

HOW FACTS SURVIVE: SPONSORED ECONOMIC EDUCATION MEDIA AND  
AMERICAN SOCIAL IMAGINARIES, 1974-1986

A Dissertation

Presented to the Faculty of the Graduate School

of Cornell University

In Partial Fulfillment of the Requirements for the Degree of

Doctor of Philosophy

by

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August 2016

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# HOW FACTS SURVIVE: SPONSORED ECONOMIC EDUCATION MEDIA AND AMERICAN SOCIAL IMAGINARIES, 1974-1986

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Cornell University 2016

Proponents of free markets often characterize them as elegant and self-coordinating systems of dynamic exchange among peers. In practice, however, the apparent coordination of capitalist systems requires a great deal of maintenance and defense. To this end, powerful commercial institutions have directed much effort to communicating with the public: forests' worth of newspaper column-inches and pamphlet pages, miles of celluloid film and video tape, and now, countless lines of digital code that purport to educate or entertain while also imparting messages about institutions, their practices, and their place in society.

This dissertation considers campaigns that communicated a particular, partial, and corporate-friendly vision of markets, labor, and regulation under the banner of 'economic education.' Much as they had from the midcentury period onward, media messages encapsulating this vision flowed across the U.S. media landscape in the 1970s and 1980s, funded by corporations, corporate-funded foundations, and even federal agencies. The producers and sponsors of these media campaigns drew upon on shared imaginaries of media, democracy and the market, some of which were expressed in the resulting media texts, and others of which helped those texts' producers and sponsors coordinate flows of money and power behind the scenes.

Those shared imaginaries have shifted over time, leaving less room for the legitimacy of

institutions and claiming more space for individualism. The individualism put forward was not, however, in the vein of a dispassionate, utility-maximizing figure. Rather, the figure of the individual that emerged in the sponsored economic education campaigns of the 1970s and 1980s combined self-interested decision-making with empathy, self-knowledge, and an understanding of the significance of everyday practices.

This study also documents how the producers and sponsors of economic education media campaigns brought their messages to the public: by leveraging and exploiting laws, regulations and policies to ensure maximal distribution for their own messages, often also enjoying access to spaces other institutional speakers could not reach due to structural factors. This privileged access relied, more often than not, on careful (and frequently strategically vague) performances of political neutrality, intellectual objectivity, and cross-institutional consensus.

## BIOGRAPHICAL SKETCH

Caroline Jack is a doctoral candidate in the Department of Communication at Cornell University, and a Ph.D. Intern at with the Social Media Collective at Microsoft Research New England. During her doctoral studies, she has also been an Exchange Scholar at the Massachusetts Institute of Technology, a Visiting Student with the Social Media Collective at Microsoft Research New England, and a Graduate Researcher with the Intel Science and Technology Center for Social Computing. She holds a Master of Science in Communication from Cornell University, a Masters of Business Administration and a Master of Arts (Research) in Communication from Saint Louis University, and a Bachelor of Arts in Psychology from the University of Missouri-Columbia.

To Helen and Bill, with deepest gratitude.

## ACKNOWLEDGMENTS

No writer works alone, if she is fortunate. Above all, I am tremendously grateful to my dissertation committee for supporting this project and my doctoral candidacy. First and foremost, I want to thank my dissertation advisor, Tarleton Gillespie. Tarleton offered guidance and encouragement--not to mention hundreds of hours of conversation and feedback--with unwavering generosity and thoughtfulness. His advocacy and mentorship made this project a joy. Lee Humphreys encouraged me to develop my argument with precision and nuance. Bruce Lewenstein helped me find my identity amongst historical scholars, and Jonathan Sterne helped me find my voice. I am the scholar I am today because of their belief in me, and because of the time they have spent in helping me unravel and make sense of the stories I encountered in the archives.

The Department of Communication at Cornell University has supported me unfailingly throughout the course of this work. Geri Gay and Katherine McComas, the former and present Chairs of the Department, have fostered a departmental culture in which graduate students are treated as valued members of the community. Director of Graduate Studies Sue Fussell was always there to give advice and support. Joanna Alario, the Department of Communication's Graduate Field Advisor, was an invaluable help in navigating the administrative tasks involved in doing in my work. Financial support from the Department--via teaching assistantships with faculty members Sahara Byrne, Lee Humphreys, and Tarleton Gillespie--has funded this study, as has a multi-semester research assistantship with Tarleton Gillespie, funded by the Intel Science and Technology Center for Social Computing.

I owe tremendous thanks to the archivists without whom my historical research would be impossible: Rory Grennan and the staff of the University of Illinois Archives; Carol Leadenhamb

and the staff of the Hoover Institution Archives at Stanford University; Rick Prelinger and the staff of the Prelinger Archives, and Fran Huehls and the staff of the Joseph and Matthew Payton Philanthropic Library at the University of Indiana-Purdue University Indianapolis (IUPUI). I am especially grateful to the grants committee at IUPUI for supporting my travel to the archives with the Ruth Lilly Archives Award.

Intellectual exchange and community has been a source of inspiration and nourishment to me throughout this project. At Cornell, I found support, mentorship and community at every level. I owe deep thanks to my fellow graduate students: Megan Halpern, Tony Liao, Gina Eosco, Pamara Chang, Elizabeth Newbury, Meghnna Tallapragada, John Lunsford, Leah Scolere, and Sungjong Roh. I am especially grateful to the ‘mighty women’ of Cornell, whose brilliant insight, faithful friendship and unceasing curiosity inspired me as a woman scholar: Jenni Lieberman, Sandy Payette, Paula Jarzabkowski, and especially Stephanie Steinhardt, the most serene and generous thinking partner I have ever met. Many Cornell faculty members generously gave advice, time, insight, and friendship: among these I particularly thank Professors Ron Kline, Sara Pritchard, Jefferson Cowie, Phoebe Sengers, Steve Jackson, Phil McMichael, Trevor Pinch, Suman Seth, and University Librarian Anne Kenney.

Senior scholars in the conference and colloquium community, too, have given me tremendous guidance, encouragement, and mentorship. In this regard I am very grateful to Dave Park, Jefferson Pooley, Richard R. John, Fred Turner, Vicki Nash, Barbara Hahn, Siva Vaidhyanathan, Charles Ess, Walter Friedman, Nathan Ensmenger, JoAnne Yates, Roger Horowitz, and Pamela Laird. I also thank the organizers of the International Communication Association, the Society for the History of Technology, the Association for Internet Research, and the Business History Conference, and the faculty of the Oxford Internet Institute Summer

Doctoral Programme for opening their communities to me, awarding grants for travel, and giving me opportunities to present my research.

The last two years of this study were immeasurably enriched by my affiliations in Cambridge, Massachusetts. I owe a debt of gratitude to Tarleton Gillespie for bringing me into the community at Microsoft Research New England; to Principal Researchers Nancy Baym, Mary Gray, and Kate Crawford for their thoughtful feedback on my project; and to the many scholars whose visits to the lab coincided felicitously with mine--most especially Tom Streeter, who encouraged me to keep chasing big questions. I found rich community, too, at the Massachusetts Institute of Technology. I am especially thankful to T. L. Taylor, Ed Schiappa, Heather Hendershot, and William Uricchio for welcoming me into the MIT community, and for providing a forum for me to present this work while it was in progress.

Finally, I am profoundly grateful to the emerging scholars who have given intellectual nourishment and moral support, most particularly Sophie Hochhaeusl, Kate Miltner, Meryl Alper, Amy Kohout, Aaron Trammell, Stacy Blasiola, Whitney Phillips, Stuart Geiger, Josi Ward, Lana Swartz, Sarah Brayne, Amelia Acker, Crystal Abidin, Misha Teplitsky, Sander Schwartz, Kevin Driscoll, Leo Kang, Gabriele de Seta, and Justine Lindemann.

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## **Chapter One: Sponsored Economic Education Media, Propaganda, and Social Imaginaries**

Throughout the twentieth century, United States corporations have employed media for many purposes, and ranging across a panoply of forms: print and still images, moving images, and the array of interactive media forms made possible by the digital revolution. Media, after all, is good for selling things—and selling, at its heart, is persuasion. We might think of corporate public relations as an abstracted version of advertising, once-removed from the product: an attempt to ‘sell’ a company by creating a favorable impression that, it is hoped, will suffuse *all* of a company’s products with a rosy glow of consumer approval. What if, however, we went one level of abstraction further, to corporate sponsored media that attempts to ‘sell’ not the product or the company, but industry—or, indeed, capitalism--itself? Then we have arguably left the province of advertising, and may be dealing instead with propaganda.

This was precisely the problem that corporate public relations and personnel departments, along with business advocacy groups like the Chamber of Commerce of the United States and the National Association of Manufacturers, grappled with throughout most of the twentieth century. Among themselves, members of these groups worried that government regulation of business and management of the economy would limit their autonomy or, worse yet, put them out of business. The question arose, then, of how to ‘sell’ industrial capitalism to the U.S. public without having to recognize themselves as propagandists.

One of the routes by which such groups, and the corporations that funded them, navigated this rough terrain was by characterizing their work as *education*. Although specific historical contexts affected precisely how it was stated, the line of argument they used was fairly consistent: *Americans who call for business to be more closely regulated (or further taxed) either are ignorant of economic principles, or have been misled by political radicals and foreign*

*revolutionaries. If the American people have a better understanding of economic forces and dynamics, then they will recognize the legitimacy of corporate-industrial practices. In their everyday lives and at the ballot box, they will support lower corporate taxes and less regulation, resulting in harmonious workplaces, less political strife, and collective prosperity for the nation.*

To this end, corporations and business advocacy groups sponsored the production and distribution of media campaigns for both adults and children under the banner of *economic education*.

Although I adopt my historical actors' practice of referring to this media genre as 'economic education,' neither word is used in a straightforward sense. The *economic*, in these media artifacts and the campaigns that supported them, was less the study of how to allocate scarce resources in society (as the discipline of economics defines itself), than a particularly American industrial-managerial subfield of belief about how power and resources should be distributed, foremost, *by private industry*. The term *economics*, for my historical actors, signified the economic ideas and practices that came to be referred to as 'free enterprise,' in which intervention—regulation and taxation of industry, for example—deforms the dynamics by which markets self-regulate. If government and organized labor would just get out of the way, this line of thinking goes, a maximally efficient and self-adjusting set of prices would emerge from the natural economic forces of competition, self-interest, supply and demand. Free-market ideologies are premised on this idealized notion of an elegant and self-coordinating system of dynamic exchange. However, the apparent self-coordination of capitalist systems requires, in practice, a great deal of maintenance and defense, especially in the realms of culture. Corporate sponsored, public-facing media campaigns were an element of that maintenance and defense. *Education*, in the minds of the sponsors and creators of these campaigns, was the process of convincing the

public to embrace these beliefs.

In short, the notion of economic education made little distinction between informing the public and persuading them to hold pro-business views. During the twentieth century, corporations, business advocacy groups, and corporate-funded philanthropic foundations all engaged in sponsored economic education campaigns that addressed the public via mass media.

In this study, I examine three cases of sponsored economic education media campaigns from the 1970s and 1980s, a time period in which the institutional power configurations of the midcentury era were giving way to a market-oriented conservatism that favored privatization and deregulation of industry. Using archival and other primary materials, I take a grounded theory approach (similar to that used in critical media industry studies) to better understand who made these media texts, and for what purposes. I have collected archival documentation of the production and distribution of several sponsored economic education media projects, always asking: who made this, and why? The answer is more complicated than it may, at first, appear to be. It is almost always true that the corporations, foundations and business advocacy groups involved in economic education campaigns had money at stake. Yet, as this study will show, historical conditions and individual ambitions also influenced the production of economic education campaigns.

Over the course of this work it became clear that many of these campaigns were multi-institutional collaborations, which added additional questions: What kinds of organizations coordinated with one another to bring a campaign to successful production and distribution? How did these organizations' goals and objectives comport with one another? Who did the work of bringing organizational goals and objectives into alignment (or something close enough to alignment to permit collaboration) and keeping them that way? What material and symbolic

resources did they draw on to draw and hold inter-organizational alliances together? And finally, what did they hope to achieve by producing and distributing these texts?

### **Rethinking the Audience and Objectives of Economic Education Media**

Sponsored economic education media are performances. That is to say, sponsored media have explicitly articulated objectives and purported audiences. However, these goals and publics are only part of what sponsored media do. When there is a front-stage, there is a backstage—and what happens there is a story in itself (Goffman, 1959; Hilgartner, 2000). The producers and funders of sponsored economic education media campaigns in the twentieth-century United States almost always presented their creations as routes to a better public understanding of, and ability to get the most benefit from, the practices and principles of U.S. industrial and post-industrial capitalism. Yet, in the ways they combined certain pieces of information and elided others these media texts also subtly signaled ‘preferred’ meanings about a much wider range of concerns (Corner, 2011): understandings of how media, democracy, business, and identity work. Studying the production of sponsored media requires, crucially, recognizing purported goals *and* drawing out the objectives and hoped-for impacts that are not so explicitly stated. The media texts and practices I uncover through the following cases of sponsored economic education media production invite us to pay attention to what these campaigns suggest about who a person is and how they should live in a capitalist system. These ideological currents were no less important for the fact that their creators may not have explicitly acknowledged them.

Sponsored economic education media served many other objectives besides persuasion, both for institutions and for the individuals involved in their production. Sponsoring economic education campaigns could be an act of public service on the corporation’s part (such efforts now typically proceed under the banner of corporate social responsibility). As such, economic

education campaigns could bolster positive public relations while garnering the corporation a generous tax break. For the business advocacy groups and non-profit foundations that often administered economic education media campaigns, and for the public institutions such as schools and broadcasting systems that accepted these media materials at low or no cost, sponsored economic education media could facilitate organizational goals by opening a conduit for private donations and corporate grants. And for individuals within these varied institutions, helming or even assisting in an economic education media campaign could lead to career accomplishment, profit and personal pride.

Similarly, looking beyond the stated audience for sponsored economic education media campaigns brings a range of stakeholders into view. Some of the sponsored economic education media detailed in this study sought to reach as broad a swathe of the general public as they possibly could, but privately conceptualized their efforts as especially relevant to particular groups such as workers, youth, women, or people of color. Other media texts were designed specifically for particular sections of the public, most notably schoolchildren and members of the working class. However, although the media texts in each of these cases purported to address the public, or a segment of the public, each media campaign in fact had to satisfy multiple unstated stakeholders, including: the corporations, interest groups, and labor organizations that gave (or withheld) sponsorship and/or endorsement; the businesspeople that advocated at the community level or volunteered their time and talents, the legislators and institutional gatekeepers that set and interpreted the terms of movement for these media texts, and the institutional actors who adopted or opposed these media artifacts as educational resources.

In addition to the obvious elements of corporate funding and production, rhetorical and ideological factors help to define economic education media as a genre. The creators and

sponsors of economic education campaigns tended to describe their efforts as objective and non-partisan, calling instead to a general sense of American identity. This recourse to national identity meant that economic education campaigns became part of ongoing questions over what constituted the ‘American way of life.’ While political actors from many different ideological backgrounds have claimed the mantle of American-ness, business advocates seem to have been particularly effective in seizing control of this narrative. Though they were by no means of one mind, the corporations and business advocacy groups involved in the campaigns I analyze were a powerful constituency whose deep pockets and strong networks of inter-institutional connection afforded them influence over policy and public conversation in the twentieth-century United States. I trace the lineage of the sponsored economic education media projects I study to particular ideologies, terminologies, and models of the public that this constituency embraced over the course of the twentieth century.

### **The Emergence of Economic Education**

#### **Industrial relations, advertising and public relations in the early twentieth century.**

In the late nineteenth and early twentieth centuries, industrial relations were, for the most part, direct--and often violent. Corporate firms hired private security contractors to limit union presence in factories, and to infiltrate and intimidate labor organizations (Tedlow, 1979). Starting in the early twentieth century, these directly hostile approaches to labor organizing were paired with efforts to win public good will (Marchand catalogues this evolving set of practices in detail). All of these efforts served to address the view, commonly held at the turn of the century, that corporations were ‘soulless’---itself a response in part to the violent repression of labor, and reinforced by resistance to the late nineteenth century ruling that corporations were fictive persons (Marchand, 1998). Through the architecture of the buildings in which they were

headquartered, the public presence of their chief executives, and through welfare and enrichment programs for workers, U.S. corporations in the earliest years of the twentieth century sought to signal public beneficence and social progress (Marchand, 1998). Advertisements in the 1900s and 1910s replicated this logic, seeking to burnish firms' reputations with the public by touting the good character of corporate founders, or by picturing rustic founding sites and state-of-the-art factories (Marchand, 1998). Industrial manufacturers used print media to advance images of U.S. manufacturing: at some times, as an efficient and wide-ranging system, and at other times, as an extended family (Marchand, 1998). It was in the 1930s, however, that the approach to resolving public concerns about corporations through media campaigns that characterized subsequent decades of corporate public relations took shape.

**The New Deal and the ‘businessmen’s crusade.’** The economic conditions of the Depression had mobilized many in the U.S. working class to join strikes, protests and other public demonstrations of the popular will, resulting in stronger legal protections for organized labor; concomitantly, social welfare and public works programs, paired with tighter regulation and state administration of such business activities as marketing and finance, signaled an expanded role for the state in United States society (Carey, 1995). As the public power of organized labor and the state expanded during the 1930s, industrial relations took a consequential shift. The repressive tactics of early twentieth century labor relations lingered, but business leaders began to turn away from hiring security firms that specialized in cracking skulls, and toward hiring public relations practitioners that sought to capture hearts and minds (Carey, 1995).

During the Depression, increased worker protections invigorated the National Association of Manufacturers (NAM) and other business advocacy organizations' anti-labor

positions. They were joined by new political organizations such as the American Liberty League, a du Pont-led association of industrialists, businessmen, bankers, and sympathetic politicians (Phillips-Fein, 2009). The American Liberty League was particularly notable for its embrace of a legalistic rhetoric that framed its claims not in terms of profit, but in terms of freedom and defense of the spirit of the United States Constitution. This rhetorical move from a paternalistic view of the corporation to one of freedom for all permitted the American Liberty League to frame its claims as non-partisan and intrinsically American (Phillips-Fein, 2009). The formulation of business interests as inseparably linked to the moral and legal heritage of the nation permitted conservative business advocates to argue that their interests were not class-based, but patriotic in nature; further, it loaned credence to the American Liberty League's claims to be advocating for freedom on behalf of all people in the U.S., regardless of their class position. The American Liberty League failed to unite the U.S. public against the New Deal, however; as Phillips-Fein (2009) argues, its core membership of wealthy businessmen made it the subject of public scorn and ridicule in an era of widespread poverty.

As this study will show, however, other groups adopted the notion that the most fundamental principles of U.S. political and moral identity could also legitimize business corporations' claim to power. This idea sat well with many public intellectuals, even those who cast a skeptical eye to the untrammeled power of corporations yet were alarmed by the threats to freedom implicit in an expanded state (Phillips-Fein, 2009). The phrase 'economic education' gained traction within corporate public relations practices over the course of the century. NAM had been characterizing its public relations efforts either as "selling the American way of life" or as a type of educational public service since the turn of the century, but this tendency at NAM crystallized into economic education efforts in the 1930s, in line with NAM's overall move to

encompass initiatives other than direct labor opposition (Tedlow, 1979; Phillips-Fein, 2009).

Tedlow (1979) and Marchand (1998) point to advertising as a force that shaped interwar business leaders' impressions of the public as lacking in intellect. The persuasive power of advertising on the U.S. public, Marchand (1998) argues, suggested to businesspeople that the public were easily swayed. This was to manufacturers' benefit if it helped to sell products, but decidedly less so if it also disposed the public to embrace the claims of organized labor. 'Economic education' efforts may have reflected the notion that the public could be easily persuaded, but they also may have simply provided a useful cover for political ambitions. As a rhetorical frame, characterizing these public relations efforts for business itself as *education* was useful, much as the American Liberty League's claims of constitutionalism had been useful: it bestowed an aura of non-partisanship on ideas, practices, and policy positions that were essentially anti-labor and anti-regulation.

Alongside new formulations of ideology, new practices of public communication emerged in the 1930s. In advertisements, interactive exhibits, and custom-made film and radio productions, corporations and corporate advocacy groups turned to a new cadre of advertising and public relations specialists who used storytelling and cultural production to dramatize the legitimacy of the industrial corporation and its importance to the day-to-day lived experience of members of the public (Bird, 1999). These efforts often relied upon lavish industrial funding from individual corporations and corporate-funded philanthropies, whose directors argued that truly persuasive communications must engage the public's humor, empathy, and lived experiences (Marchand, 1998; Bird, 1999).

In sum, the increased power of labor and the state in the New Deal period provoked the formulation of a nationalistic and sometimes constitutionalist rhetoric of business advocacy.

Groups like the American Liberty League may not have survived the interwar period. However, the alignment of the civil liberties of the U.S. citizenry with the functional liberties of industrial manufacturers--to conduct business as they saw fit, without mandated obligations to labor or the state—persisted. Concurrently, industrial relations turned increasingly to rhetoric and cultural production to secure and defend the social legitimacy of business. This shift in industrial relations, from outright intimidation toward a public relations orientation, emerged in tandem with a communicative approach that sought to capture public favor through demonstrations of everyday relevance, emotional appeals, and entertainment value. These twin forces of nationalist-constitutionalist rhetoric and public relations practices continued into the wartime period.

Tedlow (1979) has argued that entry into World War II made business conservatives more amenable to the power of the state, as President Roosevelt's focus shifted from domestic New Deal policies at home to winning the war overseas. Even as the high industrial manufacturing needs and largely fixed wages of a war economy yielded enormous profits for industrial manufacturers, business conservatives' opposition to the labor advances won in the New Deal era nevertheless persisted and would find new expression in years following the war (Phillips-Fein, 2009).

**An American system of business.** The postwar economic education movement took shape in a period when new developments—among them the Truman Administration's developing orientation toward containment of Soviet expansionism, and its increasing support for governmental management of overseas information about the United States—foreshadowed the Cold War to come (Gaddis, 1972). In the domestic realm, too, information practices were changing. The Smith-Mundt Act of 1948 prohibited the dissemination of state-produced

propagandistic messages about the United States on home soil. Nonetheless, media companies' institutional interests fostered a collaborative relationship with government information offices that resulted in a consumer-oriented, anti-communist broadcast media culture (Bernhard, 1999; Belmonte, 2008). Meanwhile, some business leaders perceived a need for more pointed communicative interventions in American cultural life. The massive wave of industrial strike actions in 1945 and 1946 raised some managers' and executives' concerns about the power of organized labor as manufacturing reconverted from wartime to peacetime production (Fones-Wolf, 1994).

