

At Last! A Magazine For Companies That Staple Dogs

These are tough times for America's corporations whose executives lament that they can't pay themselves multimillion dollar salaries or employ child labor in the Third World without creating a pr nightmare. So what's a company flack to do when the public and the media "come pounding on your client's door waving affidavits and copies of lawsuits, or holding press conferences denouncing their actions or products"?

The answer: *The Activist Reporter*, a new publication that promises to keep companies informed of pending "attacks by special interest groups" including environmentalists, shareholder "gadflies" and consumer safety advocates. Among the subscribers to the *Reporter*, which costs \$195 for 12 monthly issues, are Coors Brewing Company, General Motors, Hewlett-Packard, Louisiana-Pacific, McDonald's and Raytheon.

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A promo piece for the magazine warns that "when a crisis hits, there are precious few moments in which to prepare. Make the most of that time by having the information you need at your fingertips." Current threats to Corporate America include "powerful environmental groups" accusing Boise-Cascade, Mitsubishi and Texaco of rainforest destruction; animal-rights advocates attacking the United States Surgical Corporation; and women's groups and minority activists speaking up against Denny's restaurants and Publix supermarkets "for their hiring practices, promotional policies and customer treatment".

Needless to say, these companies are guilty as charged. Denny's recently settled claims stemming from instances where African Americans were told to pay before eating, denied advertised specials and informed that the restaurant was closed when the doors were later opened to white customers. Florida-based Publix is the target of a class-action suit by female employees passed over for promotions and paid less than men. One worker, Melodee Shores, says she was told to "lose weight and put on make-up" if she wanted to be considered for a management position. United States Surgical faced boycotts over its policy of stapling live dogs, a threat company owner Leon Hirsch responded to by hiring spies to infiltrate an animal rights group.

No matter. With *The Activist Reporter*, subscribers get "concise reviews of a wide range of successful and failed public relations moves, strategies and crisis plans, allowing you to formulate your own play-book of preplanned actions".

The Activist Reporter promises further advances in the essential pr function of crisis management. A classic case came with the 1984 disaster in Bhopal, India when a release of poison gas from a Union Carbide plant killed 2,153 people. According to *Public Relations, Strategies and Tactics*, a textbook for college courses on the subject, "Union Carbide was able to generate a level of public respect in the days immediately following

the disaster by implementing a crisis communication plan that portrayed genuine company concerns for the victims. Corporation chairman Warren M. Anderson flew to India within hours of the accident...Reporters were impressed with his open manner and found him believable when he said the disaster was Union Carbide's highest priority."

Anderson's dash to India turned out not to have been a spontaneous gesture but the result of earnest confabulation within the massed ranks of pr men at Burson-Marsteller, the advisor to Union Carbide in its hour of crisis. After careful calculation, they decided to dispatch Anderson to India, where he was immediately arrested on arrival. This, according to Jim Lindheim, a senior executive at Burson-Marsteller, was a "positive development", since the chairman's travails demonstrated that the "company was reaching out". In addition, "it was also helpful that it happened in India. It distanced it. People have this image of flaky Indians. It isn't really true, of course, but, you know, teeming masses..." ■

He-e-e-re's Babylon

Washington Babylon, our new book that intimately details the corruption of the political establishment — in bipartisan fashion, we savage Republicans and Democrats alike — has just hit the bookstores. We're offering *Washington Babylon* to CounterPunch subscribers for \$16.40 (includes postage), a discount of 20 percent. We expect our shipment of books to arrive by May 15, at which point we will fill orders immediately.

Our Seattle readers can hear Alexander Cockburn talk about the book at an event organized by the University of Washington bookstore on May 17. Ken Silverstein will be appearing at Vertigo Books in Washington, DC at 6 p.m. on the same day.

The Scourge of Corruption Leiken's New Scam

Robert Leiken has once again reared his unsightly head. His fresh scam is New Moment Inc., a self-proclaimed "non-profit organization working on international democracy issues", but in plainer English a hot-air factory propped up with foundation dollars. Last month Leiken published an article on *The Washington Post* op-ed page, "An End to Corruption", in which he hailed "the repudiation of bribery and kickbacks by [Third World] societies that once tolerated them" and announced that "today's decisive battles for democracy and development may be fought on the terrain of corrupt practices".

