

A Captive Audience

Corporate Propaganda on the American College Campus

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Edward Bernays, nephew to Sigmund Freud and architect of the modern public relations industry, built his career as a public intellectual around a single idea, which he articulated in the opening lines of his 1928 book *Propaganda*:

“The conscious and intelligent manipulation of the organized habits and opinions of the masses is an important element in a democratic society. Those who manipulate this unseen mechanism of society constitute an invisible government which is the true ruling power of our country.”¹

Such plain talk about propaganda was possible in part because the word was then seldom used in America, and loaded with fewer negative connotations than it holds for us today.² It was, from the very moment it was coined by Pope Gregory XV in 1622,³ a term associated with the weaponization of language and information – in particular, combating the spread of Protestantism by “propagating” the Roman Catholic faith. But its agnostic use remained uncommon until the nineteenth century, and its association with deception and falsehood did not arise until after the First World War.⁴ By writing *Propaganda*, Bernays hoped to rehabilitate the word and relieve it of some of its wartime associations, which he had, in fact, helped attach in the first place.

Propaganda remains an influential, foundational document for public relations and marketing professionals, but its core ideas were not drawn from private-sector experience; instead, they emerged from what Bernays learned during his time working as a propagandist for the United States government.⁵ As director of the

¹ Edward L. Bernays, *Propaganda* (Brooklyn, NY: Ig Publishing, 2005), 37.

² Bernays, *Propaganda*, 9.

³ Francis J. Weber, “Roman Archives of Propaganda Fide,” *Records of the American Catholic Historical Society of Philadelphia* 76.4 (1965): 245–48.

⁴ Bernays, *Propaganda*, 10.

⁵ Larry Tye, *The Father of Spin: Edward L. Bernays and the Birth of Public Relations* (New York: Henry Holt, 2002).

Latin News Service Branch of the Committee on Public Information, he'd helped President Woodrow Wilson gain public support for US involvement in the First World War. Even his insistence that propaganda is "an important element in a democratic society" was borrowed from George Creel, a former journalist who had served as the Committee's chairman. The organization's methods for stirring up a pacifist society to support American involvement in the war, Creel said, did not constitute "propaganda as the Germans defined it, but propaganda in the true sense of the word, meaning the 'propagation of faith'" – a distinction which conveniently leaves aside the anti-Protestant origins of the word and its use.⁶

In his book, what Bernays sought to propagate was faith in his own brand of propagation, which he claimed would benefit broad swaths of the American public. Businessmen, politicians, scientists, and even women's rights activists had much to gain by deploying propaganda, Bernays argued throughout the text. He was, of course, correct on every account, but in a roundabout way. Throughout the twentieth century, every aspect of American society, from business and politics to science and activism, was subsumed by corporate values, which privileged profits over every other consideration; but unlike the private businesses which ruled previous centuries, these publicly traded corporations were forced to disclose certain information to shareholders, regulatory bodies, and the public, even when that information might prove unfavorable to their bottom line.⁷ And so the production of propaganda came to be a core function of the modern corporation, which necessarily made it a core feature of the corporatized realms of modern business, politics, science, and activism.⁸

Propaganda in service of public higher education was of special interest to Bernays. In one of *Propaganda's* most prescient chapters, the author made a case for deploying professional propagandists in service of America's public universities:

The state university prospers according to the extent to which it can sell itself to the people of the state. The state university is therefore in an unfortunate position unless its president happens to be a man of outstanding merit as a propagandist and a dramatizer of educational issues.⁹

It would be many decades after Bernays wrote these words before America's public universities faced financial straits dire enough to resort to such tactics. And when at last they did embrace propaganda and dramatic narratives, university presidents chose to ignore the "educational issues" Bernays had suggested as the dramatis

⁶ James R. Mock, "The Creel Committee in Latin America," *Hispanic American Historical Review* 22.2 (1942): 262–79.