For industrial manufacturers, anti-Communist sentiments promised fertile grounds for proponents of free enterprise to align business conservatism with American identity. The perception of global ideological struggle helped solidify the notion that U.S. economic practices comprised a coherent, institutionally administered *system* of commerce and consumption (Fones-Wolf, 1994). This image of a high-capacity, fundamentally democratic system—one that its proponents claimed was characterized by rising standards of living and voluntary cooperation between labor, management, and capital—stood in marked contrast to the planned economies and authoritarian political arrangements of the Soviet Union.

**Public communication as education: Terminology and models of learning.** In the postwar period, the economic education approach to corporate public relations flourished, and the rhetoric of educating the public became a resource business advocates tapped to describe corporate-sponsored communications about the legitimacy of U.S. business practices and institutions. Presenting these campaigns as 'education' posed a very particular model of learning, one that equated knowledge of business with support for business. Lewenstein (1992) noted a similar dynamic in the postwar U.S. for advocates of popular science: such advocates equated

‘public understanding’ with public appreciation for the social benefits of science. This rhetoric of economic education obscured its own goal of greater public appreciation for the political and financial interests of U.S. industrial manufacturers. This obscuring was sufficient to curry support with at least some members of the public, but support was far from unanimous, especially in the aftermath of a war in which propaganda had taken some of the blame for the rise of fascism. For example, comment cards from the test audience for one 1946 economic education film ranged from disgust with the film’s propagandistic flavor and aims to enthusiastic support and calls for more films of its kind (Jack, 2015).

Into the 1950s and 1960s, rising productivity, consumption and wages bolstered business advocates’ belief in the benefits capitalism offered to society. Yet, advocates for corporate power continued to insist, as they had during the interwar years, that American businesses were under siege from both labor and regulation. Cartoons, comic books, and films touting the benefits of private enterprise flourished. Economic education efforts were developed to address specific groups within society as well as the general populace. The first and most obvious targets of economic education, industrial workers, were often subject to compulsory education sessions during company time; by the mid-1950s, the American Management Association reported that such programs were ubiquitous at U.S. firms (Carey, 1995).

Workers were not, however, the only target audience; the corporate suite and the schoolroom also became sites of economic education outreach from industrial leaders and business advocates. Multiple economic education organizations that targeted the managerial class were founded during this period, in response to rumblings that even businessmen themselves knew little to nothing about economics (Phillips-Fein, 2009; Burgin, 2012). For example, the Foundation for Economic Education (FEE) used an economic illiteracy frame to

solicit corporate donations toward a project of cultivating appreciation of free enterprise in American businessmen (Phillips-Fein, 2009). Economic education was not solely the province of ultra-conservatives in the business world, however. FEE's progressive counterpart, the Committee for Economic Development (CED) was led by the Studebaker Corporation's Paul Hoffman and supported by top management from firms such as Eastman Kodak Company (Tedlow, 1979). Organizations like FEE and CED developed a shared paradigm of corporate-sponsored economic education, each creating academically informed programs that sought to raise businessmen's awareness of their favored macroeconomic models. However, in a postwar business environment seemingly acculturated to New Deal programs, economically conservative industrialists responded to the perceived threat of government intervention in commerce with a particular sense of urgency (Moreton, 2009).

The 1950s also marked an increased push for business advocates to enter the public school classroom. As will be shown, business advocacy organizations such as Junior Achievement have offered children after-school business training from the interwar period onward. In the 1950s, though, organizations such as NAM and the American Economic Foundation worked to build ties to U.S. educators through conference presence and outreach to school administrators (Fones-Wolf, 1994). Corporate-sponsored Business-Industry-Education Days targeted schoolchildren and, especially, their unionized teachers (Fones-Wolf, 1994).

Outreach to businesspeople and schools continued into the 1960s. Economic education programs often crossed over or blurred these categories. For example, *How Our Business System Operates (HOBSO)* program began as a company-created program funded by steel and chemical manufacturers, but NAM's adoption and adaptation of HOBSO facilitated its presence in both factories and schoolrooms during the 1950s and 1960s. The capacity of sponsored economic

education media to slip across multiple contexts was apparent, too, in such programs as *College of the Air: The American Economy*, a 32-week television program funded through donations from business firms such as Union Carbide and broadcast on the CBS network during the 1962-1963 academic year. An assessment performed by Carnegie Institute of Technology professor Phillip Saunders (1964) found, at the end of its run, that the program had reached more than one million viewers, and that 5,500 of those viewers had elected to earn college credit offered in conjunction with the course. Most of these, Saunders reported, were secondary school teachers.

### **Review of Relevant Literature**

**Twentieth-century corporate public relations as political intervention.** The political projects of U.S. business conservatives have long been an area of interest for historians—especially for business historians, whose object of study continues to shift from managerial accounts of individual companies to cultural accounts of movements and phenomena that manifested at the societal level. Scholarly attention to the intertwined forces of politics, communication, and free-enterprise advocacy has grown over the past few decades. In particular, scholars have sought to better understand the rise of conservative politics in the postwar United States by looking to the actions of U.S. business advocates throughout the century.

The first wave of major works emerged in the 1990s, as globalization and liberalization gained ground in the wake of the Cold War. Challenging existing narratives of 1950s political consensus, Fones-Wolf (1994) documents business advocates' "aggressive campaign to recast the political economy of America" from 1945 to 1960, concentrating particularly on the "struggle led by national business leaders and smaller employers at the local level to reshape the ideas, images and attitudes through which Americans understood their world, specifically their

understanding of their relationships to the corporation and the state” (pp. 4-5). Carey’s (1995) posthumous collection of essays gestures to such ‘business propaganda’ as a ubiquitous presence in twentieth-century life in the United States and beyond, abetting the decline of the political Left and suffusing the social sciences in particular with assumptions that systematically validated workers’ economic disempowerment through claims that workers were less interested in pay than in self-actualization and other ‘social’ rewards. Taken in their own mid-1990s historical context, such works, obliquely or directly, seem to have suggested that ‘the people’ versus ‘the corporations’ might have turned out to be the defining struggle of post-Cold War politics, both domestically and abroad.

The next wave of major works began about ten years later, most notably with historian Kim Phillips-Fein’s (2009) wide-ranging account of ‘the Businessmen’s Crusade.’ Phillips-Fein traces the joint development of disparate strains of economic conservatism in elite academic and corporate settings, arguing that key actors within these two groups quietly built the institutional structures to defeat liberalism over the course of the seemingly liberal twentieth century, culminating in Ronald Reagan’s 1980 election to the U.S. presidency. And to Phillips-Fein’s account of corporate and academic power in the established institutions of the northeastern United States, historian Bethany Moreton (2009) offers a complementary account of the free market boosterism that developed in the regional business colleges, evangelical prayer breakfasts, and Wal-Mart families of the southern United States, spreading in time across the entirety of the Sun Belt. Both works follow in Fones-Wolf’s idiom, tracing the actions of individuals and institutions.

Subsequent historical work continued to investigate the resurgence of conservatism in the United States by drilling down into particular constituencies’ role in the grand project Phillips-

Fein explored. Notable here is Burgin's (2012) account of conservative economists' intellectual projects within the discipline, and their subsequent adoption by such politicians as Barry Goldwater and Ronald Reagan. Of interest, as well, are Cowie's (2012) account of the crumbling of U.S. labor solidarity between 1968 and 1980, and business historian Benjamin Waterhouse's (2014) exploration of the partial successes of business lobbying efforts in the U.S., especially through the Business Roundtable, in the 1970s and 1980s. McGirr's (2001) account of the entrepreneurialism, evangelical Protestantism, and libertarian philosophies that abetted the Goldwater-Reagan faction of contemporary conservatism in Orange County, California anticipates these accounts of conservatism in the United States as a confluence of factors and stakeholders.

While these works often mention economic education media campaigns, such media materials often seem, in these accounts, to simply *materialize* with little discussion of how and by what reasoning economic education materials were produced. These accounts can tell us much about the *use* of economic education materials in the context of wider efforts to sway public opinion in the United States, and often hold up the dissemination of economic education campaigns as evidence of business advocates' power, yet offer little detail as to how these media materials figured in the everyday lives of those people responsible for the campaigns' production, funding, and distribution. Business historians' works seem to signal an amenability to such issues, however. Waterhouse (2014) gestures to such a set of processes. By Waterhouse's telling, the economic education projects of the 1970s and beyond failed because "the dominant question in the history of American political economy has never been 'capitalism or socialism?' but 'what type of capitalism?'" (2014, p. 72). Still, he concedes, even if economic education efforts failed to convert the public, they were successful in mobilizing existing business lobbies,

proving corporate leaders' conservative political *bona fides*, and strengthening a common identity across the network of business lobbying groups. This study explores those processes in further detail.

**'The economy' and ideology.** Despite its claims to scientific objectivity, economics is inextricably embedded in the social. Economies are socially constructed objects, units of nationhood and national well-being that must be defined and maintained. The economy of the United States, for example, may seem to have existed for as long as the nation itself—but understanding it in this way may be a mistake of hindsight. In fact, the notion of the national economy as an epistemological object is a fairly recent development, intrinsically tied to quantification and representation. Precisely when 'the economy' emerged as an epistemological object is a matter of some debate. While Taylor (2002) gestures to how eighteenth-century thinkers combined the moral with the commercial in a "fundamental model [that] seems to be what we have come to call an economy" (p. 101), Mitchell (2005) argues that the phrase 'the economy,' in its contemporary sense of the structure created through the totality of exchange and use of resources, only came into usage in the interwar period of the twentieth century.<sup>1</sup> In subsequent decades, the language of the economy as a unit of nationhood became entangled with growing tensions about how to best govern an industrial society.

In the years following World War II, public rhetorics in the United States drew upon postwar economic growth, industrial productivity, growth of the middle class and economic mobility as hallmarks of American exceptionalism that displaced political and moral frames of reference with gestures to "prosperity, growth and consumption" (Yarrow, 2008, 398).

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<sup>1</sup> During the interwar period, Mitchell argues, social scientists began using the term (which had formerly been reserved for specific practices and actions) to describe broader systems and societies (Mitchell, 2005, 130).

Epistemologies of the economy and of classically liberal economics became more closely identified, in other words, with American national identity. This nationalistic strain of discourse reflected wider tendencies in advertising practice: Schudson (1986) notes that an idealized identity of Americanism has often surfaced in advertisements, not so much in the invocation of specific political ideals, but as an appeal to an abstract and depoliticized form of patriotic sentiment. To many twentieth-century commentators, there was a perceived symmetry between public participation in a democratic political system and public participation in a market-oriented economic system—recall, for example, the American Liberty League’s claims to defend the Constitution by opposing state and labor interventions in the workings of industrial manufacturing. This perceived similarity of form and function fortified political discourses that tied capitalism and democracy together under the banner of liberal freedom and equality of opportunity.

As Hall (1985) notes, the work of ideological reproduction is in “fixing meaning through establishing a chain of equivalences.” In this sense, and in the sense that they put forth a comprehensive worldview, the economic education campaigns created by corporations and business advocates were deeply ideological: they were created within, and communicated to the public, “systems of representation—composed of concepts, ideas, myths, or images—in which men and women live their imaginary relations to the real conditions of existence” (Hall, 1985, p. 103). In the chapters to follow, I consider the systems of representation by which the sponsors and producers of economic education media campaigns made sense of late twentieth century industrial capitalism in the United States. I find traces of these systems of representation not only in the ‘economic education’ media texts that corporations and business advocacy groups made for public consumption, but also in the records of their backstage interactions with one another.

That is to say, in economic education media campaigns, ideology was not only broadcast; it was internally circulated amongst sponsors and producers.

## Was Economic Education Propaganda?

This dissertation seeks to revive those concerns that gave life to propaganda studies as a foundational subfield of communication scholarship. For much of the twentieth century, propaganda was a central concern of social theorists who studied mass media. While the term may now seem anachronistic, it is helpful to consider the etymological shades of meaning it carried. Originating in the Roman Catholic Church of the seventeenth century, the term *propaganda* originally referred to efforts to spread—to *propagate*—the faith, a sense of the term that lives on in the horticultural terminology of propagating new plants by creating conditions in which a cutting from an existing plant can take root.<sup>2</sup> Cunningham (2002) suggests that the ecclesiastical element of the term likely accounts for the sinister connotations it signaled in nineteenth-century Protestant cultures that viewed the Roman Catholic Church with suspicion; he cites English and American dictionary definitions from the mid-nineteenth century that referred to propagandistic communications as secretive, subversive, and rigidly orthodox.

Although many contemporary scholars have questioned the extent to which the audiences of the pre-digital media age were in fact an undifferentiated mass, the cultural concern about mass media (and especially broadcast media) and its power to exert dangerous levels of influence over ‘the masses’ was a defining feature of media studies from the 1930s onward. When the field of communication studies was in its inception, scholars thinking through the potential implications of mediated communication upon popular sentiment turned to the language of

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<sup>2</sup> See Oxford English Dictionary, *Propaganda*, n. <http://www.oed.com.proxy.library.cornell.edu/view/Entry/152605?rskey=MTxbXN&result=1&isAdvanced=false#eid>

propaganda to describe their concerns. Theorists used the label ‘new propaganda’ to mark the presence of mass, media and especially broadcast media, as vehicles for popular persuasion (Cunningham, 2002). Whether in a social scientific paradigm (as with Harold Lasswell’s 1927 work *Propaganda Technique in the World War*) or a managerial stance (as with Edward Bernays’s slim but influential 1928 volume *Propaganda*), thinkers in the fields that would become political communication and public relations, respectively, were grappling with the implications of mass media within the context of modernity.

Bernays and Lasswell both brought psychoanalytic approaches for understanding the individual and her role in society to bear upon the problems of mass mediation. Publicists such as Bernays used the term “propaganda” to mean simple, persuasive messages that, from his perspective at least, cut advantageously through the clutter of a media-saturated environment with unambiguous and streamlined positions: this, Bernays argued, could be an asset to democracy. Lasswell, writing less than a decade later, cast the public’s access to limited information in a more problematized light, objecting that the public might have been skeptical of the limited information available, but still relied upon it for democratic decision-making (Lasswell, 1936).

The ‘new’ propagandists of the 1920s and 1930s called upon notions of science to cast legitimacy on their practices, but this restoration was short-lived. The Allied powers’ confrontation with Germany’s National Socialist regime during World War II, and the Nazi Party’s designation of its ideological arm as an office of “Public Enlightenment and Propaganda” revived and intensified fears first raised during World War I, that even ‘scientific’ propaganda could be turned to purposes of bloodshed and genocide. The cultural baggage of fascism may be part of why studying propaganda began to fall from favor in the fields of media and

communication studies. Yet, Lasswell (1963) pointed to another reason: with the notable exception of C. Wright Mills, Lasswell observed, social scientists restricted their study to the middle and working classes, thus eliding the risk of making powerful enemies amongst the social and political elite. This left the people and institutions that generated propaganda out of the analytical spotlight.

The relatively few influential studies of elite power and propaganda in the late twentieth century faced the challenge of striking an almost-impossible balance between historical or sociological specificity on one hand and social-scientific generalizability on the other. To take one well-known example, Herman and Chomsky's (1988) "propaganda model of communication" is not a model at all, but a critique of media practices under capitalism in the late twentieth century United States (Corner, 2003). Its very specificity limits its applicability. Attempts to apply it to other media phenomena as a generalizable model require substantive, and sometimes tortuous, revisions of Herman and Chomsky's highly situated claims (see, for example, Anderson and Kincaid, 2013).

While the specificity of Herman and Chomsky's approach limits its wider applicability, other recent approaches to propaganda move so far toward broad applicability that normativity falls away. Taylor's *Propaganda: Munitions of the Mind* (1990) was relatively rare among its social-scientific contemporaries in its willingness to engage directly with the term propaganda. Yet it bracketed some of the term's political millstones by focusing not on ethical assessment of propaganda's ends, but on the media practices and representational mechanics of propaganda. This approach moved away from political normativity toward a taxonomic model that categorized propaganda by its functions and methods, while bracketing its content—resulting in a model that was broadly applicable, yet mute when it came to the specific political and ethical

quandaries of particular propaganda campaigns.

In contrast to such taxonomic approaches, philosopher of communication Stanley Cunningham (2002) suggested a normative definition in which propaganda is not itself a form of communication, but rather an epistemic technique that asserts a particular version of truth with its own ethics and metaphysics. Cunningham's approach revived political and moral concerns in the study of mediated persuasion (if, perhaps, in a mode less accessible to the public discourse), but its status as a work of philosophy underscores the lack of recent referents for media scholars grappling with whether the term propaganda is, itself, useful under contemporary media conditions.

Now, in the twenty-first century, narrowcasting and customized media have taken the place of the 'mass.' Still, the critical stance on the entanglement of power, profit, and persuasion that the propaganda orientation expressed during the mass media era is deeply relevant. The splintering of mass media and the rise of citizen publishing deeply complicate the assumptions that applied to propaganda over most of the twentieth century. 'Propaganda,' as a term, seems to gesture to a top-down model. Further, it carries a sinister association with the twentieth-century authoritarian regimes that so effectively used the media to disseminate their party positions. This comports poorly with the multi-directional, multivalent, multivoiced flow of new media, both amateur and professional, elite and grassroots.

Power does not *necessarily* announce itself—but sometimes, it still does. Even so, the power configurations suggested by twentieth-century media practices fail to easily mesh with postmodern theorizations of the postindustrial world, in which individuals charged with responsibility for governing themselves internalize functions formerly apportioned to the state, becoming self-monitorial and self-disciplining (see, for example, Foucault, 1978/1990; Lukes,

1974). We must look for power in the quotidian as well as the institutional.

As a scholar of media history, I grapple with how to make sense, in the present day, of past media phenomena that some contemporary actors described as propaganda. Further, the question remains of whether the term has utility in a media environment whose many voices and sites, always already present, and now undeniably visible. Yet, I want to preserve some of the purposes and dynamics that term described—especially its gestures to media representations as partial and persuasive. Propaganda, as Taylor (1990) defined it, presents only a small portion of the full field of possibilities, yet frames this thin slice of the social world as inevitable, unavoidable—the choice to which there is no alternative. This is a useful point to retain. And the concerns those twentieth-century terms such as propaganda and public relations signaled—concerns over institutional power, persuasion, media technologies, and media representation—remain crucial.

The study of propaganda may have lost its allure for communication scholars because of what we might call the “so-whatness” of applying the language of propaganda to a given piece of communicative media: very well, we have now branded a media artifact socially harmful and possibly misleading, if not downright deceptive, and dismissed its creators as bad actors; *now what?* For Corner, “propaganda is an idea that media-political analysis has now to think beyond” (2011, p. 137). It may be more productive as scholars to treat our urge to label particular communicative texts as propagandistic as the *beginning* of a conversation rather than its end. If the label of propaganda bubbles up in our responses to a media text, perhaps it is most useful a signal that the text in question deserves deeper consideration. This is not a wholesale jettisoning of the term, as Corner (2011) seems to argue for, but rather a repositioning of the term propaganda that approaches the term with care and ambivalence. Rather than using the term to

name a descriptive category, perhaps we can use it as the border beyond which we need to think.

## Social Imaginaries

One way of ‘thinking beyond’ the urge to label sponsored economic education media as propagandistic is through historical specificity. I take the approach that understanding economic education media requires us to encounter not only the texts themselves, but also the practices that led to the texts’ creation and dissemination. Contemporary theories of power suggest that we must look to the everyday to find enactments of power and politics. Increasingly, scholars in the social sciences and humanistic fields of inquiry draw upon the concept of a social imaginary to describe shared, narrative forms of everyday discursive sensemaking. The works of the political philosopher Charles Taylor inform my understanding of social imaginaries.

Taylor defines a social imaginary as “the ways in which people imagine their social existence, how they fit together with others, how things go on between them and their fellows, the expectations that are normally met, and the deeper normative visions and images that underlie these expectations” (2002, p. 105). Social imaginaries are crucial to sensemaking within the social world; they may be stated, but are more often gestured to as the things that everyone knows.

Taylor’s explanation of social imaginaries is rich and wide-ranging, but a few points especially bear repeating here. First, social imaginaries are shared by groups of people as common understandings that need not be tested, yet help to coordinate common practices and bestow them with a widely recognized sense of legitimacy. Second, social imaginaries are both normative and positive—that is to say, they express both how things ought to be, and how things normally are (which implies a tendency of social imaginaries to support the status quo by implying that things *are* as they *ought to be*). They may not necessarily be testable in the way

that theories are, but the legitimacy and normality they bestow on specific practices adds to the sense that they are both real and self-evident. Third, the tacit and vernacular nature of social imaginaries means that they shift, change and develop over time. The utterances and claims of a given individual may shift the social imaginary, but only if her ideas are taken up and integrated by a critical mass of others within the society.

I infer from the archived production records of sponsored economic education media campaigns a particular constellation of ideas about media, democracy, and business (first as a system and later as an element in a market). As I read these archived materials, I noticed that the executives and corporate advocates I studied based their arguments about the necessity of sponsoring economic education media on vernacular, implicit models of markets, democracies, and media. My historical actors rarely questioned the verity of these vernacular understandings; their rhetoric presents them as being self-evident. In the chapters that follow, I draw out and examining these vernacular understandings. Referring to them as social imaginaries captures their importance for sense making within the communities I study, as well as the joint descriptive-normative role they played.

Recently, the term *social imaginaries* has been adopted by scholars in the social sciences and the humanities in ways that echo—but in some cases depart from—Taylor’s theorizations. Some scholars apply the term to describe the entirety of the our social sensemaking apparatus, as Taylor did. For example, Fenton (2007) argues that political hope for the future hinges on utopian visions of the future within the collective social imaginary. In other cases, scholars use the term to describe shared beliefs around particular objects and phenomena, or within particular social subgroups and communities. For example, Lauritsen (2007) maps the contours of the specific social imaginary of a ‘New Europe.’ While Taylor specifically referred in his writings to

the social imaginary in the sense Fenton adopts—that of a common apparatus for sensemaking, shared by everyone or nearly everyone in a culture—Lauristin’s sense of the term describes the contents of a particular *zone* of the wider sphere of common thought. Although it strays somewhat from Taylor’s definition, the ‘common sense’ of different subgroups in society may be subject to the same dynamics that Taylor describes. I follow Lauristin’s example in my use of the term ‘social imaginary.’ I assume that the social ‘part’—the sensemaking, just-so assertions of a particular social subset—follows similar dynamics as the social ‘whole’ Taylor describes. There is room within this approach to analyze the dynamics of particular social imaginaries, even if they contradict the social imaginaries of other societal subgroups. Common sense often contradicts itself; the analytical construct of the society-wide social imaginary has room for internal contradictions as well. Further, identifying the social imaginaries particular to social groups allows me to consider about how a powerful group in the wider society makes sense of and justifies its own power, while acknowledging that less powerful groups may have different shared understandings.

