some came to the group as experienced protesters whereas others joined in response to current forest issues and debates.

To position itself in the long running dispute about logging in the Otway Ranges, OREN focused its arguments on the forest's multiplicity of values. In particular, it contested definitions of value that the timber industry and the state government assigned to different forest resources, such as timber, water and wildlife. Therefore, they defined the value not predominantly by economic indicators such as woodchipping yields set by forestry practices. To do this, they researched scientific, economic and social effects of commercial timber practices, such as biodiversity. Furthermore, OREN argued that subsidised commercial timber practices were economically unviable compared to the value of tourism. According to OREN’s 2003 calendar; “Tourism in the region is worth $1 billion each year, and employs thousands of people. Logging is subsidised by taxpayers by about $1 million and employs about 60 people, while destroying forest” (Otways Ranges Environment Network, 2003). OREN also argued that the Otways supplied 300,000 people with water and that the state’s logging policies, in particular woodchipping in native forests, were putting this at risk. In tandem with this, OREN contributed to policy making in the Otways through the participation in a state and federal forest management process, the West Victoria Regional Forest Agreement (RFA)[6].

However, an analysis of OREN's web site also sheds light on how the group framed meanings and knowledge for other citizens who were interested in the debate. In particular, one page on the OREN web site is devoted to an exposé of contested understandings of logging issues. This page appears to be designed to undermine the dominant reading position put forward by the logging industry and empower readers to undertake a critical
negotiated reading of the logging industry produced text. Titled “Clearfell logging – Logging industry propaganda”, the page lists ten statements issued by the logging industry that OREN challenge (see www.oren.org.au/logging/directory/clearfell.htm). It is evident from this quote that OREN paid a high level of attention to the multiple interpretations that the reader would encounter of particular words such as “harvest”:

- The word “harvest” is a substitute for the word “clearfell logged” because it sounds better.
- The word “harvest” implies that a complex forest ecosystem can be managed by humans in the same way as a mono-culture crop of wheat or sugar-cane is farmed. The word harvest implies forests were created by humans to exploit when in fact they evolved over millions of years. The Otways forests exists [sic] in its [sic] own right without human intervention.
- A more accurate description of the concept “harvest” would be “the natural forests are being cut down and replaced with a modified crop of trees similar to a plantation that will be harvested in 60 to 80 year rotations” (italics in original; see www.oren.org.au/logging/directory/clearfell.htm).

OREN’s web site also claims that the state government department, Forestry Victoria, suppressed key information for subjects. Titled “Forestry Victoria research and information suppression”, a web page lists documents the state department supplied to the public that they claim that are misleading, such as incorrect maps and hydrology research (see www.oren.org.au/logging/who/FVsupress.htm). The text producers, by posting this information on OREN’s web site, demonstrate a preparedness to interrogate and challenge competing values and assumptions and to produce a counter-hegemonic reading position and discourse on forestry issues.

Indeed, this theme of revealing the controlling properties of discourse is evident in many parts of the OREN campaign. This extract is taken from an OREN research report and contains another example where readers were positioned by the group to challenge the preferred reading position of the state and industry organisations:

**Timber Industry Double Talk – the Forests Regenerate** The concept that forests regenerate after logging is widely used by industry spokespeople. The use of the word “regenerate” implies that exactly what was in existence before logging will be recreated. This had the effect of deceiving the public into believing that nothing is being lost. The industry plans to log in 80-year rotations while today it clear fells trees over 250 years old. We will not know for 250 years if these forests will regenerate to what they are today. How the forest industry manages to grow 250 years in 80 years is remarkable (Otways Ranges Environment Network, 1999, p. 9).

As a result of this unusual rigour and engagement with techno-scientific discourse, OREN’s scientific *bona fides* became legitimate and the Melbourne media began to refer to them as an authority to describe logging practices in the Otways:

Water is already a critical regional issue, with Geelong on restrictions since January last year. The warning is contained in a report by the Otways Ranges Environment Network. It is based on a five-year study by the Cooperative Research Centre for Catchment Hydrology,
which found that run-off into dam catchments declines when trees are young, then progressively increases, levelling off after 240 years (Miller, 1999, p. 9).

A breakthrough for OREN occurred in November 2002, when Premier Steve Bracks announced that, if a Labor state government were re-elected, logging in the Otway native forests would stop within six years. The Herald Sun (2002, p. 1) reported that “The Premier unveiled a $50 million plan to buy back all timber licences in the Otways and create a national park from Anglesea to Cape Otway in Victoria's southwest. Mr Bracks denied that the promise was a move to win Greens preferences”. Bracks said, “We have listened to the community and we will now act of [sic] behalf of future generations to save the Otways. If re-elected, we will make the Otways one of the world’s great national parks” (Otways Ranges Environment Network, 2004).

**CSR, New Activism and the ethics of manufacturing consent**

Given these events, what are the lessons about conflict and communication between business and community that can be learned from these examples and, drawing on the theories of Durkheim (1957), Habermas (1984, 1989, 1995), Beck (2000) and Bliss (2002), how can they be applied to new holistic business approaches such as corporate social responsibility?