⁷ William G. Roy, *Socializing Capital: The Rise of the Large Industrial Corporation in America* (Princeton University Press, 1999).

⁸ David Miller and William Dinan, *A Century of Spin: How Public Relations Became the Cutting Edge of Corporate Power* (London: Pluto Press, 2008).

⁹ Bernays, *Propaganda*, 138.

personae. Instead, they sought to transform their institutions in ways that made them a better conduit for something which was already inherently spectacular: college athletics. They did this not as an end unto itself but in service of forging more lucrative partnerships with the global corporations which manufacture and market athletics shoes and apparel – most prominently Nike and Adidas.

The origins of these partnerships can be traced back to the late 1970s, when Nike employees paid college basketball coaches what was euphemistically called “sneaker money” – cash payments in exchange for a promise that their team would wear only Nike shoes on the basketball court.¹⁰ By May 1986, university administrators were so tired of being cut out of such deals that an NCAA committee was convened to draft new rules which authorized formal partnerships between universities and apparel makers; the following year, Nike cut its first “all-school” deal with the University of Miami, allowing the school to profit from a shoe company which had once charged them for sneakers and gear. All they had to do in exchange for free gear and a little cash was transform their student athletes into walking billboards for the brand.¹¹ The university presidents who approved such deals became, in effect, a kind of corporate propagandist.

Dave Frohnmayer, who served as president of the University of Oregon for more than a decade, was a pioneer and a model for this kind of public university propagandism. When he took over as the University of Oregon’s top administrator in 1994, Frohnmayer found himself at the helm of an institution facing a dismal financial situation. Four years earlier, Oregon voters had narrowly passed a piece of legislation called Ballot Measure 5, which severely cut the property-tax revenues that public schools across the state relied on for funding.¹² The institutions affected by these cuts included places of higher education like the University of Oregon (UO), which lost 10.5 percent of its state funding during Frohnmayer’s first two years as president.¹³ More funding would be lost with each passing year, Frohnmayer knew, but rather than appeal to “the people of the state,” as Bernays had advised, he turned instead to one Oregonian in particular: Phil Knight, a UO alumnus who also happened to be the founder and chief executive of the Nike corporation.¹⁴

Frohnmayer’s move made a certain kind of sense: while he was determined to replace his school’s lost public funding with private financial support, Knight, as the founder and chief executive of Oregon’s biggest corporation, had nearly endless

¹⁰ J.B. Strasser and Laurie Becklund, “Vaccaro: The Dean of Shoes,” *Los Angeles Times*, February 15, 1992.

¹¹ Richard W. Stevenson, “Supplying the Athletes: A High-Stakes Business,” *New York Times*, June 10, 1986.

¹² Richard J. Ellis, “Direct Democracy,” in Richard A. Clucas, Mark Henkels, and Brent S. Steel (eds.), *Oregon Politics and Government: Progressives Versus Conservative Populists* (Lincoln: University of Nebraska Press, 2005), 67–69.

¹³ David Sarasohn, “State Colleges: Onward and Downward,” *Oregonian*, February 12, 1995.

¹⁴ University of Oregon Archives Department, Dave Frohnmayer, major speeches, box 1, “State of the University Address,” 150 Columbia, University of Oregon, 3:00 p.m. on October 5, 1994.

financial resources.¹⁵ The business impresario also stood to gain much from a partnership with Oregon's flagship university: Nike, which had become a billion-dollar juggernaut selling basketball and running shoes, was increasingly focused on apparel deals with professional and collegiate football teams.¹⁶ Frohnmayer, meanwhile, had an appealing piece of drama with which to lure Knight. The University of Oregon needed to secure enough private funding to build an indoor practice facility for the school's football team, which had recently made a surprise trip to the Rose Bowl only to falter in the big game; with a top-flight indoor practice facility, rainy Oregon's flagship school could attract top recruits who might otherwise go to schools in California. Better recruits would lead to more wins, which would raise the school's profile and, Frohnmayer hoped, lead to more out-of-state students, who would pay higher tuition than Oregon residents.¹⁷