Historical factors weigh heavily upon social imaginaries. Precisely which common-sense notions inform and constitute a particular group or community’s senses of how the world works and how it ought to work depends, at least in part, on the perceptions a group has of its relations to the rest of society and to institutions and practices within society. Past experiences and events play a role in determining those perceptions. For social imaginaries to do their sensemaking and orienting work, they must be compatible with a group’s perceptions of the conditions it faces, and these conditions change over time.

## **Overview of Chapters**

Compared to the massive output of economic education materials in the postwar 1950s,

the historical record seems to suggest that relatively few sponsored economic education media projects were created in the 1960s, although many of the materials created in the 1950s were still in use. By the early 1970s, however, new perceived encroachments on the public legitimacy of business pressed in from all sides: the youth culture of the late 1960s and early 1970s slid a generational wedge between young adults and industrial corporations; burgeoning environmental and consumer-rights movements cast industrial manufacturers as poor stewards of public health and safety; and the United States faced increasing international economic competition amidst the stagnant wages and inflating prices of an increasingly automated economy (Moreton, 2009). Further, public confidence in institutions in general seemed to wane, with both the Watergate scandal and an ossifying union leadership that some members attacked for its bureaucracy and corruption (Cowie, 2011). Power began to migrate from an institutions-oriented industrial system of business toward the churn of investment capital and the machinations of the financial markets (Rodgers, 2011). This turn from institutions to the market itself as the seat of power is reflected in economic education materials from the 1970s and 1980s that are the heart of this study; examining these campaigns in detail helps reveal the cultural conditions of this shift.

In the chapters that follow, I consider three corporate-sponsored economic education campaigns developed in the mid-1970s and early 1980s. These cases reflect the disruption of their moment, as understandings of society and its economic workings shifted from a view dominated by interlocking institutions of labor, state, and industry to a view of markets and market forces as the governing logics by which workers, corporations, and the state operated.

Chapter Two, “How Facts Survive,” examines an economic education pamphlet produced by the nonprofit Advertising Council with funding from state and corporate grants. It illustrates how, in a moment of waning institutional power, business advocates teamed with sympathetic

public officials and moderate labor unions to advance a strategically vague account of the U.S. economic system that carefully elided the controversies of the day. Further, it argues that this careful elision facilitated its producers' and proponents' claims to political neutrality and scientific objectivity—claims that helped the Ad Council gain access to the public airwaves where more contentious and specific viewpoints were structurally excluded.

Chapter Three, “Absolute Faith,” focuses on the television series *Free to Choose: A Personal Statement by Milton Friedman*. Other scholars who have considered this campaign have typically focused on Friedman. I turn the spotlight to Robert Chitester, the eccentric station manager who masterminded the series and funded it entirely via donations from corporations and corporate philanthropic foundations to be distributed via the Public Broadcasting Service. Chitester’s ideological zeal and administrative savvy combined to powerful effect in the production of *Free to Choose*. The chapter demonstrates how Chitester cannily exploited public controversies and shepherded his sponsors through the codes and rules of corporate underwriting. In Chitester, long-running corporate economic education efforts found their link to intellectual credibility through the iconoclastic economic theories and persona of Milton Friedman.

Chapter Four, “Filling the Frontier Void,” considers *Applied Economics*, a high school curriculum in economics and business appreciation, created by the business-education nonprofit Junior Achievement (JA). The chapter maps JA’s tradition of extracurricular ‘learning-by-doing’ and its links to business advocacy groups over the course of the twentieth century. The chapter follows JA’s move in the late 1970s from extracurricular club to curriculum producer following the passage of laws mandating economic education in public schools, and the challenges it encountered while making that move. The term ‘economic education’ was itself subject to

multiple interpretations; JA's clashes with rival organization JCEE over educational rigor demonstrate how 'economic education' could have markedly different meanings, even among organizations that agreed about the desirability of private enterprise. This chapter, too, tracks changes in business advocates' shared imaginings about the nature of the American economic system. As the 1980s began, the midcentury ideal--of an American business system of interlocking, stable institutions--was giving way to a notion of 'the market' as a field of economic forces in which individuals and corporations should move freely.

Finally, Chapter Five, "Conclusions," argues that the cases covered in this study offer insights about both stability and change in American industrial and post-industrial ideologies. It concludes by considering how the subjectivities and social imaginaries that emerged during the period under study persist and may inform research in the present day.

### **Evidence, Methodology, and Contribution**

**Evidence.** This study draws its evidence from the archives of organizations involved in the creation and distribution of sponsored economic education media. Over the course of multiple archival visits, I collected more than 4100 digital photographs of archival documents, including balance sheets, financial reports, correspondence, project proposals, grant agreements, market research reports, ratings and distribution reports, and scripts related to the production of the campaigns, along with the booklets, television programs, and other materials by which these campaigns engaged the public. I gained access to these images through the following archives: the University of Illinois Archives, which houses the Advertising Council's papers; the Hoover Institution Library and Archives at Stanford University, which houses Milton Friedman's personal papers and the papers of the Foundation for Economic Education; and the Ruth Lilly Special Collections and Archives at the University Library of the University of Indiana-Purdue

University Indianapolis, which houses the Junior Achievement papers. In addition, I have collected non-archival secondary evidence, including newspaper clippings, contemporary academic papers, and industry white papers. I have also performed a limited number of informal, unstructured interviews with historical actors; these interviews are not quoted within the study, but provided background information that contextualized and clarified archival evidence.

**Methodology.** I approach the media texts generated as part of the production of these sponsored economic education campaigns as evidence of a dialogue between institutions and their imagined models of publics with which they interact (Spigel, 1992). In other words, I read these artifacts and the documentation of their production as evidence of an imagined public that had to be persuaded, and as a record of how my historical actors responded to this imagined public. Interpretive study of public facing texts from the past, and their production, provides an avenue to understanding these past cultural currents that could not feasibly be measured by survey or interview.

Further, I take as given that large-scale, widely distributed projects of the kind analyzed in this study had an impact on the shared social imaginary. While empirical studies of social attitudes before and after exposure to the persuasive messages of past eras are impossible, it is clear that the general anti-regulatory, pro-market thrust of sponsored economic education campaigns was expressed over and over, in multiple media and political contexts (including many outside the scope of this study). I develop this perspective using the concept of social imaginaries.

This study devotes most of its attention to production records, using the public-facing texts these campaigns produced to flesh out the evidence from the archive. I approached these archival materials with from a grounded perspective, iteratively coding the evidence as I

progressed through it, and making memos of themes that emerged. Those memos were the basis for my theorization of the evidence in the chapters that follow. I do not presume that institutional archives exhaustively document the inner workings of the organizations I study, but they do illuminate, to some degree, how money, power, and discourse flowed within an inter-organizational, inter-institutional network. For example, fundraising records illustrate the flow of resources from corporations to nonprofit organizations, while correspondence reveals some of the disagreements and negotiations between stakeholders (such as sponsors, producers, and public officials) on media production projects.

By closely reading correspondence, project reports, funding proposals and other such records, I identified narrative and rhetorical themes that my actors drew upon as cultural resources. The question of whether the historical actors whose projects are recorded in the archive deployed these rhetorics cynically or sincerely may never be answerable. Yet, on a certain level, my actors' sincerity, or lack thereof, is beside the point. We need only be relatively sure that they did indeed intend to be successful in the projects they embarked upon to be able to regard the evidence as meaningful. I take the perspective that certain rhetorical and narrative tropes become thematic in a community of practice because they are *effective*: they generate donations, agreements, promises of participation, and acknowledgements of legitimacy. Such rhetorical and narrative tropes, when thematic over time and context, serve as evidence of a shared body of commonly-held and rarely-disputed meaning: a social imaginary.

This approach is perhaps most closely related to the intellectual commitments of critical media industry studies. In such an approach, the central objects of study are “practices and processes of text creation and circulation that precede, [but] are constitutive of, audience creation” (Lotz, 2015). Like critical media industry scholars, I investigate questions of power and

culture by analyzing specific media production projects, rather than the industry-level macro-dynamics upon which critical political economists concentrate (Havens, Lotz & Tinic, 2009; Mayer, 2009). Media industry studies complement and confront the literature on news production, carving out space expressly for theorizing the production of entertainment media. Sponsored economic education media are neither entertainment nor news, but a confounding mixture of public affairs programming, entertainment, education, public relations, advertisement, public service, and propaganda. Nonetheless, I adopt critical media industry studies' attention to how production knowledge circulates, its assertion that media texts and production practices are mutually constitutive, and its concerns with "quotidian practices and competing goals" (Havens, Lotz, & Tinic, 2009, p. 3).

**Contribution.** This study contributes to scholarly understanding of how ideology circulated in and through media production in the 1970s/1980s United States. Throughout the cases in the chapters to follow, I document how critics charged that corporations and business advocates were engaging in propaganda, and how makers of economic education media rationalized their projects as educational. This study asserts that the concerns signaled by labeling a media text or campaign as propagandistic—concerns with media, power, persuasion (and profit, in my cases)—matter. As the following chapters show, shared social imaginaries facilitated the flows of money and meaning that made the campaigns I study possible. In some cases, they even helped to structurally exclude opposing viewpoints, thus constructing the selective representation of events that is a hallmark of propagandistic media. If the urge arises to label a media text or campaign as propagandistic, that urge can guide the media scholar to examine the social imaginaries that circulated in its production, as this study demonstrates. Doing so helps move scholarship beyond simple narratives of bad actors motivated by thirst for

profit or power, to a consideration of shared sensemaking--and the expressions of power that trail in the wake of such shared constructions of meaning.

The research also serves as a call for media scholars to consider intermediary organizations that defy easy categorization with media industries because media production is not their main goal, but rather a means to an end. Studies of media production often find homes for publication and discussion based on the particular media industries they study. Sponsored economic education media confounds my attempts to categorize it: as mentioned above, attempting to assign it to a specific portion of the media industries reveals that sponsored economic education media occupies a borderland, a liminal space that spans public relations/advertising, entertainment, public service, and propaganda. Sponsored media pulls together “a polymorphous set of relations,” to borrow Jonathan Sterne’s (2014) phrase, and one whose practitioners must navigate through the conflicting concerns of multiple media production industries. Still, as the following chapters demonstrate, this very tension over how to categorize sponsored economic education media animated the social imaginaries by which its production was accomplished. Studies of corporate participation in public discourse must include not only corporations themselves and their public relations and advertising efforts, but also the nonprofit intermediary organizations that work with corporations to disseminate pro-business messages: organizations such as the Advertising Council and Junior Achievement.

Further, it brings a media studies perspective to the developing history of capitalism literature (which itself turns away from the firm-centric approach of traditional business historians and toward, instead, a more holistic view of how capital functions in society). Media studies can bring much to this developing field by implicating games, public service advertising, pamphlets and other ephemeral media texts as sites for reproducing and maintaining a culture of

capitalism. Both business historians and historians of media have turned their attention to non-theatrical and ephemeral film and television over the past decade. This study demonstrates the benefits of moving beyond traditional forms of broadcast media like film, television, and the press to other, more ephemeral, forms. Echoing the turn in recently published histories of state-sponsored interactive media exhibits (Turner, 2013) this study expands the category of corporate-sponsored media to encompass digital simulation games and experiential simulation environments, formats that corporate-funded nonprofit foundations adopted at midcentury and turned to increasingly following the decline of sponsored film in the 1960s and 1970s. The documentation of why such organizations turned to these media forms offers insights into the emergence of neoliberal subjectivity through media experience.

The three sponsored economic education media projects detailed here reflect a broader historical arc of transformation, from the institutionalist postwar years to the neoliberal, market-driven perspective that began to emerge in the 1970s and dominated U.S. culture by the early 1990s. These projects reflected (and in some cases enacted) a specific set of social imaginaries of markets, media and democracy that had developed in business advocacy communities over the course of the twentieth century. Examining how these projects made sense of business's role in society during a time of wide-ranging social change provides an opportunity to better understand how social imaginaries both persist and evolve, as common sense is remade in response to emerging conditions.

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## **Chapter Two: How Facts Survive**

By the mid-1970s, the American economy was the subject of broad public conversation and concern. In 1973, the first of two ‘oil shocks’ had quadrupled the price of oil on global markets, leading to long lines and high prices at filling stations, and inflation had skyrocketed, leaving Americans; spending power drastically reduced (Jacobs, 2016; Rodgers, 2011). Corporations and business advocacy groups, who had long been engaged in public-facing ‘economic education’ campaigns, seized the moment to advance their own interests in the name of raising economic understanding. Many of these campaigns used mass media—television and print media especially—to reach large swathes of the American populace.

The Advertising Council’s 1970s *American Economic System* campaign, conceived in 1973, was one such campaign. After two years of market research and materials preparation, the campaign publicly launched in April 1976 and ran through mid-1978. The centerpiece of the campaign was a booklet, *The American Economic System and Your Part in It*, supported by a massive advertising campaign in broadcast, print and display media.

In total, more than ten million copies of the booklet were printed and distributed to individuals and groups in the United States over the course of the campaign. Initial funding was provided by a major grant from the Department of Commerce for \$239,000; however, American industrial corporations and industry-funded nonprofit foundations donated the rest, totaling more than \$3 million over three years (Advertising Council, 1977; Podesta, 1977).

Taylor (2002) has argued that social practices are enabled and made legitimate by social imaginaries: collectively held, implicit senses of how the world is and how it ought to be. Social imaginaries are intrinsically modern forms of social understanding: diffuse, wide-ranging, and collectively held, social imaginaries are “the ways in which people imagine their social

existence, how they fit together with others, how things go on between them and their fellows, the expectations that are normally met, and the deeper normative notions and images that underlie these expectations” (Taylor, 2002, p. 106). These common-sense understandings of positive and normative social schemas are made, remade, and worked out individually and collectively through acts of sensemaking and communication. Social imaginaries are expressed and reflected in everyday interactions. By closely examining the inception, funding, and production of sponsored economic education media, I identify social imaginaries of democracy and media, and how they related to a social imaginary that shifted from institutions to markets.

In the materials produced by the Advertising Council (hereafter, the Ad Council) in the 1970s, a particular and partial understanding of the conditions of the American economic system was presented as a set of neutral facts. Economic indicators such as gross domestic product and rate of inflation were portrayed as neutral and objective figures--quantifications of American wealth and productivity, governed by simple economic principles and administered by trusted institutions. During the creation and dissemination of the *American Economic System* public service advertising campaign, business advocates, corporate sponsors, media gatekeepers, and sympathetic public officials collectively reinforced social imaginaries about the public, its knowledge about economic concepts, and the implications for a democratic society. Building the campaign around these social imaginaries and fitting it to the regulations that governed use of public service advertising space resulted in media texts that worked, critics charged, “to keep power where it is now lodged while at the same time carefully cloaking the existence of any such power” (Lutz, 1977).

As will be shown, federal departments’ and network television stations’ understandings of what counted as ‘public service’ had a consequential effect on the *American Economic System*

campaign's content and rhetorical strategies. The definition of 'public service,' within a broadcasting context, is "highly elastic:" it can accommodate multiple visions of what serves the public (Syvertsen, 1999, p. 6). Further, the strategic designation of public service to a particular media product, company or artifact brings with it tangible and intangible benefits, including "economic and infrastructural privileges" as well as cultural and political legitimacy (Syvertsen, 1999). The Ad Council avoided courting controversy in general; their corporate funding and membership disposed them toward a perspective in defense of the status quo. More generally, this case illustrates how established media actors in the United States enacted a definition of public service messaging that refused to recognize critiques or confrontations of corporate power. Federal offices and major broadcasters structurally disqualified or excluded critical messages, such as those put forth by civil society and activist groups in response to the *American Economic System* campaign, from the category of "public service." Instead, these gatekeeping bodies in the public and private sector only gave their approval, funding, and/or airtime to messages that, while factually accurate for the most part, were uncritical of public and private institutional power.

### **Public Service and Media**

Strategic claims to act in the public interest are economically, politically, and culturally powerful. Claiming to underwrite, produce or distribute public service media evokes a whole constellation of legitimizing reference points, among them universal access, membership in institutions by which citizens democratically enact the common good, and an understanding of the interests and preferences of individual members of the media audience (Scannell, 1989; Syvertsen, 1999). These connotations draw, in some cases, on a Habermasian ideal of media spaces as sites for the free and open flow of information that is relevant to decision-making in a

democratic society (Scannell, 1989). In practice, however, the rhetoric of public service has also been associated with less culturally legitimate practices, including unequal access to tax breaks; paternalistic or elitist views of the public's informational needs; and media monopoly practices (Ouellette, 2002; Syvertsen, 1999; Moe and Syvertsen, 2009).

Media scholars have extensively surveyed and critiqued the practices, policies and rhetorics of public service broadcasting networks and services. Cultural theorists such as Stuart Hall (1993) long questioned the claims to neutrality of public service broadcasting systems; cultural theorists have analyzed state funding for public service broadcasting systems in the United States and Britain as a site of political and ideological conflict (e.g. Moe and Syvertsen, 2009), and cultural policy analysts have analyzed the (upper-middle) class norms of public television broadcasting in the United States (e.g. Ouellette, 2002).

Whether in its contemporary moment or looking back with a historical eye, though, cultural historians and media theorists have devoted less scholarly attention to public service advertisements or announcements (PSAs) in commercial media contexts. The very fact that PSAs run in commercial print and broadcast media spaces means that they typically must echo the media forms common to those settings: short promotional spots thirty seconds to one minute in length, rather than the program-length content a viewer might encounter via a public service broadcasting network. PSAs use the techniques and media forms of commercial promotion—broadcast TV and radio advertisements, print advertisements, and outdoor displays on billboards and public transit properties—for putatively non-commercial purposes (O'Barr, 2006). Some public relations scholars have suggested that this mimicry of the commercial form for noncommercial purposes may be counterproductive: a commercial environment based on exhortations to consume may not be an appropriate home for messages whose thrust is to

*discourage* actions, such as ‘doing drugs’ or littering (Wolburg, 2001). Still, PSAs that seek to *encourage* actions (such as saving a portion of one’s paycheck) or the uptake of viewpoints (such as defining commercial or industrial practices as ‘American’) are indeed compatible with the exhortatory model common to commercial advertisements. And as Schudson (1986) observes, advertising enjoys a cultural legitimacy in American society that seems to be tacitly supported and approved of by both government *and* society at large.

PSAs draw on the meanings and associations of *public service*, both for better and for worse. Discussing the aftermath of the 1987 suspension of the Fairness Doctrine in the United States, Aufderheide (1990) notes a trend in broadcasting toward “pabulum” and away from controversial PSAs as a means of satisfying the Doctrine’s requirements of balance (p. 52). As this chapter shows, it was not only the Ad Council’s avoidance of controversial material that determined the media milieu of the *American Economic System* campaign: federal offices’ and broadcast networks’ reluctance to engage with content they deemed controversial were factors as well. In the *American Economic System* case, institutions’ reluctance to engage with ‘controversial’ perspectives may have been particularly acute, since the topic of the PSAs was the American economy—a topic almost inextricable from politics itself.

### **Shifting Understandings of the American Economy**

From the 1930s through the 1960s, business institutions had represented American industrial capitalism and its practices (in their ideal forms, at least) as an orderly, stable, cooperative ‘business system’ of labor, management and capital (Rodgers, 2011). Sponsored economic education media were one avenue by which business advocates took part in the representational work of repairing and maintaining public understandings of business, labor organizations, and the state as elements in a cooperative system.

In the 1970s, however, the feasibility of a model of the American economy as an institutionally-ordered cooperative system began to falter as faith in institutions (and institutional leadership) waned. I read the Ad Council's 1970s *American Economic System* campaign as an attempt to repair and maintain a flagging economic imaginary that viewed American industrial practices and policy prescriptions as a coordinated, institutionally centered system. As such, we might even think of the Ad Council's domestic work framing industrial manufacturers as essential parts of an American economic system as early explorations of 'nation branding,' of using the techniques and forms of advertising to advance a particular kind of national identity (Aronczyk, 2008). It claims to protect 'freedom' were couched in a midcentury understanding of the term, one that couched individual liberty within a broad network of "relationships, purposes, obligations and responsibilities" (Rodgers, 2011, p. 16). In other words, the vision of American manufacturers, labor and the state as a cooperative system was itself a distinctly midcentury social imaginary.

As scholars of science and technology studies have pointed out, though, economic theories are self-referential and performative: understandings of economic theories shape, format and act upon the markets they purport to describe (Callon, 1998; MacKenzie, 2001). Further, this self-referentiality has implications for the notion of economics as knowledge: economic quantification "participates in making sites where its facts can survive" (Mitchell, 2005, 126). The case of the Advertising Council's 1970s *AES* campaign suggests that regulations and practices in advertising and broadcasting performed a similar function in the rhetorical register, making an epistemological and cultural environment that set the terms of how particular claims about economics and American society were categorized. While some claims were categorized as factual or educational in this environment, others were relegated to categories that carried less

legitimacy, such as ‘opinion’ or ‘attack.’ As this case shows, public service advertising airtime and display advertisement space were media sites within which non-confrontational forms of institutionally sponsored discourse could survive as knowledge, but critical or confrontational discourses—whether institutionally endorsed or not—were structurally disqualified or excluded.

### **Advertising’s Ministry of Propaganda: The Ad Council**

**The War Advertising Council and its peacetime survival.** The Advertising Council is a private, non-profit organization in the United States that creates public service advertising campaigns in cooperation with government agencies and other non-profits (Advertising Council, 2015). It has been active since World War II, coordinating volunteers within the advertising industry who have used their expertise and talent to design, produce and distribute public service advertising campaigns.