The birth moment of Leiken's outfit was a conference of Latin American "cultural leaders" he helped organize, with money from the United States Information Agency, just before the 1994 Summit of the Americas in Miami. A collection of essays Leiken edited about the gathering, *A New Moment in the Americas*, excitedly recalled the conference's main dinner, hosted by Al Gore, where "to the astonishment of the participants, Gore organized the chairs, in encounter group style, in tight circles in the living room". If the assembled leaders were truly astonished at the sight of Al Gore arranging chairs, contemporary culture is in even worse hands than we thought.

Even the normally demure *Foreign Affairs* found Leiken's book intolerable. Kenneth Maxwell, who reviewed the collection, derided it as "an embarrassment to its participants", whose unlucky ranks included Seymour Martin Lipset, Jean Bethke Elshtain, Stanley Crouch and Todd Gitlin. "What a [conference] of self-important, portentous waffling must have ensued", Maxwell wrote, "if this slender, poorly produced, badly edited, and often ludicrous volume is any reflection".

In the acknowledgements to his book, Leiken gave special thanks to two Venezuelans, Beatrice Rangel Mantilla and Gustavo Cisneros. It's remarkable that corruption-fighter Leiken would disclose his intimacy with this pair, since Rangel and Cisneros are closely associated with the grotesque thievery that has destroyed Venezuela's economy in recent years.

Rangel was one of the closest political advisors to President Carlos Andres Perez, whose neo-liberal economic policies ravaged the country in the early 1990s. Perez himself was evicted from office on charges of stealing public money.

Gustavo Cisneros is even more closely tied to Venezuela's rot. He and his brother, Ricardo, are among the richest men in the world, with interests in real estate, supermarkets, media (part owners of Univision, the Spanish-language network), sports equipment and baby products. They are also believed to have been the largest shareholders of Banco Latino which, until it collapsed in 1994, was Venezuela's second largest bank. The failure of Banco Latino triggered an economic crisis during which at least 18

Leiken's anti-corruption work has been financed by some of Latin America's shadiest money.

banks went under and the government was forced to spend \$7 billion — 16 percent of Venezuela's gross national product — to prevent a collapse of the country's financial system.

According to the Venezuelan government, Banco Latino insiders funneled pension fund money they controlled to their own firms, made illegal loans to cronies and committed fraud to the tune of \$200 million. In a story on the banking scandal, *The Wall Street Journal* had Luis Garcia Montoya, the former head of Venezuela's Securities and Exchange Commission, describing the Cisneros brothers as "a symbol of everything that has to be eliminated in order to make the country decent".

Gustavo Cisneros — who sits on the international advisory board of Chase Manhattan Bank and counts among his friends David Rockefeller, Henry Kissinger and Vernon Jordan — has helped finance Leiken's current line of work. That makes the Mad Maoist's crusade against corruption as credible as Philip Morris's campaign to stamp out teen smoking. ■

Hang 'Em High (But First, Pass the Stamps)

Attorney General Janet Reno is an ardent advocate of prison labor, a topic in which we at CounterPunch take a keen interest. A plaque in Reno's office aptly represents the priorities of Justice in Clinton Time: "All furniture in this office was built by federal prison inmates."

We recently received a brochure from UNICOR, the trade name for Federal Prison Industries, Inc., a Justice Department-run corporation that oversees a vast, captive reserve army of sub-minimum wage labor. While the primary mission of UNICOR is "to train, educate and employ inmates", companies benefit because of its timely provision of "high quality services at competitive prices".

The brochure touts UNICOR's ability to handle big mailings: "We have the resources and expertise to turn your mailing nightmares into sweet dreams." Companies need not worry about prisoners bungling the job, since UNICOR "oversees workers with a continual monitoring program".

UNICOR already handles mailing for the Federal Trade Commission and the Small Business Administration, as well as sending out four million Selective Service notices annually to remind 18-year-olds to register for the draft. Prison wage slaves are even employed to send out "decisions handed down by the Supreme Court", which are "labeled and mailed from the UNICOR Distribution Facility".

Thinking we might lower our mailing costs, we called UNICOR's toll-free number, 1-800-827-3168, to get information about its program. We were confronted with a menu of options, the first being "If you are calling to place a credit card order, to ensure that you don't give your credit card number to an inmate, please press 1." After punching in 4 we reached a prisoner/customer service representative who told us that UNICOR couldn't handle our account since it works only with state agencies and companies under contract to the federal government. ■