In theory, Knight's \$8 million gift toward the building of that indoor training facility, called the Moshofsky Center, should have been the start of a mutually beneficial relationship between Nike and the University of Oregon.¹⁸ But in practice, the power dynamic remained too unequal for the university to ever be anything but a silent partner. This was by design: Knight was not a philanthropist but a businessman, and his gifts to the University of Oregon were a kind of investment. And like any smart investor, Knight sought to gain maximum value through minimum buy-in – instead of paying for entire buildings or athletics facilities on UO's campus, he would pay up to half of the cost of a project and leave the school to find the rest elsewhere.¹⁹ Meanwhile, Knight maintained naming rights and an enormous degree of control over how these facilities would be built, unveiled, and used. For its part, the University of Oregon gained – along with each shiny new edifice – the tremendous debt which resulted from paying interest on cumbersome state bonds issued to shore up funds for Knight's on-campus projects.²⁰

There was another, far more fundamental reason why this lopsided power dynamic endured for so many years. The University of Oregon's financial relationship with Nike did nothing to address the core problem Frohnmayer set out to solve when he first courted Knight as a potential donor. The school's reliance on public funds had been too great, and the loss of those funds too sudden, for increased tuition dollars to completely erase the deficit left by Oregon's devastating property-

¹⁵ Kenny Moore, *Bowman and the Men of Oregon: The Story of Oregon's Legendary Coach and Nike's Cofounder* (New York: Rodale, 2006), 156.

¹⁶ Mark Asher, "NCAA Schools Search for Shoe Deals that Fit," *Washington Post*, November 19, 1995.

¹⁷ Kerry Eggers, *The Civil War Rivalry: Oregon vs. Oregon State* (Charleston, SC: History Press, 2014), 380.

¹⁸ "Matching Gifts Endow Knight Chairs," *News & Views: Faculty and Staff Newsletter of the University of Oregon*, June 11, 1998; author interviews.

¹⁹ Greg Bolt and David Steves, "Legislators Demand Transparency from UO Arena Project," *Eugene Register-Guard*, May 25, 2010; author interviews with Eugene labor representatives.

²⁰ Henry Stern and Mark Zusman, *Willamette Week*, May 18, 2010.

tax cuts. And so, rather than improving the school's financial position, Knight's funds merely improved its image in the world of collegiate sports. Functionally, it grew more debt-ridden with each partially funded project, which Knight, on more than one occasion, forced the school to issue bonds against as a means of securing the remaining funds.²¹ This led the school to become increasingly dependent on Knight's continued support, which in turn transformed Frohnmayer into something Bernays had not imagined when writing his chapter on propaganda and American education: an educator as corporate propagandist.

Frohnmayer's role as a Nike propagandist was not metaphorical or symbolic. It was, in fact, shockingly literal. In 1999, he allowed Knight, who was by then the school's most generous private benefactor, to have his company rebrand the state's flagship public university. It was in every way unprecedented and, for most, unimaginable – a private corporation, with shareholders and executives and quarterly profit targets, constructing for a public institution of higher learning a “brand identity” which would for years to come define it in the public sphere. The task was carried out by Rick Bakas, a Nike designer working in the company's apparel department. It was, he said, “unlike anything that had ever been done before in terms of corporate branding.”²²

The level of secrecy surrounding the endeavor was also unlike anything previously undertaken as part of a corporate partnership with a public university. Thomas Hager, who was then the University of Oregon's director of communications, called it “a sort of *fait accompli*,” known to more people on Nike's Beaverton, Oregon campus than on the UO campus itself.²³