The state and the market are not separate, but in fact inextricably intertwined (Polanyi, 1944). The Advertising Council’s relationship to the state was ambivalent: it simultaneously cooperated with state agencies and resisted the regulation of business. This ambivalence developed in the 1930s and early 1940s with advertising agency executives’ defensive posture toward increased regulation. The New Deal politics of the 1930s had ushered in new forms of commercial regulation, such as the 1938 passage of the Wheeler-Lea Amendment granting the Federal Trade Commission the power to regulate potentially deceptive advertising claims about food, drugs and cosmetics of advertising claims. Sour public opinion and further proposed legislative controls threatened the industry’s autonomy into the early 1940s, when the prospect of conversion to a war economy loomed, with attendant reductions that threatened to shrink advertising budgets and divert non-essential consumer durables production capacity toward armaments production (Jackall & Hirota, 2000; Griffith, 1983).

At a November 1941 joint meeting of the Association of National Advertisers and the American Association of Advertising Agencies, industry leaders developed a plan to address the perceived threats to the advertising industry. Attendees characterized the threat in ideological terms, holding up advertising as an essential element of the free enterprise system and decrying controls over the industry as totalitarian threats to the American way of life. The consensus that emerged from the meeting was that the advertising industry's survival in the United States depended on demonstrating its contributions to a democratic society. This would take a two-pronged strategy. First, the industry would endeavor to publicize its role in fostering American economic dynamism and growth, thus posing advertising as an essential element of an economically and politically free society; second, it would demonstrate to the public that advertising was intrinsically good by producing advertising campaigns for matters of public interest (Griffith, 1983; Jackall & Hirota, 2000).

Just a month later, the United States entered the war, and, as Marchand phrases it, “an uncontested public interest was suddenly established;” industrial manufacturers seized upon narratives of patriotism and sacrifice in their public-facing communications (1998, p. 320). Further, those manufacturers involved in war production enjoyed the benefits of a new policy declaring advertising a pre-tax deductible expense; over the first few years of the war, public relations advertising expenditures increased seventeen-fold as a result (Marchand, 1998). The strategy of public service advertising was institutionally formalized through the creation of the War Advertising Council: a private, volunteer association of advertising agencies and major advertisers, working in close contact with the Office of War Information, to create public information campaigns for a range of domestic war efforts. The organization persisted after the end of the war, when it was re-assigned to the Office of Government Reports within the federal

Office of the Executive under the name of the Advertising Council (Jackall and Hirota, 2000).

The Council's general approach was a project-based one: the information and communication offices of various federal agencies sent requests for public service messaging campaigns to the Office of the Executive (although sometimes the representatives of particular agencies contacted the Council directly); the Ad Council would approve or decline these requests on a case-by-case basis. This approval process required buy-in from the Council's executive staff and two affiliate committees: the Industries Advisory committee, populated by fifty chief executive officers from major corporations, and the Public Policy Committee, comprised of thirty "representative[s] of the public-at-large" including educators, students, and labor representatives (Advertising Council, 1977a).

**Ad Council production practices.** If a campaign were approved, an advertising agency affiliated with the Council would provide market research on the topic at hand, free of charge. The agency would then design a campaign for a wide range of broadcast and print media, including television, radio, the popular and trade press, billboards and transit cards.<sup>3</sup> A project manager would be appointed, typically the communications or advertising director of a major manufacturer. Participating broadcast, print, and transit media companies would then provide the time or space to carry these messages--again, free of charge (Schollenberger, 1974). Providing free media time and space let media companies gesture toward public service, nodding toward broadcasters' "affirmative obligation to air controversy" after the 1949 establishment of the Fairness Doctrine (Aufderheide, 1990). Further, the arrangement granted an opportunity for advertising companies, major manufacturers, and media companies to implicitly signal that advertising could be a force for good—and offered contributing companies a convenient source

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<sup>3</sup> The advertisements on the exterior and interior surfaces of buses and subway cars were known as 'transit cards' or 'car cards.'

of tax deductions in the process. These practices, which might today be categorized as efforts toward corporate social responsibility and/or regulatory compliance, were not unusual for the time: corporate philanthropic foundations funded academic studies to establish the social legitimacy of ‘big business’ from the mid-1930s through the late 1970s (Lee, 1997). While those studies turned to the expertise of social scientists to bolster their claims of legitimacy, however, the advertising industry deputized its own leaders as experts in communicating messages that public officials had deemed socially beneficial.

**The Ad Council’s political timbre.** While the Council was expected to be nonpartisan in its operations, it was, in practice, valenced toward conservative political ideologies. From the beginning, the Council’s rhetoric leaned toward preserving private enterprise from the threat of government regulation and social programs, sometimes in terms tinged with the panic of the emerging Cold War. Griffith (1983) observes that the Council was essentially conservative, since it was oriented to curtailing labor power and government regulation of corporations. Indeed, in its stated goals -- lessening conflict and increasing cooperation between labor, management, capital and government -- the Council echoed some rhetoric of NAM and the US Chamber. The shared concept of ‘cooperation’ such organizations endorsed was decidedly skewed toward the prerogatives of management and capital, with which labor, government and consumers were expected to ‘cooperate.’ These established business advocacy groups could be and often were strong allies to one another and to the Ad Council when their purposes aligned: by providing, for example, endorsements of publicity campaigns, or by offering their institutional networks as conduits for the distribution of campaign materials. Still, as Jackall and Hirota (2000) point out, the NAM and other allied groups treated the Council’s partnership with the federal government with “deep suspicion,” regarding any level of cooperation as “flirtation with a dangerous enemy”

(47). In short, the Council had to perform both the nonpartisan neutrality that its alliance with the federal government required, and the ideological certainty in the moral legitimacy of American industrial capitalism that its alliance with powerful business lobbies like the NAM required.

**Business advocacy in Ad Council campaigns.** The Council worked this balance out in pro-business campaigns that expressed support for abstract notions of American prosperity and voluntary cooperation, notions that subtly advanced business interests “if sometimes only by omission” (Griffith, 1983, p. 396). For example, a 1946 campaign, *Our American Heritage*, presented a traveling “Freedom Train” laden with American founding documents and other artifacts as a means of subtly rebutting critiques of capitalism in the context of Cold War geopolitics (Griffith, 1983). This campaign seemed, on its surface, “wholly nonpartisan,” yet, internally, was understood as “a conservative-minded effort that would help Americans resist becoming ‘pawns of a master state’” (Kruse, 2015, 131). Similarly, a 1948 campaign centered around a pamphlet--titled *The Miracle of America*—targeted American workers with the message that the American economic system could bring prosperity and political freedom, provided that labor and the state intervene as lightly as possible in industrial affairs (Griffith, 1983).

The election of Eisenhower in 1952 helped ease the strain between business advocacy groups and the state. An ally of the Council and a proponent of the vision of the American economy as a cooperative system, Eisenhower drew heavily on the Council’s talents to create domestic and foreign publicity campaigns. These included the 1954 *Future of America* campaign, designed to boost domestic morale amid rumors of a looming economic downturn, and the 1957 *People’s Capitalism* campaign, which touted the benefits of capitalism for the working class (Griffith, 1983). The geopolitical stakes of the postwar period and the Cold War

informed the Council's rhetoric into the 1950s and 1960s. This rhetoric framed American capitalism as a cognate form to American democracy, and held up these political and economic forms as the source of the United States' exceptional prosperity and productivity. In short, the Council worked with the federal government on campaigns calling members of the public to individual action—careful disposal of cigarettes as an element of forest fire prevention, for example—and casting American industrial manufacturing as a democratic and economic flywheel. These campaigns were undergirded by a broadly conservative worldview that conceptualized industry as one element in a uniquely productive and prosperous system of business, finance and trade that set the United States apart from all other nations.

The Council also partnered with other groups that offered managerially inflected forms of economic education. One example—and one that may have influenced the decision to stick to ‘facts’ in the *American Economic System* campaign of the 1970s—was a disastrous 1969 anti-inflation campaign sponsored by the Joint Council on Economic Education (JCEE) and executed by advertising firm Benton & Bowles on behalf of the Ad Council. The campaign featured a booklet titled *Inflation Can Be Stopped: Steps for a Balanced Economy* that portrayed the U.S. economy as “a great abundance machine” driven by the productivity of the nation and kept in balance by safety devices such as unemployment benefits and regulation of financial markets (“Inflation,” 1969).

To publicize the booklet, Benton & Bowles created ads portraying ordinary U.S. citizens as ‘piggies’ in an intended emotional persuasive appeal for household conservation of resources as a brake on mounting inflation. Unfortunately, the ad debuted in late 1969, in the wake of the infamous murders of actress Sharon Tate and several other people by followers of cult figure Charles Manson--one of the most salacious details of which was the word ‘pig,’ which had

reportedly been written with a victim's blood on the front door of the home where the killings took place. In a letter to Council President Robert Keim, JCEE President M. L. Frankel described the anti-inflation campaign as "probably the least successful of any that you have undertaken" (Frankel, 1969).

Frankel went on to inform Keim that JCEE's other efforts to address inflation—mostly through outreach to teachers, as will be shown in Chapter Four--were meeting with high levels of public interest. "You may recall," Frankel bristled, "that many of us voiced our opposition to the 'piggy' theme used by Benton & Bowles. Further, we made a strong case to the Benton & Bowles people to direct the campaign along educational lines to create an understanding of the aggregate steps that could be taken by the government to control inflation" (1969, pp. 1-2). Carl Madden, the Chief Economist for the Chamber of Commerce of the United States, had also been present at the Benton & Bowles planning meetings and had mentioned the negative connotations of the 'piggy' imagery to the Benton & Bowles copywriters, but to no avail (Madden, 1969). The Ad Council would not make the same mistake again. Its next campaign to address economic issues took a comparatively sober, factual approach.

### **The 1970s American Economic System Campaign**

**A problem of knowledge, and media its solution.** On September 25, 1974, Council founding member Chester J. LaRoche drafted an internal memo calling for a campaign to support a new expression of U.S. economic identity. LaRoche couched his call to action in the tensions of the day: widespread and mounting inflation; pressure on industry from consumer rights and environmental groups; public perceptions of excessive industrial profits and concentration of power; and the revolutionary urges of the counterculture. Although he did not mention them explicitly, LaRoche was doubtless also aware of geopolitics, most particularly the

U.S. Government's efforts to intervene in the popularity of socialism in Latin American nations. Council efforts helped government and business address immediate problems like manufacturing productivity, LaRoche observed, but failed to account for "the fundamental problem business faces of winning an understanding of its new sense of its social responsibilities"—an understanding, in other words, of the continued social legitimacy of business (LaRoche, 1974).

There was an immediate issue, however: how could the Council select a named corporate sponsor, its standard mode of funding a campaign like this, without inviting critique that the campaign was pro-business propaganda? LaRoche suggested that the Council identify *itself* as the sponsor of the campaign. It was an unusual tactic, one that avoided the public appearance of direct corporate sponsorship but did not preclude seeking funding from corporate donors. As LaRoche explained, the Council had an opportunity to act in concert with the government, despite the protests of the 'old guard' and more radically conservative business leaders, to sell business as a beneficial component of the American way of life.

The *People's Capitalism* campaign of the 1950s had been successful, LaRoche argued, because "it was told in terms of benefits received by the people not by the benevolence of big corporations. It was made clear that the power in the country was where it belongs—with all of us" (LaRoche, 1974). LaRoche pushed for a campaign that acknowledged the unrest of the moment, holding up as exemplary recent trade publications that made "an asset out of the fact that progress and turbulence go hand in hand." Interestingly, LaRoche even suggested that the Ad Council could help with concerns about high prices and inflation with a pro-conservation message that emphasized craftsmanship and service jobs over limitless economic growth—suggestions that were ultimately discarded, possibly because they would have met with resistance from traditional business advocacy groups such as NAM. He closed with a call to

action: “We can get over the new responsibilities of American business. We can win the opportunity to act in the best interest of all” (LaRoche, 1974, emphasis original).

This call to action was evidently prompted by interactions with the Secretary of Commerce, Frederick Baily Dent. A prominent member of several business advocacy groups and manufacturer’s councils, Dent had built a wide network of connections through these groups and corporate board memberships prior to his appointment to the Department of Commerce under President Richard Nixon. Dent’s October 1974 speech to the Council in support of the developing *American Economic System* campaign showed less ideological flexibility than LaRoche had shown. Dent echoed the rhetoric of earlier industrial ‘economic education’ efforts of the midcentury period, indicating how economic education, as a term of art, could encompass both the ‘old guard’ perspective and more progressive approaches that acknowledged new economic and cultural challenges to a traditional growth-based vision of the U.S. economy. He framed public support for stricter regulation of business as a case of ‘economic ignorance’ of a “free society” which, Dent argued, had “historically fostered opportunity and rewarded performance.” And like earlier economic education campaigns, Dent described ‘economic freedoms’ as “inseparably linked to political freedoms,” warning that “tampering in one area inevitably affects the other” (Dent, 1974, pp. 3, 7).

Dent argued that mass media was both a factor in, *and* the potential remedy for, the U.S. public’s widespread economic ‘ignorance.’ “Today as never before, the American people are in better communication with the rest of the world. At the same time the rest of the world is going through radical change away from the free-enterprise system. This situation calls for a deeper tap root of economic understanding and commitment than has been required when influences from abroad were not so evident” (1974, p. 3). He went on to describe the U.S. public’s loss of faith in

political institutions as a kind of apathy (an odd choice in the context of widespread activism and civil unrest), suggesting that a basic understanding of economics would inevitably yield a greater sense of “political responsibility.” But the country could not rely on institutions of education to do the job, because those institutions could not reach the grander masses of the U.S. population who were already past the age of schooling. As Dent put it,

the workers and the housewives who participate in our competitive system in countless ways every day, those who must pay the taxes, and all those who must cope with their own special hopes and aspirations for future economic security...These are the people who must, for better or worse, make difficult and often painful economic choices, either knowingly or by default. These are the people to which the media has unique and effective access. (Dent, 1974, p. 5; emphasis added).

Dent’s rhetoric, of an inseparable link between politics and economics, relied on an equivalency between capitalism and democracy. Such equivalencies were common in conservative discourses of the time, especially given the chilling effects of the midcentury Red Scare on public discourse. Corporate-sponsored media about economics tended to elaborate upon this conventional wisdom. In doing so, they framed calls for increased public services, public concerns about excessive corporate profits, and demands for increased regulation of industry as threats to the ‘American way of life.’ These claims had clear political implications. Labor power, environmental conservation, economic planning, and regulation of industry were framed as un-American--and therefore off-limits to the U.S. polity; industrial capitalism, conversely, was framed as intrinsic to American national identity.

**Education as a strategic frame.** In order to maintain internal consistency, the AES campaign and sponsored economic education campaigns like it had to at least appear to support democratic procedures such as voting and representational democracy, while simultaneously condemning both labor power and state intervention in the workings of industry. Framing support for the ‘cooperative system’ vision of U.S. industrial life as a state of economic

*knowledge*—itself ideologically neutral and scientifically objective—helped to solve this quandary by displacing essentially political questions from the political sphere into the realm of knowledge and education.

Framing a political position as knowledge called forth implications about democracy, class and persuasion; it implied that mass media was the best vehicle to spread economic education messages to segments of the public that lacked access to knowledge institutions. It also provided a rationale for targeting the working class with economic education messages. In Dent's formulation, those who most needed to be educated were those who fell outside of formal institutions of knowledge: as Dent phrased it, the “workers and housewives” who bore the disproportionate burdens of national economic ill-health. In Dent's rhetoric, mediation was not merely an efficient way to reach these members of the American public: it was the only way.

But presenting messages to the public under the rubric of education and public knowledge required a performance of political neutrality. Putting forth an image of objectivity and broad social consensus was key to the Ad Council's campaigns; one tactic for performing neutrality was to gain support from moderate labor leaders. The Council used this tactic in earlier campaigns and again in the 1970s *American Economic System* campaign. In 1975 Council President Bob Keim urged Lane Kirkland, who was the Secretary-Treasurer of the AFL-CIO at the time (and heir apparent to the presidency of the union) to join the Council's Public Policy Committee (Keim, 1975a). The campaign won the endorsement of the AFL-CIO—although, as shall be seen, the endorsement of the AFL-CIO did not necessarily signal broad labor support. Kirkland was a particularly conservative labor leader, a Cold War anti-communist under whose leadership union membership declined dramatically. Still, the union's endorsement burnished the Council's claims of acting in the public interest by allowing it to gesture to broad support across

labor and industry.

**The Council's understanding of public knowledge.** Contracts for a seed grant from the Department of Commerce were drawn up early in 1975, and by March 1975 the campaign was underway. The first step in the campaign process was a research project: in order to impact public knowledge, the Council had to first understand what the public actually knew. A closer consideration of the Council's understanding of public knowledge helps clarify the economic imaginary that shaped the subsequent campaign. STS scholars are now beginning to recognize market researchers' roles as "a community of knowledge creators" (Nilsson, 2013). Further, market research data is often used in advertising campaigns not as the base knowledge to drive a systematic intervention, but rather as a justification for operational decisions that have already been made (Cronin, 2004). This pattern seems to bear out in the archival evidence of the *American Economic System* campaign.

Compton Advertising, the company chosen to carry out the campaign, had extensive market research capacities. It had used its research arm help design campaigns for consumer packaged goods manufacturers such as Proctor and Gamble, its largest client. Compton skewed conservative in its political leanings: chairman Barton Cummings was remembered as a vigorous opponent of government regulation of the advertising industry (Higgs, 2014; Barton A. Cummings obituary, 1994). Compton performed a qualitative, open-ended research survey of 2886 adults in the United States between November 1974 and January 1975. They found that U.S. citizens' knowledge of economics was "incomplete and fragmentary" (Compton Advertising, 1975, p. 10). The public's understanding of their own economic participation was limited to "passive" consumption of goods and services, the report found. The report glossed issues of race, class, and social structure in its interpretations of the survey findings, instead

describing social inequalities in terms of economic knowledge and understanding. It lamented “deficiencies in information” across the spectrum of social groups in the United States, but identified low-income people, retirees, the working class, homemakers and “Blacks” as particularly lacking in knowledge (1975, p. 11). It found more negative assessments of the system among the people who it framed, in hopeful tones, as groups who had *yet to benefit* from the system: young people, the working class, and ethnic minorities. Finally, it found that if those polled responded positively to questions about economics, they did so in a language of “political freedoms and opportunities for [economic/job] mobility” (1975, p. 5).

The unstated implication from inside the closed epistemological world of the report, then, was that all U.S. citizens needed a better understanding of economics—and youth, minorities, women and the working class were those who needed it the most. The report did not directly acknowledge how social structures of racism, sexism, and classism might have limited political autonomy and economic mobility for members of these groups in ways that better knowledge of economics would not ameliorate. Rather, it intimated that economic education at the individual level would result in social harmony and better economic outcomes for members of these groups. In short, the report’s interpretations of its findings reinforced the existing attitudes of the Council: it interpreted discontent with the practices and conditions of U.S. capitalism as a state of ignorance rather than one of principled or informed opposition, and blamed any discontent on the passivity and economic ignorance of the working classes and other disadvantaged groups.

### **Performing Neutrality in the *American Economic System* Campaign**

From its early planning stages, the *AES* campaign generated public controversy; however, the framing of the campaign as a source of objective knowledge helped to deflect counter-narratives in rhetoric, policy, and media practice. As early as July 1975—when the campaign

was newly funded and still in its planning and development phase—press and policymakers started questioning the Council (and its initial funding source, the Department of Commerce), about whether its campaign was an appropriate use of public funds, given its creators' pro-business slant. New York Congressional Representative Benjamin Rosenthal, a progressive advocate for poverty programs and chairman of the House Committee on Government Operations' Subcommittee on Commerce, Consumer and Monetary Affairs, alleged that the Council had "improperly used \$239,000 of funds from the Economic Development Administration and the Office of Minority Business Enterprise to fund the public service advertising campaign" (Keim, 1975b).

The archive suggests that Rosenthal had reason to be concerned. While there is no explicit discussion in the Council archives of a strategic plan to exploit funds available through the Office of Minority Business Enterprise, an April 25, 1975 rewrite of the Council's grant proposal to Commerce included the phrases 'minority business' and 'minority businessmen,' repeatedly penciled into the text as an apparent last-minute change (Schollenberger, 1975). This may have been an effort to justify drawing funding from the Economic Development Administration and Office of Minority Business Enterprise--in essence, diverting funds earmarked for underrepresented economic actors to the Ad Council (itself a coalition of white-owned, high-profile advertising agencies).

In the face of this challenge, Keim maintained his claims of the Council's objectivity and political neutrality, ignoring the allegations about improper allocation of Minority Business funds. Facing questions from the *New York Times*, Keim acknowledged that prior Council economic education initiatives had been explicitly designed to counter "Communist propaganda," but insisted that in the AES campaign, "we were simply trying to develop an

interest in economics and the workings of the American Economic System since this subject had assumed the importance in our view that science and technology had in the sixties. We hoped to popularize public interest in economics in today's world as we had that of science in the previous decade" (Keim, 1975b, p. 2). Keim's rhetoric characterized the *AES* campaign as completely neutral: taking the unusual step of having the Council itself stand as official sponsor of the campaign allowed it to accept funding and other forms of support from both government and business without appearing to be beholden to either.

Keim's gestures toward economics as a new motivating social force, much as science and technology had been in the 1960s, suggest that Keim and others like him may have seen managerial economics as a neutral, objective, and potentially powerful way of not only understanding the world, but also of competing with the Soviets. Ultimately, this skirmish was resolved in the Council's favor: the Subcommittee held a hearing on the matter on July 30 1975, and a subsequent investigation by the General Accounting Office found that the campaign had originated with the Council and not with Secretary Dent, but that the Department of Commerce and the Council had nonetheless acted legally and within Commerce's mandate (Milligan, 1976).

**Mediation as a means of fostering economic ‘knowledge.’** The creative plan for the *American Economic System* campaign outlined the goals and strategies of the campaign: “to create an awareness of the need for improved economic understanding, and to inform and educate Americans at all levels of society on what the American economic system is and how it works” and additionally to “appeal to a person’s interest in understanding the importance of his or her role in the economic system” (Isaacson and Kelly, 1978, Exhibit 2-2). Further, the plan underscored the importance of doing so in a “reasoned, friendly, and involving” tone that eschewed “propagandizing or defensive statements” (Isaacson and Kelly, 1978, Exhibit 2-2). It

would use all available means of communication: a booklet for mass distribution, to be supplied without charge to any person or company that requested it; advertisements touting the booklet and the importance of economic understanding in print, broadcast, trade and labor media; and “supplemental forms” of media including film strips, teachers’ guides, and news releases (Isaacson and Kelly, 1978, Exhibit 2-3).