Foremost, the WRATD, BAGAG and OREN examples show that the corporations these groups opposed used public relations based on the logic of early modernity and that it was characterised by numerous problems within a risk society and in a period of late modernity. One example was the framing of the activists, by public relations practitioners, as the opposition, enemies and/or simple-minded. In the BAGAG case study, AESPO demonstrated this in a letter designed to quell concerns about the power station (Dowers, 2001). However clearly, the tactic failed to undermine the public's confidence in the activists or to garner support for the company. In fact, this approach was viewed by the activists as counter-productive and offensive because it appeared patronising and simplistic to the informed readers of the media. Nor, in these examples, was public relations able to operate in the discreet or invisible ways that Habermas described. For example, to counter the effects of CSR’s communication, WRATD produced and distributed a brochure for the public that drew attention to the processes of public relations and advertising (Werribee Residents Against Toxic Dump, c. 1998). Furthermore, they produced the document: ‘Lies, Damn Lies and CSR’ (Werribee Residents Against Toxic Dump, 1998b) as a rebuttal to CSR’s “12 false claims” and refocused the debate around the truth-telling capacity of the company. Following this, CSR’s public relations efforts were highly scrutinized and further weakened. Similarly, OREN made public relations visible and exposed and interpreted it for people who may otherwise have accepted it uncritically. OREN’s web site included a page of analysis applied to terms such as “clearfell logging” and other ambiguous statements used by the logging industry to describe aspects of their system rationality. In this sense, OREN’s communication was designed to undermine the native timber logging industry’s dominant discourse. The state and the timber industries produced dense and technical information about the logging of the Otway native forests in ways that suggest language was used to funnel thought back into the bureaucratic and instrumental systems which had been dominant to this point. OREN’s response to counter the legitimacy of this authority is consistent with Beck’s notion of the “demonopolization of knowledge” (Beck, 2000, p. 29). Therefore, OREN achieved a depth of understanding and rational critical debate on logging issues and eventually adopted an
authoritative speaking position, despite some journalistic and editorial predilections to engineer an anti-logging/pro-logging dichotomy, despite its members being embroiled in violent incidents with the logging industry, despite the distraction of timber industry-generated public relations, and despite the bureaucratic intransigence and the barriers to understanding it created through the technologisation and demonopolisation of discourse. WRATD, BAGAG and OREN not only critiqued and rejected public relations’ fundamental system rationality but, moreover, used publicity to uncloak its mask of communicative action for publics.

Therefore, the use of public relations in these examples – and the activists’ response to this by the creation of the object of public relations in its complexity – raises a number of issues that are significant. Firstly, by exposing the involvement of public relations in text production, the activist groups created critical public opinion shaped by “rational agreement between publicly competing opinions”, rather than consent for the organisations issuing public relations to gain credibility (Habermas, 1995, p. 195). Secondly, they demonstrated that these industries could only succeed in using public relations to gain exposure and prestige if the “PR” was unrecognisable as self-interest (Habermas, 1995, pp. 194-5). Thirdly, they showed a belief that, if public relations were left unchallenged, it could stifle vital public debate about contested and complex social issues such as toxic contamination, deadly air emissions and changes to water yields.

Public relations can be ruthless and socially undemocratic in the promotion of large business and government interests, but this approach did not work in the WRATD, BAGAG and OREN campaigns. Despite its best efforts to engineer an outcome that served the self-interest of its organisations, business was defeated by activism’s most marginal form – grassroots. Public relations was used as an instrument by business and the state to intervene socially in ways that were expected to be unscrutinised and undetectable (especially to uneducated publics), within the public sphere (regarded as a forum for political and social control) to produce a naturalised speaking position that promoted their views of a harmonious balance between society and capitalism. But these case studies show that there are other effective forms of organisational communication occurring in the Australian civil sector and, importantly, that within the unity of public relations these examples are largely unnamed, undescribed and unacknowledged. I conclude that the problems of public relations stem from both its fusion of system rationality and unauthentic communicative action that exploits – sometimes benignly and other times ruthlessly – the public sphere using goal-oriented instrumental reason in psychologically complex ways to justify and promote system organisational self-interest within a climate of acceptance that erodes critical public opinion shaped by rational debate, precisely because its driving doctrine is that the common good is somehow being served by its actions.

Therefore, the claim of public relations to theorise and speak for the unity of organisational communication is deeply flawed, because it is ideologically invested to include some sectors and exclude others, in particular, grassroots activism. Public relations’ unusual fusion of system and communicative rationality contributes to its invisibility and an erroneous understanding by business and the state as a universal activity. “PR people” have become so integrated in the maintenance of these programs that the discourse has taken on a high order of credibility and authority in modern society. Therefore, the unity of public relations has been credited falsely as an authority to speak on communication activities between organisations, precisely because it is an arm of larger and more powerful examples of
system rationality such as the power, chemical and timber industries discussed in the WRATD, BAGAG and OREN examples. No serious overhaul of business ethics or public relations can occur until business acknowledges the social context of a risk society – in its complexity – and scrutinises the ethics of manufacturing consent.