“Supposedly I was in charge of external communications for the university and I had not been privy to any discussions about changing things,” Hager said. In this case, however, he found out only when he was called into a meeting for a kind of unveiling of the school's new logos and branding materials. One reason that people like Hager were increasingly left out of the loop is because some university work was actually being outsourced to Nike employees; other times, it was passed off to a new generation of university employees who were trained from the beginning of their careers to act in deference to those Nike representatives who were collaborating with the university.²⁴ These employees were overwhelmingly communications, public relations, and marketing staff, whose ranks grew so quickly at the University of Oregon that by 2018 they numbered more than the combined faculty of the school's departments of history, economics, and philosophy. And because they were dispersed throughout various departments and offices at the school, these propagandists spread their habits and impulses to every facet of university operations. The damage

²¹ University of Oregon Archives Department, “UO Building Costs 97–06,” 11.151.A, Box 3, file 3.

²² Rick Bakas, “How the Oregon Ducks Brand Was Created,” Bakas Media blog post, December 16, 2014; author interviews with Rick Bakas.

²³ Author interviews with Thomas Hager.

²⁴ Author interviews with Thomas Hager.

they caused through unbridled obfuscation and spin is incalculable, but the symptoms of this disease are easy enough to examine once they do come to light.

One especially egregious example surfaced in May 2014, when various media outlets discovered that a University of Oregon student had reported being raped by three of the school's basketball players two months earlier.²⁵ Instead of sanctioning the players and investigating the incident when it was reported, the school had sought to keep the victim's criminal report quiet until the team's post-season "March Madness" participation was complete. And rather than launching a Title IX investigation in accordance with federal law, university administrators instead tasked the school's top public relations professionals with devising a plan for dealing with the scandal that would unfold if the rape report ever came to light. Within twenty-four hours of the sexual assault, those public relations staff set to work on what they called a "Sexual Violence Prevention Communications Plan." It consisted primarily of various talking points meant to persuade media outlets that the "University of Oregon provides a safe environment for its students, and leaders are committed to cultural change to focus on survivor support."²⁶

In interviews with local media, Vice President of Student Affairs Robin Holmes reiterated claims about "survivor support," which was among the "key messages" of the communications plan – a document which effectively served as a blueprint for creating propaganda that cast the school's mishandling of campus sexual assault in a more favorable light. In an interview with the *Oregonian* daily newspaper, for example, Holmes emphasized that the University of Oregon has "counseling center staff who have specialty in regard to sexual assault."²⁷ This was true, and in fact Holmes, a licensed therapist herself, was in charge of the office which oversaw such student counseling. But as if to underscore how thoroughly corrupting Nike's influence on the University of Oregon had become, its Counseling and Testing Center soon developed into yet another arm of the institution's growing propaganda apparatus. Rather than taking part in the actual production and dissemination of propaganda, its role was one that has been essential to state propaganda operations since the First World War: intelligence gathering.

The case, which unfolded in December 2014, involved the student who reported being raped by three University of Oregon basketball players earlier that same year. Some months after the incident, this student began seeing a therapist named Jennifer Morlok at the school's Counseling and Testing Center. Another woman working there in an administrative capacity was Karen Stokes, who opened her email one day in December 2014 to find a strangely informal request from a superior named Shelly Kerr. Her request was that Stokes make a complete copy of a medical

²⁵ Police report: http://media.oregonlive.com/ducks_impact/other/14-04131.pdf.

²⁶ Julie Brown email to Rita Radostitz, March 10, 2014.