The plan’s invocation of the term ‘propaganda’ is instructive. In the plan, the warning away from propaganda was only in regard to the tone of the booklet, not its substance. In other words, the plan seemed to incorporate the perspective Compton had established during its market research, a perspective that characterized support for the status quo as synonymous with knowledge of economics. If the content presented in the booklet was understood to be exclusively objective and factual, then the only concern about propagandizing would be in the presentation of that content, not its substance. In other words, the plan was to widely disseminate to the U.S. public the Council’s framing of assent to capitalist practices and systems as *economic understanding*, and by extension to characterize dissent within the system as the product of misunderstanding or ignorance.

The centerpiece of the campaign was the 20-page booklet *The American Economic System and Your Part in It*, written by Compton copywriters (with, the Council claimed, assistance from economists at the Departments of Commerce and Labor) and illustrated throughout with custom-made *Peanuts* comics by cartoonist Charles Schulz. All advertisements in support of the campaign referred back to the booklet, offering it free of charge to any person who requested it by mail. There were two major phases of broadcast and print advertising. The first phase, centered on the tagline, “Every American Ought to Know What It Says,” featured images of people from targeted groups, pictured reading the brochure. In one of the most widely

used images, a white woman in a nurse's uniform, a white man in a hard hat, and a black man in a business suit hold the booklet in front of their faces; this trio was joined in some transit cards by an elderly white man and woman (Advertising Council, 1977a; Advertising Council, n.d.-a). Storyboards for television spots in this phase of the campaign left little doubt as to the groups being targeted in the campaign; they laid out the scripts of television advertisements 30 or 60 seconds in length with speaking roles for BUSINESSMAN, NURSE, HARD HAT, YOUTH, WOMAN, BLACK, and PUERTO RICAN (Advertising Council, n.d.-g).

The second phase of advertisements, launched early in 1977, focused on the concept of "Economics Quotient" or "EQ." This concept was designed to be "universal" in nature, adaptable to multiple contexts and stakeholder groups (Advertising Council, 1977b). Print ads presented short quizzes on topics like inflation, productivity, Gross National Product, and investment, under headings such as "How high is your E.Q.?", "Do your kids have a higher E.Q. than you?", and "Do your employees have a higher E.Q. than you?" (Advertising Council, n.d.-b; Advertising Council, n.d.-c). Broadcast ads took a more humorous approach to the same materials, using comedian "Professor" Irwin Corey (who, in a burlesque of academic expertise, billed himself as "The World's Foremost Authority") to tout the AES booklet amidst a flurry of jokes about the complexity and dullness of academic economics, and the comparative simplicity and relevance of the *AES* booklet (Advertising Council, n.d.-d).

These representations all reflected a social imaginary in which consent to the social legitimacy of private corporations was equated with knowledge of the economy itself. Campaign materials seemed to assume that "knowing" what the booklet said, as the first phase of the campaign encouraged citizens to do, was equivalent to agreeing with its claims; engaging with the booklet would involve not debate or controversy, but instead would signal citizens'

acquisition of objective information. The rhetorical device of “E.Q.” played on the standard intelligence quotient [“I.Q.”] as a form of measurement of knowledge and even intelligence, recruiting humorous figures of scientific expertise to underscore consent to capitalism as an essential act of demonstrating knowledge.

### **Textual Expression of Social Imaginaries**

As for the booklet itself, it was internally consistent with Dent’s rhetoric and the Council’s own market research. The booklet’s foreword explained that the Council’s survey had “revealed a basic faith in our economic system,” but also indicated that the public did not understand how the system worked or how they were involved in it (Advertising Council, n.d.-f, “Foreword”). The reference to ‘faith’ suggested and constructed an audience for whom participation in the system could bring future benefits. Recall that Compton had identified those people who, as they phrased it, had not yet fully benefited from the system as its core audience, and that Compton survey respondents’ positive assessments of the system had been phrased in terms of opportunities for economic mobility; the term ‘faith’ is perhaps particularly apropos to a framing of economic life that was focused so firmly on the future being better than the present. If we take the framing of the foreword at face value, it seems to suggest that the people were in need of a framework of apparent facts that could scaffold their pre-existing faith in the potential future benefits of the system.

The booklet opened with an introductory preamble that slipped easily between democratic governance and the understanding of economics it claimed democracy required.

The United States in its 200 years of existence has grown to be the economic wonder of the world, bringing forth a richness from its farms and factories unprecedented in all history. During the period, we have also enjoyed a unique form of democratic government that has been an inspiration to freedom-seeking peoples throughout the world. As we now celebrate the Bicentennial Anniversary of our independence, we should be aware of the very important connection between our economic progress and the

vitality of our democratic form of government.

This booklet presents some of the economic principles upon which America's prosperity has been built, and upon which we can continue to progress during the years ahead.

Because we have a democratic government, our country goes where we—all of us together—decide we want to take it. Only if the choices we make are based upon an adequate understanding of our economic system, can these choices be made wisely. And informed decisions are essential if we are to be successful in meeting our future economic and social challenges at home and abroad. (Advertising Council, n.d.-f, p. 1).

The booklet's twenty pages covered a variety of topics related to economics at a very general level; it did not, however, cite (or even correspond with) established economic theories of the right *or* left to explain concepts like capital and labor. Instead, its central organizing concept elided the significant differences between individual citizens and industrial corporations by asserting that the economic system in the U.S. was comprised of three groups: consumers, producers, and government. As this excerpt describing 'consumers' illustrates, the booklet drew equivalences between individual citizens, businesses, and the government as economic actors.

In 1776, consumers took care of many of their own needs for the basics—food, shelter, and clothing. Economic matters were simple, although work was hard and hours were long. Rather than worrying about income and prices, people more often thought in terms of how long it would take to weave some cloth, or harvest a crop.

Most important, one could see every clearly the relationship between what was produced and what was consumed. This relationship changed as the economic system became more complex, and making wise choices now has become more difficult. But one thing has not changed—ours is still a 'consumer economy.'

Today, almost two-thirds of our nation's economic output consists of goods and services bought by individuals and households for personal use. The remaining one-third is bought by businesses and governments. So you can clearly see the importance of all of us as consumers in today's economy. (Advertising Council, n.d.-f, pp. 3-4).

This taxonomy is interesting for how it obscured (and, to an extent, made unmappable) class-based critiques of capitalism. Under the AES booklet's taxonomy, "consumers" could be individuals, businesses or governments; and "producers" could be workers, managers, investors, or entrepreneurs. It identified capitalism and socialism as economic systems, and democracy and communism as political systems; its formulations of democracy and capitalism played up

individual choices as motive forces (e.g. “democracy is a system based on individual freedoms,” p. 2) while its formulations of socialism and communism identified the government and the political party, respectively, as the crucial actors in such systems. The booklet pointed to the decisions of individual ‘producers’ and ‘consumers’ as having the most power in the U.S. economic system, and explained supply, demand and competition as the dynamics by which ‘producers’ and ‘consumers’ interact. This taxonomy of economic actors blurred the lines between individuals and corporations; as such, it strengthened business advocates’ long-standing claims that the civil liberties of citizens and the functional liberties of corporations were so intertwined as to be the same thing.

On the pages that followed, the booklet presented general information across an array of topics. In some cases, the booklet telegraphed an anti-regulation stance, as with this passage on capital goods:

In our early days, when we were primarily a nation of farmers, investments in factories and equipment were not large. But as the industrial revolution spread, and our agricultural economy changed to an industrial economy, more and more investment in capital goods was needed. [...] The basic incentive for businesses and individuals to invest in new capital goods is the hope of future additional income. Over the years, investment income has been affected by many changes in government policies in the United States, and this has influenced our rate of capital investment. In fact, such policies in several other major industrial nations have been more favorable to capital investment than those in this country [...]

In this section on “what Makes Our Economy Work?” we have examined decisions in the American economic system and have seen that they are still basically made by consumers and producers. Yet, federal, state and local governments have become increasingly involved in economic decisions that affect the use of our resources. (Advertising Council, n.d.-f, pp. 7-8).

This set of passages stopped short of calling for changes to legislation, instead leaving the reader to draw the conclusion that governments should be less ‘involved’ in taxing businesses’ investment income.

In other cases, the booklet presented pieces of factual information that were obliquely

linked to one another. For example, the section on personal income acknowledged differences based on race and sex, yet posed questions instead of making statements about government involvement:

While incomes in general are rising, it should be recognized that important differences in incomes are associated with differences in race and sex. One way to compare certain income differences is to look at ‘median family income.’ [...] For example, in 1975, the median family income of all white families was about \$14,268 while for non-white families it was about \$9,321.

There is also a general relationship between the skills acquired through education, and the incomes earned later in life, as the following chart shows. Differences in incomes associated with race and sex are often the result of discrimination and lack of educational opportunity.

There is much discussion about the incomes of our people. Are we doing enough to help the lot of the disadvantaged? How can government efforts in this area be made more effective? The decisions we make will affect how the benefits of our American economic system are shared. Here again, your views are important.” (Advertising Council, n.d.-f, pp. 15-16).

This set of passages did not imply a policy solution as clearly as had the passages on capital investment. Still, it stopped short of exploring the possible reasons for and solutions to these social problems.

The closing section of the booklet returned to the claim that “economic freedoms and personal freedoms have a way of interlocking” (18) and that each citizen in the economic system has a part to play in decision-making, thus wrapping its accurate if incomplete statements about the United States’ economy in an implied argument against regulation of commerce.

A few features of the booklet are worth considering. First, given the market-fundamentalism that would come to dominate public discourse in the decades to follow, it is important to note that the booklet did pay some attention to labor power and state intervention in the economy: labor unions and government spending on social programs are given matter-of-fact, if somewhat superficial, treatment. There is no question here of the legitimacy of such programs or organizations. This is unsurprising; the policy environment of the mid-1960s to mid-

1970s was broadly liberal by today's standards, with both Congress and the Nixon Administration endorsing legislation that extended the state's presence in public life and commerce: tightened environmental controls, for example, and increased funding for the arts. A libertarian-oriented new conservatism was gathering momentum in such places as the Ozark Mountain region of Arkansas and in Orange County, California, but was not yet entrenched in policy circles on the national level (Moreton, 2010; McGirr, 2015). That the Ad Council, whose members described themselves as champions of free enterprise, allowed room for social programs and labor bargaining power in their description of the U.S. economic system illustrates how drastically the institutional discourse has shifted since the mid-1970s.

Second, the booklet contains subtle contradictions and elisions, especially in the realm of social problems. As noted above, its taxonomy of economic actors not only made traditional critiques of capital and labor politics unmappable. It also strengthened the claim that civil liberties could not be separated from the functional liberties of industrial corporations. The booklet's text acknowledged that racial and gender discrimination affected incomes; yet it stressed freedom and decision-making while eliding any in-depth consideration of structural barriers to economic resources or possible remedies to structural economic inequality. The booklet's carefully brief coverage of issues of economic justice lent itself to the Council's appearance of impartiality: it simply stated that inequality exists, and avoided any prescriptive suggestions that might have been interpreted as partisan. However, this tactic for performing non-partisan objectivity also lent itself to the omission of systemic factors such as class. Much like the color-blind racism that elides the specificities of structural white supremacy in favor of a blanket condemnation of any mention of racial difference, the booklet's brief treatment of the working class's comparatively scarce access to economic and social capital in favor of a rhetoric

of individual choice may be understood as a kind of capital-blind classism. Similarly, the booklet acknowledged minorities' and women's wage inequality, but within an obscuring rhetoric of economic and personal freedom that failed to challenge white men's disproportionate access to capital or offer possible solutions to inequality.

### **Broadcast Challengers: Objectivity, Neutrality and Facts**

The *AES* ad campaign and booklet distribution was scheduled for launch on April 21, 1976, in the midst of celebrations of the U.S. Bicentennial. The Bicentennial was billed as a national birthday party, but despite plans for celebration the national mood was fraught with tension over social issues, from contentious race relations to economic inflation (Lepore, 2010). Critiques of corporate power were widespread, from environmental and consumer groups as well as from critics who charged that corporations enjoyed too much power in the marketplace and paid too little in the way of taxes. Social activism groups, most notably the Peoples Bicentennial Commission (PBC), seized on the fortuitous imagery of the moment to equate U.S. corporations of the 1970s with the oppressive British crown of the 1770s. The PBC was the brainchild of Jeremy Rifkin, a 1960s anti-war activist who described his organization to a local newspaper as "those members of the New Left who didn't drop out on farms in Vermont or become lawyers after the Vietnam War became a non-issue" (Dorsey, 1975). The PBC was one of two groups to trouble the campaign at this stage, primarily by filing complaints with the broadcast networks that the Council was relying upon to donate screen time for its advertisements.

The aspect of the *AES* campaign that generated the most controversy, if press coverage is any indication, was the broadcast of *AES* television advertisements during public airtime. Although critiques of the campaign's dips into the stream of federal funding (as Rosenthal had attempted) had failed to gain traction, broadcast policy represented another opportunity to

publicly question the legitimacy of the campaign. Two groups—Rifkin’s anti-corporate, anti-establishment PBC and the Public Media Center, a public-interest group led by civil rights activist Roger Hickey and supported by institutions ranging from the National Education Association to the Consumer Federation of America and the United Auto Workers—challenged the campaign by demanding equivalent access to public resources, under the principles of the Fairness Doctrine. Rifkin approached NBC (and, presumably, competing networks ABC and CBS) with demands that the network also carry their public service announcement offering viewers a copy of Rifkin’s manifesto *Common Sense II: The Case Against Corporate Tyranny*; similarly, Hickey demanded equal airtime for the Public Media Center in support of their own educational booklet, *Americans for a Working Economy*. Further, Hickey submitted a request to the Department of Commerce for the funds to produce *Americans for a Working Economy* advertisements and additional copies of the booklet. Like the Council’s campaign, the Public Media Center’s request to Commerce was also framed in terms economic knowledge, enlisting several prominent academic economists to explain lacunae in the *AES* booklet that, Hickey assured Commerce, the Public Media Center’s booklet would address (Milligan, 1976; Traviesas, 1976).

By late July 1976, the Council’s *AES* campaign was embroiled in a mess of counterclaims and allegations. As the foregoing discussion has shown, the booklet’s content presented a vision of the U.S. economy that was both oddly void of traditional economic theories and avoidant of the controversies of the day. Rosenthal, a tenacious opponent, issued a press release on July 27 decrying the managerial slant and vague content of the *AES* booklet and claiming that academic economists were nearly unanimous in their condemnation of the booklet’s “soothing words” and lack of content (Congress of the United States, House of

Representatives Committee on Government Operations, 1976, p. 2). Three days later, a *New York Times* article reprised Rosenthal's complaints about the use of Office of Minority Business and Economic Development Administration funds, which the congressman condemned as "one of the most wasteful, absurd, inane things I've ever heard of" (Dougherty, 1976).

These controversies resulted in some hesitation on the part of the networks to air the Council's advertisements. Much of this hesitation was due to concerns over triggering the Fairness Doctrine. The Doctrine, which the Federal Communications Commission was empowered to enforce from 1949 until 1987, required broadcasters to present controversy in a balanced and equitable manner. It applied to all 'informational' broadcasting content, including news, PSAs, political commercials and appearances by politicians (Aufderheide, 1990). The networks may have been particularly concerned about the Council's PSA: if the PSA triggered Fairness Doctrine provisions, the FCC could have forced the networks to air opposing viewpoints—and to offer airtime free of charge if the opposing groups could not pay for it (Aufderheide, 1990).

The networks' responses suggest that each had its own interpretation of whether the Doctrine would apply to the *American Economic System* PSAs. While NBC did air the Council advertisements in early August 1976, ABC held back as it considered whether the Fairness Doctrine required it to also air the Public Media Center's advertisements; CBS sought a middle ground by agreeing to air a version of the Council ads that omitted the offer of the booklet (Dougherty, 1976). The Ad Council faced pressure both from critics who described the campaign as corporate propaganda, and from conservative voices in the business community who accused the Council of condoning even limited state regulatory interventions in business (Connor, 1976). Worse yet, popular press accounts of the campaign questioned whether sponsored efforts at

economic education were at all worthwhile, citing Paul Samuelson, the first American economist to be awarded the Nobel Prize, who groused that “most campaigns for the purpose of inculcating good economic understanding have been historically worthless” because “they’re mostly prompted by the vanity of business leaders” (Connor, 1976).

Although institutional and activist attempts to advance counter-narratives delayed the launch of the Council’s *AES* broadcast advertisements on some networks, neither the People’s Bicentennial Commission nor the Public Media Center was able to secure public airtime or funding for their counter-campaigns. Time and again, the counter-campaigns were rejected on the grounds that they espoused a specific point of view, in contrast to the Council’s supposed neutral presentation of facts—one seen as politics, the other as knowledge. For example, NBC rebuffed Rifkin in August 1976, asserting that unlike Rifkin’s attacks on ‘corporate tyranny,’ the Council’s campaign eschewed controversial issues and provided “basic, non-partisan economic information” (Traviesas, 1976, p. 1). NBC’s representative cited the participation of the Departments of Commerce and Labor as evidence of the nonpartisan and objective nature of the Council campaign (Traviesas, 1976).

By contrast, Rifkin’s proposed public service advertisement (PSA) “advocate[d] positions on controversial issues and we do not accept such public service messages,” the NBC representative explained, going on to suggest that airing Rifkin’s PSA would in fact expose the network to “requests for free time from groups or individuals holding viewpoints different from yours” (Traviesas, 1976, p. 5). Similarly, by the end of September, Hickey received official notice from the Department of Commerce that no federal funding would be provided to the Public Media Center for its counter-campaign. Representatives at the Department of Commerce rejected Hickey’s charge that the Council booklet was simplistic and misleading, insisting that it

objectively presented facts in a necessarily brief manner that was both neutral and factually correct (Milligan, 1976).

The Council seemed to be little affected by these challenges; internal Council memos suggest little sense of concern (Keim, 1976). A memo from Keim in September 1976 reported that responses to an *AES* exhibit touting the campaign at a meeting of the Allied Social Science Association were largely positive, and that opposition was “minor, relatively mild, and from predictable sources.” Apparently unruffled, Keim continued that the views of those opposed “followed, seemingly by rote, conventional patterns which evoked a sort of nostalgia, sort of like watching Mervyn Douglas and Greta Garbo on the Late Late Show doing *Ninotchka* [a reference to a 1939 Douglas-Garbo comedy set against the deprivation of the Stalinist Soviet Union], or any of those pseudo-comedies replete with dialect comedians using ‘capitalism’ as a foil” (Keim, 1976). While the academic meeting was far from a representative sampling of public opinion, it apparently indicated to Keim that the Council had little to fear in the way of expert critiques of the campaign.

Council promotional materials cast the campaign as a success due to its sheer size and scope, with an undated glossy promotional brochure likely distributed late in 1976 declaring the campaign’s debut “the most successful introduction of a public service campaign in Ad Council history” (Advertising Council, n.d.e). By January 1977, Council executive staff reported to its Industries Advisory Committee, “the attacks on the Council’s efforts on this campaign, especially from the Peoples [sic] Business Commission (formerly the Peoples Bicentennial Commission) have totally abated. We have had practically no organized criticism in the past 4 or 5 months” (Advertising Council, 1977b, p. 5). In the months to follow, the Council created an adapted version of the television spots for CBS and ABC—a version that passed muster with the

networks as being unlikely to trigger the Fairness Doctrine. CBS and ABC picked up the television advertisements with the debut of the “E.Q.” theme in October 1977 (Dougherty, 1977). By April 1978, over ten million copies of the booklet had been distributed through institutions, mail requests, and newspaper inserts (Fried, 1978). The Council’s ongoing market research suggested higher levels of awareness and knowledge about the U.S. economy (though it is debatable how much of this new awareness was due to the Council campaign, as opposed to the worsening inflation crisis in the United States and its effects on the cost of living, especially for low-income people).

## Conclusions

As this chapter has shown, the *American Economic System* campaign relied on the perceived factuality of its materials to defend the campaign’s legitimacy—and structural factors of the advertising and broadcasting industries helped foster an environment where the campaign’s facts could survive. Further, this discourse of factuality also created ground for excluding other points of view that directly critiqued corporations and their economic standing in the United States.

The perceived factuality of the *American Economic System* campaign relied, itself, on the production of knowledge by workers at Compton Advertising, the company that carried out the market research and designed both the booklet itself as well as the ad campaign to support it. Although broadcasters could recognize the resulting campaign as being in the public service, its claims to factuality and objectivity belied its ideological content. As the preceding pages have demonstrated, *The American Economic System...and Your Part in It* advanced a vision of the United States economy onto which longstanding economic theories of both the left and right could not be mapped. Its emphasis on ‘freedom’ and individual autonomy minimized the

differences between individuals and institutions as well as the differences between individuals of different social positions, playing down the influence of such structural factors as racism and sexism. In sum, this case calls attention to knowledge claims across a broad range of contexts, from market research to advertising to broadcasting—and to the social imaginaries that informed those knowledge claims.

### **Social imaginaries of media as a means of understanding ‘economic education.’**

These corporate-sponsored ‘economic education’ campaigns were more than the useless follies Samuelson suggested them to be. Dismissing corporate sponsored economic education projects as historical curios misses the ways the *AES* campaign, and others like it, expressed and contributed to the shifting social imaginaries of capitalism in the late twentieth century.

Bringing a media studies perspective to the history of capitalism highlights how, for powerful decision-makers like Dent, the mass media could be an essential tool for quieting or even preventing dissent amongst the working class, racial minorities, and other disadvantaged groups in U.S. society. To understand these efforts, historians must pay attention not only to the media produced, but also to the forms it was required to take. The *AES* campaign, for instance, needed to appear to be socially beneficial, objective information. Media forms and practices were not peripheral, self-evident, or unimportant: to the contrary, network executives interpreted broadcast media policy in ways that defined the *AES* campaign as objective knowledge while dismissing and excluding other campaigns, whether anti-establishment in nature or supported by a broad coalition of institutional actors. Further, media practices interacted with knowledge practices and institutional networks of affiliation. The cooperation of moderate labor unions and corporate interest groups allowed the Council and the Department of Commerce to present strategic claims that aligned with the status quo as objective knowledge, and to hold up the

media products that contained these claims as non-partisan educational materials.