However, the examples of grassroots activism also show an alternative approach to communication. WRATD, BAGAG and OREN developed depth of discussion in the public sphere and critical debate. Through a range of discursive practices, they produced and distributed communication for subjects to promote understandings that assisted them to think and act independently on the debates and to form considered and informed judgements. Communication throughout the campaigns was characterised by consistent, rational and regular approach that sought to educate subjects, rather than to persuade, in order to shed light on the complex relationships between the state, business and civil sectors and the consequences for public policy. In particular, they show that within the model of a risk society “new ambivalences” or unusual cross-linking and alliances between groups – such as with WRATD and the CSR stockbrokers and shareholders – will occur. Therefore a better method of communication between business and other groups is through a holistic stakeholder collaborative approach to set the tenor of relations from the outset (Bliss, 2002, p. 252). This approach assumes a rethinking of the “boundaries between subsystems”, such as the state, business and civil sectors (Beck, 2000, p. 28). This is significant, not only because it shows an alternative, but because if businesses continue to apply simple approaches in their public relations when dealing with resistance from activist groups, they will not only contribute to significant social havoc through conflict and antagonism but they will waste the collective resources of the state and risk their long-term business viability.

Furthermore, within the conditions of reflexive modernity and a risk society, collaborative deliberative-communication could be applied by groups other than business, which could have positive flow-on effects for society. This application could have significant consequences for the polity, or the institutions, (such as the state government, the water authorities and the local councils discussed) which determine relations of power in society (Abercrombie et al., 1994, p. 319). In particular, grassroots activists could, through the use of this mode of communication, make important contributions to social debates. As a result, less concentration of decision-making in state and business sectors could occur in a more democratic distribution of resources and a shift in the structure of the polity to include the civil sector to a greater extent. This could produce greater diversity of ideas and more tolerance through communicative deliberation. For example, grassroots activists have a unique ability, through their sub-political status, to present arguments about how the common good will be served, considered from a range of unusual perspectives. As a result, citizens acting within sub-political groups could describe and identify issues that the polity, paradigmatically linked to system rationality, may have overlooked. In turn, the civil sector could gain greater legitimacy to participate in the political life of society. By the same measure, for business sectors, gaining legitimacy may be harder. For example, the constant onus on activists to prove “why not” (a toxic dump or polluting power station or clearfelled logging in the Otways) may shift to business and industry having to prove “why”.

Overall, holistic collaborative-deliberative communication, within the conditions of reflexive modernity and a risk society, could produce more diversity in public debates, which in turn could benefit the individuals involved who are exposed to greater political processes.
Stronger community networks may develop through this experience in process which could, in turn, create in individuals the capacity and agency to engage successfully with the polity. As a result, new forms of community could emerge with stronger expectations of political involvement and the means to access and participate in such activities. This could give rise to new discursive practices that facilitate further empowerment. If this occurred, the level of debate and understanding about issues relating to the polity could be raised in communities and more rigorous and considered decisions could be made. As discussed, an outcome could be that the polity could embrace dissent and have greater expectations of a divergence of views from a wider range of people, who in turn have the ability to accept the divergent views of others. People and groups engaging in political life, using collaborative-deliberative communication, could pay attention to fairness, participation and honesty in ways that result in less hidden relations and more transparency, and in particular less junking of the public sphere.

Significantly, within a risk society, the collaborative-deliberative communication principles could be important to guide politically volatile sub-political expressions to maintain their focus and longevity in the face of a range of social and economic pressures. By reflecting and encouraging the values of citizenship, collaborative-differential communication approaches could affect a greater sphere of influence than the social issue itself. For practitioners, this mode of communication, characterised by the permeation of ideas, could help avoid the limitations and relativism of public relations. As a result, the absence and/or negativity in public relations discourse about the use of communication by grassroots activists could be addressed. Public relations' authority, for example, to describe organisational communication in a way that marginalises activism could be exposed and undermined in the future. Furthermore, the objectification and critical analysis of public relations by an increasingly knowledgeable public suggests that the area may transform to a transparent, ethical, rigorous and inclusive approach, such as collaborative-deliberative communication. Their greater exposure to political process and interaction could lead to new concepts and thematic choices that become culturally embedded as institutions. Therefore, the movement of grassroots activism, through the mainstreaming of collaborative-deliberative communication, into a more central political and social space could result in its greater inclusion in decision-making, education and practice. This is significant firstly because it is a break with the logic of modernity where business and the state dominate thinking and action, and secondly because new ways of thinking, nurtured through this process, could lead to creative and unusual coherences that are vital to deal with the imminent ecological threat and hazard that lies within our risk society in reflexive modernity.

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Further Reading


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