²⁷ Andrew Greif, "Q&A: Oregon VP Robin Holmes Speaks on Rape Accusations and Oregon's Response," *Oregonian*, May 7, 2014.

file belonging to a patient seeing Morlok, and send the copied file to the University of Oregon's general counsel. Stokes was also asked not to stamp these copied pages, as was usually done with documents that were not originals, and not to document the fact that the file had been copied. Kerr further asked her not to discuss the matter, which was maybe the strangest and most suspicious comment of all. Stokes was unnerved by the odd request, which violated a number of standard procedures and protocols, so she checked the student's file to see if it included a consent form authorizing any of what she'd been asked to do; when she found no such form, Stokes printed out Kerr's email and brought it to Morlok, who was also disturbed by it. Before long, the two women realized what was going on: the university, which had mishandled this student's sexual assault complaint and was anticipating a lawsuit, sought to find information in her confidential therapy files which it might use against her in court.²⁸

As propagandists for Nike, the University of Oregon didn't merely seek out information that might discredit or defame a woman allegedly raped by three athletes wearing the brand's shoes and apparel. Its agents further sought to conceal information which might cast the company or its relationship with the university in a bad light. In the university's Office of Public Records, for example, incoming employees were given an intake interview by top public relations officials working at the school. During these interviews, they were asked to forward all public records requests to someone from the Office of Public Relations for vetting, especially if it involved anything which might reflect poorly on the University of Oregon or Nike. Such behavior is, of course, a serious breach of state and federal laws concerning public records, which are supposed to be made available to anyone requesting them, swiftly and with few exceptions – FERPA laws, for example, require that personal identifying information be redacted from emails or other documents released to the public.

It is also a serious breach of ethics to treat an office of public records as an instrument of propaganda: stewards of public records, who are on staff at all public institutions, are tasked with releasing information to journalists and members of the community based on state and federal laws. Work emails sent by university administrators, faculty, and other school employees, for example, are all public records, and are supposed to be made available to anyone who asks for them – whether they contain information that would be embarrassing to the school or its corporate benefactor should not be a consideration. And yet, for Nike's propagandists at the University of Oregon, the latter was very often the first and only consideration, according to former UO Office of Public Records employees.²⁹

²⁸ *Stokes and Morlok v. University of Oregon et al.* (2016), US District Court for the District of Oregon; author interviews with Jennifer Morlok.

²⁹ Author interviews with current and former employees of the University of Oregon, Office of Public Records.

Such behavior casts two very different shadows over claims Bernays made regarding the usefulness of propaganda in a democratic society. On the one hand, its efficacy is unquestionable, especially in the realms of politics, business, activism, and education, as Bernays outlined in *Propaganda*; at the University of Oregon, propaganda deployed in service of the school's financial relationship with Nike has been so successful that many now refer to the school as "the University of Nike" – a sobriquet, once derogatory, which it now embraces.³⁰ On the other hand, propaganda's utility for democracy is questionable, and in the realm of public education it is quite clear that it is often incompatible with democratic ends. Because of the school's relationship with Nike, students at the University of Oregon have unequal access to an education and to facilities funded by their tuition dollars; some students, like the rape victim from March 2014, are even denied access to the most basic forms of justice and dignity. Instead of making Oregon's flagship university a more egalitarian institution, Knight's largesse and Nike's corporate influence have transformed it into a kind of corporate fantasy world. It became the kind of place where reality was less important than appearances; instead of the truth, public records stewards and media relations specialists at the university worked hard to ensure that the outside world saw only favorable coverage of their institution. Like state-run media organizations in authoritarian regimes, they accredit for sporting events only those journalists who cover them favorably, and seek to discredit, censor, or hobble those who offer critical analysis of how the school operates. By restricting the public's access to information which may reflect poorly on the university or its corporate benefactor, the only options available to the media are positive stories. But of course, propaganda has its limits, and the illusions it creates can only stand up to a certain degree of scrutiny before they collapse.

Until recently, one of the most effective propaganda campaigns carried out by Nike and the University of Oregon had to do with the nature of the partnership between these two entities. Despite the fact that the university has for years remained perpetually underfunded and reliant on significant tuition hikes,³¹ while funding from Nike and Knight goes almost exclusively toward building projects that in time become a drain on the school's dwindling financial resources, it has long been held up as a model of success. Administrators at the University of Maryland, in fact, cited Nike's partnership with Oregon as its inspiration for pursuing a similar relationship with Under Armour, an athletics apparel company founded by Maryland alumnus Kevin Plank. In 2014, the school signed a \$33 million athletics equipment deal with the company, which had positioned itself as a challenger to Nike and Adidas.³² But several years later, when faced with financial pressure amid a global economic

³⁰ Greg Bishop, "Oregon Embraces 'University of Nike' Image," *New York Times*, August 2, 2013; author visits and interviews.