**Implications for studies of media and propaganda.** This chapter challenges notions that ‘the state’ or ‘industry’ can be identified as distinct and different producers of propaganda. In fact, government and industry make propaganda together, whether in wartime or peace. Private corporations and non-profit organizations produced and distributed persuasive media toward a variety of ends--for either a specific political position or a more general and diffuse set of ideological orientations—with the imprimatur of the federal government. Media, in other words, are venues for institutional participation in the cultural life of a nation, and this holds for institutions across the public-private divide. Still, the state has a special role to play, even when it is not necessarily the originator or distributor of persuasive political messages. As this case shows, both public agencies and privately owned media networks made choices about how to interpret media policies. These choices, in turn, defined and enforced constructions of objectivity and neutrality that determined which ideas gained access to public media spaces (and which were denied access). If what emerged was propaganda, it was not only propaganda for an industry, but for an industry *and* its relations with institutions both public and private.

Efforts to understand the emergence of markets and economics as organizing social logics in the twenty-first century can benefit from looking at the claims institutional actors made about economics in the late twentieth century. Over time, privately produced, privately funded media representations of capitalism as a self-evident system of knowledge and practice remained, even as the ideological threat of totalitarianism gave way to the putatively post-ideological rise of neoliberalism in the 1990s. Examining how these representations arose and came to have legitimacy accorded to them suggests a crucial role for media historians in excavating the role of media in the proliferation of neoliberalism in the late twentieth century

and beyond.

Media scholars can and should take even the most blatantly self-interested institutional representations of economics seriously, recognizing them as consequential expressions of social imagination. Characterizing campaigns like *AES* as propagandistic expressions of industrial ideology may be a politically satisfying critique to make, but it misses an opportunity to rethink classic concerns of media studies within our present cultural moment. Throughout the twentieth century, communication scholars grappled with the rapid emergence and expansion of mass media. Twentieth-century media technologies from the popular press to radio to television developed in the context of world wars and, subsequently, the Cold War; these media forms were the objects of persistent concerns about the propagandistic possibilities of mediation.

Institutionally sponsored communications are sensemaking acts; institutional discourses make claims about what counts as knowledge that rely on media practices. Viewing sponsored media through the lens of social imagination—whether the media in question was created in the past or in the contemporary moment—offers media scholars an opportunity to reclaim the tensions that animated twentieth-century studies of propaganda and ideology for twenty-first century media scholarship. While the case of Ad Council’s 1970s *American Economic System* campaign offers insights beyond its moment, though, the historical particulars of this case should not be overlooked.

**Implications for studies of media history.** Many of the social imaginaries that found expression in the *American Economic System* campaign were of a distinctly midcentury stripe. Dent, and others in this case, argued that the public needed to be educated to the workings of the economy. In making this argument, Dent advocated for corporate power in the context of a particular economic social imaginary: an institutionally based, cooperative system in which the

state, organized labor, and corporate management all had roles to play. In the behind-the-scenes conversations and the actual media texts produced alike, the *American Economic System* campaign instantiated a social imaginary of media as a powerful tool for correcting information deficits, and of media audiences (especially working class and middle-class domestic female audiences) as compliant recipients of information.

However, as Keim's initial exhortations to the create the *American Economic System* campaign made clear, assumptions about the nature of social life in the United States that had remained at least plausible through the 1950s and 1960s were being undermined by the emergent economic (and, by extension) political conditions of the 1970s. Oil price shocks rippled through the economy and unemployment rose, setting off a “nervous search for economic policy” over the course of the 1970s (Rodgers, 2011, 49). Policymakers, business leaders and economists grappled with economic inflation and joblessness that rose in tandem instead of trading off against each other, as they had in prior decades and as economic theory held they should (Rodgers, 2011). The *American Economic System* campaign clung, in some senses, to the notion of a U.S. economy made up of cooperative institutions. But by 1976, faith in institutions was remarkably low. The Watergate scandal, the Vietnam War, and seemingly untamable inflation threatened the public’s trust in the government, and labor unions were similarly beset by internal dissent. The notion of an integrated system made up of smoothly functioning institutions was starting to seem implausible. However, the campaign’s unusual construction of citizens, state agencies and corporations alike as ‘producers’ and ‘consumers’ intimated what was to take its place: an emerging social imaginary of *markets* as an orienting logic of social and economic life. In place of midcentury understandings of social life as an interlocking system of institutions, obligations, and relationships, the Ad Council’s taxonomy of ‘producers’ and ‘consumers’

suggested an individualistic and atomized understanding of both individuals and corporations-- one that, in the years to come, would be an increasingly common element of social imaginaries of the economy.

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### **Chapter Three: Absolute Faith**

In February of 1980, *Fortune* magazine profiled Robert J. Chitester, a public television station manager from Erie, Pennsylvania. He seemed to be a walking contradiction. The profile made much of Chitester's "eccentric" personal appearance, noting how his "open shirt," "long, curly hair and...impressive mutton-chop sideburns" necessitated warning calls in advance of his meetings with corporate executives (Bernstein, 1980, pp. 108-109). But the profile's evident curiosity with Chitester's incongruous appearance in a corporate boardroom paled in comparison to its fascination with his reason for being there. Chitester, whose public television station WQLN owed its existence to federal subsidies, was on a mission to raise corporate underwriting funds to publicize the ideas of libertarian economist Milton Friedman.

The fruit of Chitester's efforts was *Free to Choose*, a ten-part documentary series featuring Friedman and his ideas; it aired on Public Broadcasting Service (PBS) stations in February 1980. In the aftermath of the January 1977 PBS broadcast of *The Age of Uncertainty*, a sweeping (yet poorly received) review of economic ideas written and presented by left-wing economist and public intellectual John Kenneth Galbraith, calls for balance had come from corporations and politicians alike. With Friedman as the star and main author of the *Free to Choose* series, Chitester had successfully exploited popular pressure for political balance on the public airwaves. Burgin's (2013) account of the two television series argues, "the rediscovery of the market unfolded, in part, as a plebiscite on these dueling representations of the economic world" (p. 195).

While Burgin is concerned with how elite economists used television to popularize their ideas during a moment of marked public interest in economics, I am more interested in the actors that remain largely behind the scenes in Burgin's account: the producers and sponsors of *Free to*

*Choose*. As the prior chapter illustrated, corporations and business advocacy groups had developed a distinctive set of social imaginaries—vernacular understandings of the economy, media and democracy—through which economic education media could be understood as politically neutral and objectively factual interventions in public ‘misunderstandings’ of economics. The sponsors of the series may have seen Friedman as Burgin portrays him—an iconoclastic voice in the academic establishment—but they also described him as a useful conduit for the cultural and policy positions they, and other business advocates like them, had been publicizing for decades through sponsorship of economic education media.

### **From Popularization to Production**

Burgin argues that *Free to Choose* succeeded where *The Age of Uncertainty* failed because Friedman adopted a simple rhetorical and visual style that contrasted with Galbraith’s theatricality, irony and reflexivity, and because Friedman cultivated a network of institutional support from corporations and foundations favorably disposed to his free-market message. The history of sponsored economic education media in the United States, however, illustrates that business advocates’ vernacular ideas about free enterprise, touted and publicized since the midcentury period, set the stage for this ‘rediscovery of the market:’ both by providing a lay vocabulary and set of social imaginaries about economics to businesspeople, and by fostering and sustaining an institutional network of like-minded corporate leaders and business advocates. This chapter documents and analyzes the ways funding and ideas flowed through that institutional network under Chitester’s administration. Funding for corporate public outreach of the sort that underwrote *Free to Choose* may have exploded in the 1970s, but it existed long before then.

Further, Burgin observes that sponsoring and airing *The Age of Uncertainty* left PBS and

its funding body, the Corporation for Public Broadcasting, vulnerable to critique from conservative quarters of the U.S. political scene. Even before the series aired, conservative politicians and commentators charged that Galbraith's series fell afoul of PBS's mandated (but poorly defined) requirements to remain objective and balanced in its coverage of controversial issues. *Free to Choose* offered PBS a means of signaling balance, and thus of quieting those critics. However, as this chapter reveals, Chitester and the corporate/foundational underwriters of *Free to Choose* had to carefully and performatively navigate further layers of rules about the appearance of undue corporate influence. Burgin's focus on the popularization of elite economic ideas leaves this part of the story untold.

In this chapter's account of *Free to Choose*, Chitester may still be the eccentric small-town station manager whose "most substantial programming success" up to that point had been "a series on tropical fish called *From Guppies to Groupers*," as Burgin (2013, p. 208) portrays him. But as this chapter demonstrates, Chitester is a more important figure than this might lead the reader to believe. A zealous convert to Friedman's cause, Chitester possessed the institutional knowledge to shepherd donor corporations through PBS's sponsorship rules and the ideological impetus to design an organizational structure at WQLN that brought public television broadcasting into alignment with libertarian ideals. Under Chitester's leadership, WQLN marshaled resources and produced content on par with major metropolitan PBS affiliates—and nearly went bankrupt in the process.

Political philosophies, institutional rules, funding practices, and vernacular ideas about media all informed the production of *Free to Choose*. Chitester's encounter with Friedman's philosophies may never have happened if not for the twentieth-century rise of economists as public intellectuals. To persuade a purportedly reluctant Friedman to star in *Free to Choose*

Chitester leveraged Friedman's public stature and the economist's misgivings about traditional forms of education. Infrastructures of law, tax code, and broadcast governance also influenced Chitester's work on *Free to Choose*; this chapter examines the history of corporate underwriting for public television in the United States in order to contextualize Chitester's efforts to fund *Free to Choose* solely through corporate donations. Ideas about economics, media, the audience, and the public not only informed the production of *Free to Choose*, but also helped Chitester and his corporate underwriters perform editorial independence. As will be shown, Chitester moved deftly between categorizing the series as advocacy, on one hand, and education, on the other. The television series that resulted reached a broad segment of the viewing public (although not as broad as Chitester had hoped); moreover, it reflected a shift in the discourse of advocacy for 'free enterprise,' away from an institutional frame and toward one of personal mastery and self-actualization.

**Chitester and lay economic philosophy.** Chitester might have seemed an unlikely ally for conservative business interests. He had opposed the Vietnam War and voted for McGovern, characterizing the latter candidate as more amenable to "individual freedoms" than Nixon (Bernstein, 1980, p. 109). He described himself as being largely uninterested in economics in the early 1970s, "so long as people stayed off my back and allowed me to do what I wanted" (Bernstein, 1980, p. 109). According to *Fortune*'s 1980 profile of Chitester, the impetus to produce *Free to Choose* began when Chitester met with W. Allen Wallis, chairman of the Corporation for Public Broadcasting, chancellor of the University of Rochester and a former colleague of Friedman's in the Department of Economics at the University of Chicago. Wallis had converted Chitester to Friedman's philosophies with a gifted copy of *Capitalism and Freedom*, the bestselling popular book by Friedman and his wife Rose (also an economist) in

1962. The book became, by Chitester's telling, "his Bible since 1976" (Bernstein, 1980).

As Chitester told it, prior to reading *Capitalism and Freedom* he "didn't understand...that a free market is just another manifestation of a free society. You have to have faith in the market. Mine is absolute" (Bernstein, 1980, p. 109). Chitester was no economist: he had earned his master's degree from the University of Michigan in radio and television (Bernstein, 1980). Rather, his positions on economics exemplified how Friedman's economic and political philosophy could influence lay ideas about economics when they comported well with business advocates' views of the need for pro-business economic education. Friedman's argument in *Capitalism and Freedom* had been informed by his colleague Friedrich Hayek's market-oriented economic philosophy rather than by the exhortations of, for example, the National Association of Manufacturers or the American Liberty League. As prior chapters have explained, these groups had been arguing since the advent of the New Deal that the functional liberties of corporations were of a piece with the civil liberties of citizens. The public-facing distillations of Hayek's and Friedman's philosophies—that *markets*, not governments, were best suited to coordinate the economy—took a compatible approach that held up freedom as the greatest good.

However, this understanding of freedom stepped away from the concept of individual liberty within an interconnected web of social relations and obligations that, Rodgers (2011) argues, held sway in the midcentury period. Rather, the understanding of freedom Chitester espoused cast the individual as only voluntarily accountable to institutions and obligations that might constrain individual capacity "to do what I wanted." Given his understanding of the state as the potential enemy of freedom, Chitester's political philosophy shared much with those of the business advocates who had lobbied so many years for economic education.

**The economist as public intellectual.** A consideration of the rise of the economist as a

public figure in American culture helps to illustrate how Chitester gained access to, and created lay interpretations of, Friedman's academic positions. The very notion of the public intellectual is intertwined with such figures' appearances in the media. Writers and thinkers are labeled as public intellectuals on the basis of definitions that gesture to the use of vernacular language and mass media to communicate their perspectives on current affairs to non-specialist audiences (Park, 2006).

Economists' roles in public life changed dramatically over the course of the twentieth century. The cultural authority of economists grew in step with their professionalization within the social sciences, aided by developments in economic methodology itself as well as increased acceptance of economists in the spheres of policymaking, operations research and media. Businessmen and policymakers had considered economists to be largely peripheral to the functions of business and policy in the interwar period (Bernstein, 2001). However, the economist as public figure gained new prominence in policy circles during World War II, as economic planning methods aided wartime logistics efforts (Bernstein, 2001). Harvard-based economist John Kenneth Galbraith, for example, advised Democratic presidential administrations from the Truman era onward. Policymaking roles for economists only intensified through the postwar years, culminating with the wholesale adoption of economic advisement by the Kennedy and Johnson administrations (Bernstein, 2001).

This shift in economists' public role was, in part, due to a shift in methods of economic analysis. Prior to the post-WWII era, economic methods had tended toward institutionalist and descriptive modes of political and philosophical reasoning; after the war, the mathematical methods favored by economists such at MIT's Paul Samuelson took their place (Rodgers, 2011). Think tanks such as the RAND Corporation fostered economists' rise to public prominence

(especially economists favorably oriented to market-based solutions to social problems and issues) by lending resources and institutional prestige to the development of mathematical and putatively ideology-free ‘rational choice’ models of decision-making for operations research (Amadae, 2003). Economists’ increased legitimacy in policymaking and research circles was reflected in the ways they were portrayed in the public discourse. Coverage in the business press, for example, indicates how economists’ perceived objectivity increased over time, with press portrayals of economists morphing from “doomsayers of capitalism” in the immediate postwar period, to technically sophisticated and scientifically objective policy advisors by the mid-1960s (Mata, 2011, 360).

*Newsweek* magazine’s masthead demonstrated this shift in 1966, when it replaced its longtime journalist on the economic beat, Henry Hazlitt, with two economists—Paul Samuelson and Milton Friedman (Mata, 2011). Both men fit the profile of economist as public intellectual John Kenneth Galbraith had pioneered: both were academics (Samuelson at MIT and Friedman at the University of Chicago), best-selling authors, and advisors to prominent politicians—Samuelson had served as an advisor to President Kennedy, and Friedman had advised Presidential candidate Barry Goldwater. When it came to economic theories (and, by extension, politics), though, the two frequently sparred. Samuelson, the senior of the pair, hewed to a comparatively moderate view that allowed much space for governmental planning and intervention in the economy and sought to mark off limited areas of autonomy for business (Burgin, 2012). Friedman, by contrast, combined a theoretical stance on money supply as the determinant of economic factors with a quasi-libertarian ideological confidence in the self-coordination of political and social systems (Rodgers, 2011; Krugman, 2007). While Samuelson embodied the mathematical virtuosity of the economist-as-political-advisor, Friedman served as

an iconoclastic foil whose ideas seemed closer to the fringe of academic orthodoxy. Friedman was not unknown in public circles, as the foregoing account makes clear: his popular volume *Capitalism and Freedom*, the volume Chitester would later receive from Wallis, was a bestseller upon its release in 1962. As the relatively stable 1960s gave way to the economic chaos of the 1970s, however, Friedman's fame and public support eventually rivaled—and, in some quarters, eclipsed—Samuelson's. Friedman's 1967 prediction of the 1970s economic syndrome Samuelson eventually termed 'stagflation' cemented Friedman's status as a masterful economic theorist (Krugman, 2007). It was Friedman that conservative advocates of business interests in both the United States and Great Britain called upon to craft a rejoinder when Galbraith's *The Age of Uncertainty* premiered in 1977 (Burgin, 2013).

Rodgers (2011) has argued that notions of economic markets—not as not just a mode of governance but as an ordering metaphor for social life broadly stated—gained traction in the 1970s as a response to the failures of state economic management and the economic theories that undergirded it. Economic theory failed to predict or make sense of concurrent economic inflation and unemployment; Friedman's monetarist and (more importantly) libertarian ideas seemed to offer clarity and simplicity at a moment of crisis (Rodgers, 2011). Rodgers asserts that, across contexts of law, the academy, politics, and popular sentiment, the economic crises of the 1970s swept away prior decades' faith in state management of public life, installing in its place by the dawn of the 1980s a new set of ideas about rationality and market forces that were notable for their abstraction and simplicity (2011).

### ***Education Without Schools: Politics, Television, and the Decision to Produce Free to Choose***

Chitester met with Milton Friedman and his wife, Rose, in San Francisco in January 1977

to pitch the series that would become *Free to Choose* (Wallis, 1977). Friedman was initially reluctant to sign on to a television series; Friedman claimed to have seen his role as “persuading economists and not the public at large” (Bernstein, 1980). Still, Friedman was evidently interested in some popularization of his views, as his trade press books, *Newsweek* columns, and talk show appearances demonstrated (Burgin, 2013). Burgin (2013) suggests that it was Rose’s enthusiasm for public outreach that convinced Friedman to do the series. However, the archival record of Friedman’s correspondence over the course of 1977 suggests that his skepticism with established institutions of primary education may also have played a role in Friedman’s willingness to directly address the public through the medium of television.

Friedman also had some evident interest in the materials that were being distributed to secondary schools for economic education purposes. For example, Friedman was dismissive of the *American Enterprise* series of films sponsored by Phillips Petroleum and produced by Playback Associates. These films, distributed from 1977 forward to schools and institutional customers, covered five topics: “Land,” “People,” “Innovation,” “Organization,” and “Government.” PBS rejected the films for airing on the grounds that they were too conservative in tone. Still, the last film, “Government,” drew fire from conservative organizations. A 1979 report on corporate-produced educational materials, published by consumer advocate Ralph Nader’s Center for Responsive Law, notes that Friedman called for the films’ removal from circulation (Harty, 1979).

WQLN planning materials from April 1977 make clear that high school students were part of the envisioned audience of “all interested laymen 16 years and older” for *Free to Choose* (“Dr. Milton Friedman Series Planning Session,” 1977). In August of that year, Friedman described the project as “a major venture in economic education” that would “present a personal

interpretation of my own political, social, and economic philosophy” in his correspondence with F. A. Curtiss, the Director of Public Affairs for Standard Oil (Friedman, 1977c, p. 1). Yet despite adopting economic education as a phrase, Friedman claimed to see himself as someone whose job was to persuade economists. He was reluctant to reach out to the primary and secondary educators who were academic economists’ pre-college educational counterparts. One suggestion as to why is evident in the meeting minutes of the Foundation for Teaching Economics (FTE), a California-based economic education nonprofit funded by vegetable-processing heir and Ronald Reagan booster Jaquelin H. Hume (Bark, 1980; Torres, 2006). In the minutes from a roundtable meeting in November of 1977, FTE’s Charles Foster noted that Friedman had told him that attempts to teach economics in the school system would be “doomed to be a failure...because teachers are by and large a pack of socialists and will never give the private enterprise system a break—[it would be] about as difficult as teaching a dog to ‘meow’” (Foster, 1977). Given this, television may have been a particularly attractive route for Friedman to popularize his views, as a bypass around the putatively socialistic predilections of teachers to directly reach the U.S. public.

Chitester’s initial overtures to prospective sponsors suggest that he and Friedman were well aware of PBS’s likely receptiveness to a series featuring Friedman. Chitester noted to his contacts at the Scaife Foundation, Booz Allen and Hamilton, UCLA and the John M. Olin Foundation that executives at the Public Broadcasting Corporation were “on the defensive” after negative reactions to the Galbraith series from conservative commentators (Chitester, 1977a). As proof of this state of affairs, Chitester sent along a copy of an internal PBS memo that described the Galbraith series as an “outrage” to conservative opinion and summarized efforts at PBS to mollify public response through “rebuttals by opposing scholars” and the development of the Friedman series (Ellison, 1977, p. 1).

While corporate underwriters were, in some cases, eager to supply funding for Chitester's project, they (and Chitester) were constrained by the rules of underwriting for PBS. A consideration of corporate underwriting processes at PBS helps to elucidate both the concerns those rules sought to address, and the gray areas they left open to Chitester and his sponsors.

**Corporate underwriting and the Public Broadcasting Service.** PBS as we know it today did not yet exist when the Carnegie Commission for Educational Television published *Public Television: A Program for Action* on January 26, 1967. The report, known colloquially as the Carnegie Commission Report, was the result of a fourteen-month, \$500,000 study of National Educational Television (NET), the nascent system of educational television stations funded by the philanthropic Carnegie Corporation of New York and endorsed by then-President Lyndon Johnson (Day, 1995). Official authorship was credited to James R. Killian, the chairman of MIT, and to the Commission itself, whose members included presidents of universities, including James B. Conant of Harvard University, Lee DuBridge of Cal Tech, and David Henry of the University of Illinois; corporate officers of leading firms such as Edwin H. Land of Polaroid Corporation and Joseph McConnell of Reynolds Metals Company; Leonard Woodstock, the vice-president of the United Auto Workers; a former governor; and artists such as the novelist Ralph Ellison and the pianist Rudolph Serkin ("Carnegie I," 1967).

The report argued that the United States Federal Treasury should fund the development and expansion of a national, interconnected broadcasting system that aired noncommercial and informally educational programming of broad public interest, outside of the commercial idiom that ruled the U.S. airwaves. The system should have reduced-cost or free access to the national telephone lines, the report argued, and should be funded not only for production and broadcast but also for research, recruitment and training (Day, 1995). In less than a year, Congress passed

the Public Broadcasting Act of 1967, which created the Corporation for Public Broadcasting (CPB) to serve as a distribution hub for federal funding to local public television stations (Barsamian, 2001; Avery, 2007). But the newly formed CPB was not public television's only source of funds; PBS and its affiliated stations also accepted donations from corporations and foundations (subject to rules designed to safeguard the non-commercial nature of the system).

**Official and unofficial funding constraints.** Both before and after the establishment of the CPB, public service television stations drew resources from both state and private sources. However, each funding source came with its own constraints. For corporate and foundation underwriters, a chief concern was retaining the tax-deductible aspect of their donations. Thus, in order to enjoy the benefits of corporate underwriting, PBS-affiliated stations had to both remain within PBS's own rules designed to limit corporate influence, *and* structure corporate underwriting relationships in such a way that underwriting donations retained tax exemption.