³¹ University of Oregon, Office of Admissions.

³² Marc Tracy, "Under Armour Seeks to Do for Maryland What Nike Did for Oregon," *New York Times*, August 25, 2015.

downturn, Under Armour announced in June 2020 that it would seek to pull out of two major college sponsorship deals. One of these deals was, at the time of its signing in 2016, the largest apparel deal in the history of college sports: \$280 million paid out to UCLA over the course of fifteen years in exchange for making Under Armour the school's exclusive sports apparel partner. The other deal, with UC Berkeley, was worth \$86 million over the course of ten years.³³ With the matter now headed to the courts, it will not be the first time UC Berkeley has had a corporate partnership end in acrimony and embarrassment. In 2007, the school entered into a controversial partnership with the British oil company BP, which pledged \$350 million for the construction of an Energy Biosciences Institute on the Berkeley campus. In the end, the oil company pulled much of its funding after the project failed to improve its image as a company committed to renewable energy sources.³⁴

This was a prime example of what Bernays called the promotion of “artificial values,” and in the end it was a disaster for both the institutional propagandist and its corporate client. There is reason to believe that a less artificial pairing might have produced better results – for example, collaboration with a corporation whose executives held some shared values with the leaders of its university partners. But increasingly, it seems that a public university like Berkeley would almost certainly be better served by focusing on ways to “sell itself to the people of the state,” as Bernays emphasized.³⁵

In the coming years, it is entirely likely that America's public universities will need to reimagine propaganda in order to sell themselves to the people of the state, as Bernays once advised – to “propagate faith” in public higher education, which has been diminished in reputation by years of corporatization only to now face financial collapse as a result of an unforeseen global pandemic. Administrators at institutions like the University of Oregon have endured years of criticism for selling out to Nike and other corporate benefactors, but they could at least console themselves with the money, the building projects, and the endowments these partnerships produced. And, of course, they could point to the rising out-of-state enrollment, which helped shore up lost state funding by making the university more reliant on those students willing to pay more to attend. Now, over the course of a year living through a global pandemic, such funding models, which were never well thought out to begin with, have come under tremendous strain and may need to be replaced with something better – many corporations, after all, will be in no position to hand over millions of

³³ Sara Germano, “Under Armour Pulls Out of Two Major University Sport Deals,” *Financial Times*, June 30, 2020.

³⁴ Eli Kintisch, “BP Bets Big on UC Berkeley for Novel Biofuels Center,” *Science* 315:5813 (February 9, 2007); Erik Neumann, “Not So Fast: At UC Berkeley, Biofuel Research Takes Hit as BP Oil Company Backs Away,” *California Magazine*, February 4, 2015, <https://alumni.berkeley.edu/california-magazine/just-in/2015-02-20/not-so-fast-uc-berkeley-biofuel-research-takes-hit-bp-oil>.

³⁵ Bernays, *Propaganda*, 138.

dollars for building athletics facilities or libraries on college campuses. And students from out of state, as well as those paying in-state tuition, will question in ever larger numbers the wisdom of paying immense sums of money for classes which must be taught partly online; others may question the wisdom of ever going back to the way things were before, especially if the college experience is no longer much of an experience at all.

When the pandemic has ended and America's public universities must once again sell themselves to prospective students, they will undoubtedly turn to Bernays and the methods he outlined in *Propaganda*. Their success or failure may depend, ironically, on the effects of propaganda elsewhere in society: What use is a university, after all, in a society which has no use for truth?