Even prior to the Public Broadcasting Act of 1967, sponsorship from corporations (and foundations funded with corporate profits) helped support non-commercial television in the United States. The Federal Communications Commission (FCC) had set aside bandwidth in the broadcast spectrum for 'educational programming' in 1952, but it was only with the rhetorical and funding interventions of the Ford Foundation's Fund for Adult Education that a system of educational television stations began to take shape. The Ford Foundation allocated \$5 million in grants in 1952 and 1953, mostly to provide equipment for educational stations, which led to the establishment of 33 educational television stations across the country. The funding was not given without stipulation, however: it relied on a matching arrangement by which the Ford Foundation gave one dollar to match every two from local citizens and organizational donors (Day, 1995). U.S. noncommercial television broadcasting, then, was never solely funded by federal largesse; it

relied instead on a model of combined public and private support that defined federal, state, and local governments, individual citizens, universities, corporations and philanthropic foundations alike as sources of funding (and thus as members of the community whose shared interests were served by public broadcasting).

The commercial practices common in television broadcasting in the U.S. framed even the language by which public-interest broadcasters described sponsorship: direct corporate sponsorship is referred to as *underwriting*, a financial term typically used to denote a guarantee of payment in the event of a monetary loss. The earliest instance of corporate underwriting of a specific public television program came in 1961, when the PBS predecessor NET aired *An Age of Kings*, a series of Shakespearean plays produced by the state-funded British Broadcasting Corporation (BBC). The Humble Oil and Refining Company (a subsidiary of Standard Oil that would, in the 1970s, merge into Exxon) underwrote NET's presentation of *An Age of Kings*—establishing a longstanding relationship between public television stations and the oil industry (Day, 1995; Roman, 1980). Two decades later, private funding was an entrenched element of public television's income. In 1981, for example, private sector funding, including donations from individuals, comprised forty-one percent of public broadcasting's income; by 1990, that proportion had risen to fifty-three percent (Twentieth Century Fund, 1993).

Corporate foundations that underwrote PBS programming were constrained by the tax code and FCC regulations. Section 4945 of the United States Internal Revenue Code was established in 1969 to limit the activities for which corporate-sponsored foundations could make tax-exempt donations. Although the tax code set forth that underwriting grant funds could not be used “to carry on propaganda or otherwise attempt to influence legislation” (“Smith Richardson Foundation Memorandum”, 1978), examination of section 4945(e) suggests that the tax code left

much latitude for underwriters and producers to operate tax-free. Under 4945(e), the following actions were designated as outside of tax exemption: “any attempt to influence any legislation through an attempt to affect the opinion of the general public or any segment thereof,” and any attempt to exert similar influence over legislators, other than communicating to them the results of nonpartisan research or analysis. Underwriting acknowledgements, too, were subject to regulation: FCC rules dictate that public broadcast stations must acknowledge corporate sources of funding, but that these acknowledgements must not directly promote the underwriting company’s goods or services (Cotlar, 2006). Outside of these bright-line rules about direct endorsement of legislation or products, however, the tax code had little to say.

Even given the rules against direct endorsement, underwriting quickly raised questions about corporate influence over the content of public television. As long as there was not a direct reference to legislation or goods for promotion, the tax code left room for corporate underwriters to exert indirect influence. This matter was a concern even as far back as the time of the Carnegie Report. Shortly after the Report’s publication, Metropolitan Museum of Art supporter Thomas Hoving established the National Citizens Commission for Public Television to advocate for public-service uses of the public airwaves, with the organization coming to exert consumer-rights pressure on PBS by the 1970s. By the 1990s, the Twentieth Century Fund’s report on public television was observing that corporate backers exerted pressure toward the status quo, since they would be “more likely to back the conservative than the radical” (1993, p. 156); this finding echoes for the public television context Gitlin’s (1985) point, in reference to network television, that “safety first is the network rule” (p. 63).

PBS’s *Standards and Practices for National Program Funding* precluded, and continue to preclude, the possibility or even the impression of program sponsors exerting direct editorial

control over programming, but the reality of the matter was a bit more complex. As the focal case of this chapter demonstrates, direct editorial control is not the only means by which corporate-friendly messages make their way to the public airwaves. Indeed, Hoynes's (1994) interviewees reported that, a decade and a half after the production of *Free to Choose*, corporate influence over PBS programming was palpable, if indirect: program development often hinged upon whether a program was perceived as fundable, and producers tended to learn what funding organizations wanted to see.

PBS productions funded by corporate underwriting had to perform a certain level of non-partisan positioning. They also had to adopt a strategically broad approach to subjects with political implications. The logic that emerged from this balancing act was a performance of neutrality through strategic elision. This logic is, by now, familiar. Just as the Ad Council's *American Economic System* campaign provided economic information so as to appear objective, neutral, and factual, the constraints of public broadcasting produced content that could plausibly be held up as politically impartial. Endorsing (or attacking) a specific piece of legislation or political position would not be tax-exempt, but communicating a wide-ranging worldview (with its specific legislative and political implications unstated) could, evidently, pass muster with the tax code. This set of requirements perhaps contributed to a growing rhetoric by the late 1970s among corporate-funded foundations that their grant-making activities were neither liberal nor conservative, but instead reflected an intrinsically American (and therefore nonpartisan) support for free enterprise.

### **Corporate Underwriting for *Free to Choose***

By autumn of 1977, Chitester was actively soliciting funds for *Free to Choose* from prospective donors, many of whom proved receptive. The broadcast of Galbraith's *The Age of*

*Uncertainty* was just the nudge free-market supporters needed to recognize the potential value of a series to counter it. Jerry Jordan, an economist with Pittsburgh National Bank, wrote to Chitester in November of 1977 seeking information about “the Friedman lecture series” and reporting that his corporate customers at the Ohio-based packaged foods company Lancaster Colony Corporation were eager for a television production to “tell the other side” in response to *The Age of Uncertainty* (Jordan, 1977).

Chitester’s decision to refuse production funding from the Corporation for Public Broadcasting, or from member stations, seemed to flow self-evidently from his adherence to Friedman’s small-government ideology. Yet, Chitester’s correspondence suggests that his decision may have been driven by more practical concerns that, felicitously, comported with Friedman’s philosophical leanings. In a letter to Richard Ristine of the Lilly Endowment in November of 1977, Chitester walked the prospective underwriter through the circumstances of *The Age of Uncertainty*’s production. Slightly more than half of the funding for the Galbraith series, Chitester explained, had come from the BBC; the remainder had come from the CPB, the Ford Foundation and individual PBS stations. Chitester pointed out that the Ford Foundation and CPB funds were not directly allocated to *The Age of Uncertainty*; rather, those funds were allocated to a (short-lived) market-based system called the Station Program Collective that permitted individual stations to make decisions about which programs to fund. What is most notable here is Chitester’s comment that in the time since the production of *The Age of Uncertainty* the Station Program Collective had lost the support of the Ford Foundation and CPB, and thus “offers us no hope of funding” (Chitester, 1977b, p. 1).

The decision to go forward with the Friedman project without funding from the CPB was ideologically consistent but required more work from Chitester in securing external funding.

PBS waived its usual guidelines limiting the number of underwriters to seven, permitting Chitester to engage fifteen corporate or foundation underwriters (Chitester, 1977c). Examining the discussions that took place between Chitester and representatives of his corporate underwriters helps to illuminate how the process of underwriting and influence played out. In principle, PBS's *Standards and Practices for National Program Funding* forbade underwriters from exerting direct editorial control over the content of the production. Subtle or indirect pressure could be exerted through funding decisions, as Hynes (1994) found, but the type of editorial pressure Hynes identifies ranges over the course of multiple series, incentivizing producers to pitch programs that prospective underwriters would be likely to consider 'fundable'. The *Free to Choose* archival materials, however, suggest a more direct, if still implicit, form of underwriter influence, as shown in successive volleys of correspondence from mid-1978.

**The rules of the game.** Sponsorship was not necessarily complete agreement. It was more like a gamble on the producers espousing enough of the right positions to be acceptable, and on the underwriters being able to signal their requirements without going so far as to explicitly demand them. It was also an investment in future productions: Chitester and other producers like him returned to the same underwriters for funding across multiple projects. Neither party needed to explicitly state the alignment of their interests.

Upon seeing a preview reel of Friedman delivering a lecture, executives from the chemical manufacturer W. R. Grace and Company sent Chitester copies of memos discussing the preview. These memos show not only that Grace executives expected some editorial influence in exchange for their underwriting dollars, but also that underwriters, in some cases, urged Friedman to moderate his claims to better create the appearance of balance. One executive, Antonio Navarro, opined that the preview lacked the appearance of editorial balance; another, J.

J. O'Connell, expressed concerns that a one-sided argument would not land well with the viewing public, citing the Ad Council's *American Economic System* campaign as a cautionary tale of the perils of partiality. "The theme of the program is that competition is the best form of regulation," O'Connell wrote. However, he continued,

No consideration is given to the possible beneficial effects of regulation to the consumer. For instance, the sequence on 'quack' medicine glosses over the fraud and unhealthy side-effects perpetrated on the unwitting consumer. Unless some acknowledgement is made of the positive aspects of regulation, the program runs the risk of being dismissed as the biased presentation of a complex subject bankrolled by American business. The Ad Council campaign on the free enterprise system has already taught us the dangers of this approach (O'Connell, 1978, p. 1).

A more effective approach, O'Connell argued, would be to limit the examples to the airline industry, in which fare and route structures were being deregulated and fares were falling, in order to "mitigate the objections of those who hold opposing views" (O'Connell, 1978, p. 2).

Another Grace executive, Lawrence McQuade, described the preview reel as "a one-sided polemic in which the forces of good focus on easy marks—selected idiocies of regulatory systems—and show how stupid they are," calling instead for a more sophisticated and, from his perspective, more believable discussion of how deregulation could address the concerns of a community or nation rather than a "simplistic morality play" (McQuade, 1978). McQuade did not show the same concern as O'Connell for acknowledging the potential benefits of at least some regulation; this subtle difference in opinions shows the broad range of positions that could be signaled thorough the act of underwriting.

Chitester's response appears to have been carefully choreographed. In a telex to Navarro, Chitester confirmed receipt of the Grace executives' feedback, but declined to directly respond to their points since "editorial guidelines prohibit any involvement on the part of program underwriters in content or editorial decisions related to any PBS series." Chitester went on to

explain that with fifteen underwriters, the production team of *Free to Choose* would be unable to respond point-by-point to underwriter feedback, even if it were not prohibited by PBS standards and practices. Chitester assured the Grace executives that changes would be made in response to feedback, but that these changes were under the sole discretion of himself and Friedman. Still, Chitester sent a check for fifty thousand dollars to Grace as a refund of their underwriting donation, with the proviso that he would welcome a reinstatement of the underwriting grant if the W. R. Grace Company continued to support his efforts (Chitester, 1978). The response from Navarro, two days later, was brief: "Following our conversation yesterday, I am returning your check and thereby reinstating our contribution to the Friedman series. We now know better the rules of the game" (Navarro, 1978). On that same day, Chitester reiterated his position in a progress report to underwriters, where an invitation to join himself and Freidman for a meal and conversation during shooting was accompanied by this caveat: "we welcome your input, however, please be reminded that under PBS underwriting regulations, editorial control of content lies exclusively with Dr. Friedman and myself" (Chitester, 1978b). Regardless of whether Chitester did in fact quietly adjust elements of the production to meet the 'input' of his underwriters, his position created a zone of ambiguity: by soliciting feedback, Chitester telegraphed that such feedback had a chance of influencing the content of the production.

Precisely what was said during that conversation Navarro referred to in his letter is not reflected in the archive. However, Navarro's mention of the 'rules of the game' points to the delicate work required to perform the appearance of editorial independence. Producers could present prospective underwriters with a pitch for a series, in hopes that the potential donor would see enough broad agreement, or approve sufficiently of the general thrust of a program, to take a chance on how the details of the program might shake out. Underwriters were free to provide

feedback; producers were under no obligation to act upon that feedback. However, relationships between producers and underwriters were rarely one-time pacts; quietly honoring an underwriter's requests for adjustments could potentially raise the chances of that producer gaining a favorable response to underwriting requests for subsequent projects.

Chitester expected to be held to some degree accountable for honoring underwriters' feedback, however. In a letter to underwriters in February of 1979, Chitester reported that he had 'rough cuts' of the final footage for the series to screen at gatherings of underwriters ranging in size from twelve to fifty people, adding, "I know that your support of our project derives from your convictions regarding the subject matter. I think it is important for you to see how we respond to your expectations in that regard" (Chitester, 1979a). Chitester was not only concerned with pleasing the underwriters to curry favor for future projects; the existing project needed more money, and he wanted the underwriters to provide sufficient financial support to fund the advertising to drive viewership of the series (Chitester, 1979a).

By January 1978, Chitester had secured \$2.1 million in funding commitments from the following companies and foundations: the Fred C. Koch Foundation, Getty Oil Company, the Bechtel Foundation, General Motors Corporation, Pepsico Incorporated, the FMC Foundation, Firestone, the Lilly Endowment, the Sarah Scaife Foundation, the Reader's Digest Association, the General Mills Foundation, L.E. Phillips Charities, Inc., the John M. Olin Foundation, and Hallmark Cards, Incorporated ("Friedman Television Project Progress Report," 1978a; Koch, 1977).

### **Social Imaginaries Behind the Scenes of *Free to Choose*.**

Planning and promotional documents from the production of *Free to Choose* echoed the understandings of media, democracy and markets that had fueled the Ad Council's *American*

*Economic System*: namely, that mass media could reach the people in the U.S. populace who were on the lower rungs of the economic ladder; that exposing such people to ‘economic education’ media would lead them to adopt pro-business views, or at least lessen their anti-business views; and that doing so would be in everyone’s favor because, in the U.S. constitutional democratic system, the functional liberties of corporations were of a piece with the civil liberties of citizens. Chitester, Friedman, and their underwriters shared certain assumptions about television, the television audience, and Friedman himself--as a warm and relatable personality, an independent liaison to the public, and a symbol of free-market ideologies.

**Advocacy and education.** In the undated initial pitch for *Free to Choose*, which I assume was written by Chitester, he draws on the tropes of economic education to frame the series as answering a social need in a time of crisis. He characterized the prospective series as an opportunity to foster public values that would protect freedoms of thought, religion, and speech (“Proposal”, n.d.). In contrast to the Ad Council’s efforts a few years earlier, labor power was less of a stated concern in this formulation. Rather, the state took center stage as the danger to liberty and prosperity. The proposal opened with data from a 1976 *Industry Week* poll reporting that although 91% of those polled opposed government ownership or management of business and, further, that 60% supported making sacrifices “to preserve free enterprise,” 75% of those polled approved of increased regulation of commerce (“Proposal”, n.d., p. 2).

From a perspective outside Chitester’s ideology, the *Industry Week* findings seem quite reasonable, and scarcely register as cause for alarm. They reflect a public sentiment closer to the sentiments of such moderate economists as Samuelson: that government should regulate, but not directly own or manage, businesses. Some areas could be carved out for relatively unregulated interplay of market forces, but other areas, where market failure or market corrections might

harm the public good, could be more tightly regulated. As had been the case for the market research in support of the Ad Council's *American Economic System* campaign, the poll numbers seemed to indicate that the public held reasonable understandings of the national economic situation that reflected the prevailing viewpoint among economists and policymakers. From Chitester's perspective, however, the poll findings suggested that members of the public were supporting regulatory policies that contradicted their own stated values.

In line with the rhetorical frame of economic education as a seedground for pro-business sentiment, the *Free to Choose* pitch characterized the poll results as evidence of a public whose policy positions worked against their own interests. "Continually," Chitester lamented, "'public interest' and 'private interest' are placed on opposite ends of a good/bad continuum." The pitch cited the success of long-form, personality-driven documentary "television series on PBS of an 'educational' flavor" produced by the BBC--such as Sir Kenneth Clark's *Civilization* and Jacob Bronowski's *Ascent of Man*--as justification for a "definitive and compelling...television program or series advocating [free market economics'] merits" ("Proposal", n.d., p.2). By doing so, Chitester subtly identified *advocacy* for free-market ideology as an *educational* project.

The pitch implied that prior corporate-funded efforts at economic education had failed; "despite substantial expenditures for 'economic' education by business and industry in the U.S. our political system continues to move in the direction of expanded government involvement" ("Proposal", n.d., p. 2). Interest in free market economics had flourished, yet there had not been "a definitive or compelling radio or television program or series advocating its merits" that could reach, and persuade, a broad swathe of the population to adopt a free-market perspective ("Proposal", n.d., p. 2). Chitester offered up his own field, television, as making the crucial difference in bringing the U.S. public into alignment with the views of business advocates.

**The symbolic value of Milton Friedman.** The right fit for this call, the proposal continued, was a series of television programs presenting the views of Milton Friedman as argued in *Capitalism and Freedom*. Friedman followed, broadly, in the footsteps of his University of Chicago colleague Friedrich Hayek's classical liberal views: that individual freedom was paramount and that it was most fully realized through the workings of market forces. This, then, was the thrust of the series proposal: to make Friedman a conduit that brought an anti-regulation message to the people with the reasoning that it would make them politically, economically, and culturally free. Friedman would be the warm, human face to deliver this philosophy to the people ("Proposal", n.d., p. 2).

Chitester's admiration for Friedman's ideas is clear, both in his descriptions of the economist to prospective sponsors, and in Chitester's press appearances. Production records indicate that the economist's potential appeal to a possibly resistant audience were at least as important to Chitester and sponsors of *Free to Choose* as his intellectual and political positions. In planning documents and funding solicitations, Chitester traded heavily on Friedman's intellect, authenticity, wit and geniality as crucial to the series' audience appeal. Sponsors' correspondence with one another, however, played up Friedman's symbolic relevance to the audience as an avatar of editorial independence. In short, Friedman was both message and messenger: his viewpoints played well with corporations' and business advocacy groups' existing cultural and policy ambitions, and his persona seemed to offer both emotional resonance and the appearance of scholarly impartiality.

As Chitester lobbied prospective donors for funding support, he deployed Friedman as a potentially palatable spokesperson for free-market perspectives. Chitester had agreed with Friedman in an April 1977 planning session that the tone of the series should be serious, but still

personable. Chitester looked to boost entertainment value by suggesting that segments in each program could feature animated characters for comic relief--a suggestion Friedman categorically rejected in favor of an approach that played up Friedman's "warmth and personal charm" ("Dr. Milton Friedman Series Planning Session," 1977, p. 6). Chitester later directed that promotional spots for the series should "focus on [Friedman,] presenting him as a 'man of the people'—intelligent, witty, likable," thus packaging Friedman as a figure with appeal across class lines ("Milton Friedman Series Notes", 1978). Friedman's persona, from Chitester's perspective, could make him relatable—an avatar of the common man, in contrast to the arch, ironic persona Galbraith had displayed (to poor response) in *The Age of Uncertainty*. As *Free to Choose* producer Michael Latham later commented, "[t]he problem was that a housewife in Iowa isn't going to sit down and listen to Milton Friedman tell her about Adam Smith...but she will listen to Milton Friedman tell her about life and occasionally mention a guy named Adam Smith" (Rout, 1979, p.32).

Chitester's correspondence with sponsors reflects this decision to frame Friedman as a figure of potential personal connection with the audience. For example, Chitester's request to General Motors CEO Thomas Murphy for funding support emphasized Friedman's desire to "use TV effectively" to "change the direction of political thought in the U.S." by forging a strong bond in the public consciousness between personal freedom, political freedom, and the free market. Friedman's personal presence, Chitester argued, was essential to this goal: "He's a fascinating and delightful person," Chitester wrote. "He projects his enthusiasm, curiosity and clear thinking on TV, his personality shines through and creates a susceptibility to his ideas," (Chitester, 1977c). Chitester's position as a station manager may have influenced his decision to play up how Friedman could be a point of emotional connection for the audience: as a producer

of television, catching and retaining the audience's emotional investment may have been at the forefront of his mind.

However effective Chitester's claims about Friedman may have been in garnering funding from corporate and foundation donors, Friedman himself privately chafed at the use of his personage as a framing tactic. This discomfort was evident in Friedman's production notes in response to an initial vignette focused on his immigrant parents: "my strong point has always been a dedication to ideas, to logical, intellectual argument, to appeals to reason rather than emotion, to the final line of Keats' Ode to a Grecian Urn: truth is beauty, beauty truth, that is all ye know and all ye need to know" (Friedman, 1977d, p. 2). Leaving aside the irony of Friedman turning to the sentiments of a Romantic poet to negate the importance of his own subjectivity, it is clear that Friedman's own framing of his persona relied much more on intellectual rigor than on personal warmth as a means of making a connection with members of the audience.

#### **Friedman as a champion of corporate values and symbol of objectivity.**

Underwriters, too, seemed more interested in Friedman's academic reputation—not so much for the rigor of his theoretical arguments, as for the economist's capacity to signal objectivity to members of the television audience. Friedman's status as a public intellectual, from this perspective, gave him symbolic value as an apparently independent voice that nonetheless advanced sponsors' interests and perspectives. Underwriters' correspondence with the United States Chamber of Commerce and other business advocacy groups that might use their public affairs arms to boost viewership of the Friedman series underscored that Friedman's compatibility with corporate interests had to be carefully managed. As one such letter from Loctite Corporation Chairman Richard Krieble noted in a postscript, "Our people must be cautioned not to taint Friedman's academic detachment and credibility by implying he was

serving as a spokesman or tool of the business community. Our position must be that the great academic master is sharing his wisdom with the public and we invite everyone to take advantage of the education” (Krieble, 1979).

Friedman’s academic credibility was valuable, especially because Friedman’s views, though clearly valenced to the right of the political spectrum, could serve corporate interests by advocating for a putatively nonpartisan, market-oriented understanding of freedom. This attribute of Friedman’s rhetoric fit well with the philanthropic discourses of the moment. For example, a *Wall Street Journal* writeup of the founding of the MacArthur Foundation in 1979 gestured to a growing sense of concern among both the left and the right that “central government has grown too powerful” and that philanthropists were looking to fund efforts for “government efficiency and ‘personal freedom’” (Klein, 1979, p. 40). Chitester himself drew on such sentiments with a prospective underwriter at GMC when he wrote, “you are likely supporting several other ‘economic education’ efforts, that’s not what we’re doing. We’re attacking the need for a reawakening of ‘American values,’ one of which is economic freedom. We are going to reinforce the intuitive belief of every person in individual responsibility, effort and reward” (Chitester, 1979c). The foregoing quotation highlights how Chitester leveraged the discourses of the moment in his pitches to prospective donors, but it also demonstrates that Chitester would adopt or discard the language of economic education as needed in order to garner financial support for the project.

Chitester’s emphasis on Friedman’s affective, intellectual and rhetorical presence signaled that *Free to Choose* was, in some senses, as different from the corporate-sponsored campaigns that had come before it as it was from *The Age of Uncertainty*. Prior public-facing economic education efforts had turned to entertainment value, or even spectacle, as their primary

tactic for holding the attention of the audience on putatively boring content. Chitester relied instead on Friedman's personality, authenticity, and charm to hold the attention and, moreover, the trust of the television audience, while underwriters turned to Friedman's academic credibility to underscore the importance of the series. Multiple factors influenced this strategy of trading upon Friedman's personal attributes. The emergence of long-form, personality-driven documentary series at the BBC in the 1970s likely contributed to the focus on Friedman's personality (and also informed the globe-trotting format of the series). Chitester's own admiration for Friedman, too, likely informed his frequent gestures toward the economist's likability and charm. The compatibility of Friedman's intellectual and political positions with the notions of freedom common in corporate-sponsored economic education projects may well have influenced underwriters' attraction to Friedman as a symbol of intellectual credibility. These factors in confluence implied an imagined audience that was skeptical of social elites, yet open to a public intellectual who could forge an emotional connection to deliver an educational message.

### **Vernacular Theories of Media and the Public in the Production of *Free to Choose***

Unlike some midcentury sponsored economic education media, *Free to Choose* refused to pander to the notion that economics was boring, instead framing economics as the grounds for rebellion against the institutions responsible for the slumping economy. It presented Friedman in this context as an ideological iconoclast, but also as a kindly friend and teacher whose insights and political critiques could help the audience member understand how best to navigate a complex and confusing world.

For example, consider Chitester's declaration to an executive at sponsoring firm FMC that "all members of our society, except those we judge incompetent, intuitively have the right answers....they need only to be shown how [market-based] values work, over time, to solve

problems” (Chitester, 1979b). Unlike Dent’s calls to the Ad Council to create educational materials that could intervene in the apathy and ignorance of the general public, Chitester’s statement that the members of the audience ‘intuitively’ have the right answers suggested a good deal more faith in them than Dent had. Put another way, while Dent’s rhetoric characterized the public as uninterested in economic matters, Chitester imagined a public that was intellectually engaged, but ideologically misled. Still, Chitester’s faith in the audience only went so far. In his invocation of “those we judge incompetent”, he seemed to echo earlier economic education campaigns’ assumptions about support for economically conservative policies as a form of knowledge—why else but incompetence, from inside the epistemic frame of economic education, would an audience member reject the series’ message? Further, Chitester’s claim implied that he, like the creators of the Ad Council campaign, embraced a deficit model of learning, in which audience members needed only to be presented with an idea in order to adopt it (Brown, 2009).

A detail of Rose Friedman’s account of the series’ production helps to illuminate how those involved with the production of *Free to Choose* imagined ordinary people would respond to the series’ message. In *Two Lucky People*, her shared autobiography with her husband, she recalled how production crews took interest in Friedman’s ideas, concepts that were “new to them, unorthodox, and yet appealing to them as free-lancers and independent individuals naturally attracted to the free market” (Friedman and Friedman, 1998, p. 483). Again, the notion of support for free markets as a natural instinct of humanity pops up. Even though a critic of neoliberal economic policies might note the detrimental effects of such a system for freelancers and members of the working class, Friedman’s description framed them as dynamic individuals whereas just a few years prior, Dent had framed them more as individually inconsequential

choice-agents whose decisions accreted to a national economy. The Friedmans' perspective sat in a different moral register, one of personal actualization. Indeed, as Milton Friedman put it in correspondence, "the basic case for freedom is moral, not prudential" (Friedman, 1977d, p. 1). Media, in this imagining, needed only put Friedman's message of freedom in front of the audience; their natural instincts would take it from there.

This is not to say that agreement on the attributes of the audience was unanimous. Whereas Rose Friedman seemed to envision prospective audience members as naturally intellectually curious and drawn to learning by their innate self-interest, some sponsors worried more about the audience's attention spans and levels of receptiveness to the Friedmans' message. For example, Denis Slavich, then manager of Investment and Economic Services for civil engineering giant Bechtel Corporation, urged that the series could not succeed with a "jaded and cynical viewing public" unless the presentation was "compelling," "dramatic," and capable of "stimulat[ing] curiosity, expectation, fantasy, or excitation" (Slavich, 1977, pp. 1-2). In these cases, it seems, Friedman was willing to intervene to bring underwriters in line with his vision of economics as expressed in and through the series. Friedman's response to Slavich thanked him for his frank comments, but pointed out that images of space travel or monumental architecture would only validate the large-scale efforts of government and thus would not make a convincing point of difference between the United States and the Soviet Union; the goal of the series, in Friedman's view, was to present something much closer to the audience's lived experiences as cause for excitement and wonder. "As I see it the crucial point we must try to get across to the public is precisely the miracle that is involved in the everyday humdrum life of the individuals in the things we take for granted...The real contrast between Russia and the United States is in the quality of life of the ordinary people" (Friedman, 1977b, p. 2).

## **Production, Marketing, and Distribution**

By January 1978, the form of the series had crystallized, and key funding and personnel were in place. The series would air in ten parts; each part would start with a half-hour documentary featuring Friedman filmed in locations across the globe, and end with a half-hour of topical discussion between Friedman and other public figures, shot on the campus of the University of Chicago. The documentary films would then be released for classroom and other educational use, with an expected lifetime of at least ten years. Shooting in locations across the United States took place in the spring and summer of 1978, and in the autumn of that year the project embarked on international shooting in Hong Kong, China, Japan, Greece, India, Germany and the United Kingdom. Each episode consisted of half an hour of documentary film in the globe-trotting style pioneered by BBC long-form documentaries, followed by half an hour of discussion and debate between Friedman and other academics, politicians and labor leaders, filmed in the library at the University of Chicago. The ten-episode series spanned topics that linked Friedman's economic and political ideas to current events and concerns.

The first episode, "The Power of the Market," explained Friedman's general position: that "America's freedom and prosperity both derive from a tradition of individual initiative plus limited government; their preservation depends on returning to that tradition in the face of the recent drift to collectivism" ("T.V. Topics," n.d., p. 1). Subsequent episodes covered topics from the American past and present through this lens. Two episodes tackled United States economic history, framing industrial leadership, rather than government intervention or labor union protections, as the cause of workers' growing prosperity in the nineteenth century, and pointed to "government mismanagement of money" as the cause of the Great Depression ("T.V. Topics," n.d., p. 2). The episode on education ("What's Wrong with Our Schools?") argued for school

choice via a voucher system in place of efforts to integrate and equalize public schooling across income divides. Other episodes pointed to New Deal welfare reforms, government attempts to boost employment, and consumer protection regulations that Friedman argued, despite their benevolent intentions, ended up harming the public, enacting ‘hidden taxes,’ spurring inflation, and benefiting the middle class at the expense of rich and poor alike.

Once the programming was in production, the question remained of how best to promote it to audiences. Chitester’s promotional plan for the series set out four themes that would guide promotion of the series. The first of these selling points was the Nobel laureate Friedman’s scholarly accomplishments and his “ability to explain economic principles in simple, direct and practical terms” (Chitester, Landou, Moynahan, and Wright, 1978, p. 5). The next was the series’ emphasis on everyday life: Chitester cast the series as “a living course in economics” that “takes the viewer around the globe, using people, places and events to dramatize a subject that affects all of us”—again playing up Friedman’s relatability for the ‘common’ viewer (Chitester, Landou, Moynahan, and Wright, 1978, p. 5). The third selling point was the series’ demonstrations of the “interdependent relationship between economic freedom and personal and political freedom” (Chitester, Landou, Moynahan, and Wright, 1978, p. 5). The final selling point played up Friedman’s academic detachment, describing the series as “totally objective in its viewpoints. Dr. Friedman applies the disciplines of free markets to the real world, and some of the results are highly critical of powerful groups in our society” (Chitester, Landou, Moynahan, and Wright, 1978, p. 5). Chitester skillfully acknowledged the series’ advocacy of free-market positions while also presenting such advocacy as objective and educational in nature; in fact Friedman’s arguments for free markets confronted *some* powerful groups in society (i.e., government agencies and labor unions) while ignoring their capacity to entrench the power of capital. This

made sense from within Friedman's (and, by extension, Chitester's) worldview, but it also went well beyond even some of the series sponsors' views in its avoidance of possible drawbacks of corporate power.

Market research and advertising firm Foote, Cone and Belding was hired to survey target audiences; they found that 87% of those polled expressed some interest in the Friedman series, with 57% expressing high or extremely high interest ("Friedman Television Project," 1978c; 1978d). By June of 1979, Foote, Cone and Belding issued its promotional plan: heavy advertising in *TV Guide*, *The Wall Street Journal*, *Time*, *Newsweek*, *Business Week*, *U.S. News and World Report*, and *People* magazines (Foote, Cone, and Belding, 1979). Foote, Cone and Belding's plan listed "legislators and government agencies" alongside other key groups such as students, business people and independent business advocacy groups, including the NAM as target groups for the program (Foote, Cone and Belding, 1979). This set of target audiences—and particularly the mention of legislators—leaves one to question how the program did not run afoul of the tax code (which, as mentioned, forbade using tax-exempt corporate donations in attempts to influence legislators).

**Broadcast and post-broadcast distribution.** Chitester had hoped to surpass the Nielsen ratings and viewer demographics of *The Age of Uncertainty*: Galbraith's series had aired to about 80% of the U.S. television market, and garnered about 1.8 million viewers. Further, the demographics indicated that the series reached beyond the college-educated, upper-middle class audiences that were thought to be PBS's core audience: about half of viewers had "a high school education or less" and a similar proportion of viewers had an annual income below \$15,000 (in 1978, the U.S. Census reported a median income of \$15,060). These numbers may have bolstered Chitester's hopes that the Friedman series could reach "the common man" (Chitester,

1977b, p. 1).

The viewership numbers for the February 1980 broadcast of *Free to Choose* bore out Chitester's hopes of reaching a class-diverse audience, but proved disappointing in overall audience share. With 256 stations airing the series, demographic analysis reflected that 'white collar' homes were the most likely demographic group to tune in, but homes where the educational level was 'no college' or 'some college' were, when combined, a higher proportion of the television audience than 'white collar' homes ("Free to Choose Ratings," n.d.). The Nielsen numbers for the series run in four major cities (San Francisco, Los Angeles, Chicago and New York City) indicated that viewership was initially in line with Chitester's hopes, but dipped by the series midpoint—and for the most part, did not recover other than a bump of interest in the series' ninth episode, "How to Cure Inflation" (Free to Choose Ratings," n.d.).

Moreover, regional differences emerged: in the relatively progressive cities of San Francisco and New York, viewership was lower than in the Midwestern Democratic stronghold of Chicago, and in Los Angeles, where Orange County had emerged as the epicenter of a new conservatism. Ratings fell well short of Chitester's hoped-for range of Nielsen ratings in the 6-7 range (representing 6-7% of the U.S. viewing audience), ranging instead from a 4.7 high point (in Chicago, for the seventh episode, "Who Protects the Worker?") to ratings below one-tenth of one percent of the U.S. viewing audience (in Los Angeles, for the same episode; "Free to Choose Ratings," n.d.).

**Secondary (post-broadcast) distribution.** The series was also designed to have a life beyond its broadcast dates: Chitester planned from the beginning to produce and distribute a set of videocassettes of the 'documentary' first half of each aired program, shorn of its topical discussion segments. This, too, was modeled on the Galbraith series—including its outsized

price tag. *Free to Choose* film and videocassette sets retailed to institutional buyers in a range of prices from \$4,200 to \$6,500 per set (“Penn Communications Sales Report,” 1980). *The Age of Uncertainty* videocassette tapes and films, by comparison, had retailed to educational and institutional customers for \$6,600 per set, the equivalent of over \$20,000 dollars in 2016 (Chitester, 1980a). Chitester offered, for example, educational packages of *Free to Choose* that included a Teacher’s Guide, a copy of the *Free to Choose* book, a Viewer’s Guide, and a set of the videocassettes for \$4,800 (“In School Utilization”, n.d.). These packages were also offered to corporations for their own use, for use at community showings, and for corporate-sponsored use in educational settings (“In School Utilization”, n.d.) In the first six months that they were offered, Chitester claimed to have sold 200 sets of the *Free to Choose* films, realizing an income stream of almost \$900,000. (Meell, 1980). Further documentation indicates that in some cases, customers purchased only selected films and not the entire set, but otherwise this figure comports with financial records of post-broadcast sales.

Most of the customers for *Free to Choose* film and video sets were major industrial firms, corporate-funded foundations, and pro-free market civil society groups, along with a handful of universities, colleges, and regional departments of education (“Penn Communications Sales Report,” 1980). Some of Chitester’s associates balked, however, at the high price of the *Free to Choose* films and cassettes. For example, Joseph S. McNamara, the manager of the Amway-funded Free Enterprise Institute, reported to Chitester a disturbing incident during which a speech attendee confronted McNamara, alleging that an immorally outsized entrepreneurial “obsession with profit” had led to the *Free to Choose* tapes being priced higher than the market could bear, thus limiting the reach of Friedman’s message (McNamara, 1980, p. 1). Chitester responded that the *Free to Choose* series was priced competitively with *The Age of Uncertainty*,

and that efforts were underway to establish matching grants to defray the cost to institutional buyers (Chitester, 1980a). These efforts had begun to bear fruit by May of 1980, when Chitester reported to Texas Industries Chairman Ralph Rogers that he had raised \$125,000 in grants toward public educational use as well as employee-education and corporate community outreach use (Chitester, 1980b).

**Responses to *Free to Choose*.** A 1980 *New York Times* review of the *Free to Choose* companion book framed the Friedmans' anti-regulation stance as something newly palatable to the public. In decades past, the reviewer contemplated, the Friedmans' positions "might have been greeted by the public with all the seriousness reserved for a pamphlet picked up at Knott's Berry Farm" (Lehmann-Haupt, 1980). What, then, had changed since the 1960s to facilitate public acceptance of the Friedman's position? The *Times* reviewer gestured to the "altered psychology" of a public buffeted by taxation, inflation, renewed Cold War tension and an "ideological drift" since Watergate and the end of the Vietnam War (Lehmann-Haupt, 1980). In point of fact, these factors may have been influential, but they dovetailed neatly with the emergence of a variety of conservative constituencies in the 1970s, from Sun Belt entrepreneurs (Moreton, 2010) to Orange County conservatives (McGirr, 2015). Further, the multimedia presence of a book, television series, and educational videotape package demonstrated to the *Times* reviewer that the Friedmans' perspective was not "some tiny minority view" but instead a broadly supported turn in the public economic consciousness (Lehmann-Haupt, 1980).

Not all media coverage was so positive. Similar in many ways to the objections that arose over the Ad Council's *American Economic System* campaign, critiques of *Free to Choose* expressed a concern with corporate colonization of public media spaces. The National Citizens Committee for Broadcasting (NCCB), a reform group led by former FCC Chairman Nicholas

Johnson and affiliated with consumer rights activist Ralph Nader, used its magazine *Access to* criticize *Free to Choose* (Brobeck and Mayer, 2015). In particular, the NCCB took issue with Chitester's use of corporate and foundation grants to present a one-sided view of politics to local audiences, and decried the presence of corporate monies in public broadcasting (Associated Press, 1980).

### **After *Free to Choose***

A postscript to Chitester's work with the Friedmans emerged in the form of a report in the *Columbia Journalism Review* in early 1983, which suggested that Chitester's experiment in private funding for public broadcasting went seriously awry. The report portrayed Chitester as a fallen star who resigned the presidency of his PBS affiliate after driving it deep into debt (Renner, 1983). In a bid to bring WQLN in line with the tenets of a free-market political philosophy, Chitester had pursued a two-part strategy. First, he had solicited underwriting support for *Free to Choose* from firms and foundations; second, he had created two affiliate companies and calved off WQLN activities to those affiliate companies. The first, Penn Communications, was a for-profit corporation intended to generate cash for WQLN through the distribution of films and videotapes of *Free to Choose* materials for educational use. The second, Amagin, was a nonprofit organization that would manage the production of further educational programming at WQLN. Chitester was Chief Executive Officer of both companies, and of WQLN's parent company, Public Broadcasting of Northwest Pennsylvania (Renner, 1983).

All three companies suffered financial difficulties in the years following the debut of *Free to Choose*, as Penn Communications' and Amagin's debts went unpaid and viewer membership dropped by almost a third, these forces together forcing staff layoffs and destroying more than half of Public Broadcasting of Northwest Pennsylvania's \$1.2 million net worth

(Renner, 1983). Still, Chitester remained an advocate for private financing of public television; in 1982, his op-ed in the *New York Times* television section took a Friedmannesque tack, decrying the outsized influence of executives at PBS and urging that a market-oriented system of funding—including “innovative commercials,” increased underwriting and sales of videocassettes--would work better to provide the people with public television that delivered culture and education in appealing packages, instead of dictating their tastes to them (Chitester, 1982, D25).

While Chitester’s vision of a market-funded public broadcasting system may not have come to pass, his skill in navigating ‘the rules of the game’ at PBS nonetheless granted access to the public airwaves for a remarkably advocacy series. And similar to the activist and civil society groups that attempted to access airtime for public service announcements in the *American Economic System* case, public broadcasting regulations stymied organized labor’s efforts to respond to *Free to Choose* on the PBS airwaves.

PBS’s enforcement of its own rules was stricter for labor unions than it was for corporate-sponsored productions, as had been the case with the Ad Council PSAs and the PBC’s thwarted attempts to gain access to the airwaves. In February of 1980, as *Free to Choose* was being broadcast into American homes, PBS made headlines by refusing to accept underwriting funds from labor unions for the production of a ten-part series on the history of workers in the United States from the mid-1800s to the end of World War II. The producers of the series, which was to be titled *Made in U.S.A.* and produced under the auspices of Boston PBS affiliate WGBH-TV with a major grant from the National Endowment for the Humanities, had planned to raise about a quarter of its budget through donations from labor unions, but PBS stepped in to bar this line of funding on the grounds that such organizations would have a direct interest in the

program's subject matter. But how, many asked, was labor union funding of *Made in U.S.A.* impermissible when corporations had been permitted to sponsor *Free to Choose*? When confronted with the fact that Chitester had solicited funds for *Free to Choose* from corporate sponsors by promising them that the program would be the first volley in a broad campaign to promote free enterprise, PBS president Lawrence K. Grossman seemed to equivocate. He argued that *Free to Choose*'s corporate underwriter had shared only a general interest, and not a specific interest. "Where there is a direct interest," Grossman continued, "where a program promotes the specific financial interest of the underwriter—our guidelines are very strict because it is important to protect the integrity of the public-broadcasting system. I have to admit we've missed a few times" (Brown, 1980).

## **Conclusions**

As was the case for the sponsors and producers on the *American Economic System* campaign, the sponsors and producers of *Free to Choose* used public resources to disseminate a pro-business message. Yet, the two campaigns used very different means of performing the legitimacy and objectivity of their messages. The *American Economic System* campaign relied on a highly selective presentation of facts whose objectivity was potentially defensible, even though the overall presentation of these facts abstracted away inequalities of wealth and political power. The resulting media texts—the Ad Council's broadcast ads and the booklet they publicized—could then gain access to the public airwaves where other groups with a clear advocacy stance would be denied it.

Chitester and the sponsors of *Free to Choose* called on a very different kind of objectivity to defend the legitimacy of the TV series. Here, perceived factuality was not the key to legitimacy. Rather, Chitester highlighted the editorial independence and academic detachment of

*Free to Choose* as assurance that it was a legitimate use of the public airwaves. As Loctite Chairman Richard Kreible's commentary made clear, part of Friedman's value as the star was his academic prestige and capacity to represent himself as an educator rather than a corporate spokesperson. Chitester fortified this by asserting that he and Friedman had sole editorial control over the content of the series, thereby performing sufficient editorial independence to pass muster with his colleagues at PBS. Chitester used this same editorial independence to neutralize sponsors' critiques of the script and press ahead with funding arrangements, even when the script did not meet with sponsors' unqualified support.

This is not to say, however, that Chitester was totally unaccountable to his underwriters. Rather, this chapter has shown how underwriting is often, for producers and sponsors, a gamble on good-enough. As production studies scholars have demonstrated, structural tensions between creativity and profit are endemic to the production of entertainment content (Sullivan, 2009). Much like producers in entertainment media contexts, Chitester had to balance creativity with the constraints of both PBS's underwriting rules *and* his underwriters' expectations. Doing so allowed him to remain true to his political aims, yet satisfy enough of his sponsors' demands to retain funding for *Free to Choose* and keep the possibility of funding open for subsequent projects.

Chitester accomplished this, in part, by subtly equating education and advocacy. The archival record documents how he defined his project as both advocative *and* educational in his initial pitch to Friedman, and how he toggled between the two frames as it suited his needs when addressing underwriters. It would be easy to interpret Chitester's rhetoric as opportunistic, but I interpret Chitester's words as evidence of his absolute faith in Friedman's perspective. Chitester's belief that Friedman's economic and political philosophies correctly described the

world enabled him to see advocacy and education as coterminous, if not identical.

Examining Chitester as a key figure in *Free to Choose* also suggests insights on how the series reflected a changing understanding of the economic imaginary, especially as pertained to the individual and the everyday. Chitester adopted Milton and Rose Friedman's view of the dignity and remarkable of the everyday lives of the common people in a market-based economy. Chitester's absolute faith was not only in Friedman's worldview, but in the capacities of the blue-collar audience to recognize their own potential for (from his perspective) self-mastery and liberation. Friedman's exhortations to Slavich, the Bechdel executive, highlight the economist's interest in characterizing everyday life as the site of important, yet rarely recognized, practices and acts of economic self-determination. I read from these pieces of evidence a subtle shift in the economic imaginary, a step beyond the *American Economic System* booklet's taxonomy of producers and consumers and its movement away from the midcentury notion of institutions as interconnected drivers of economic life: the new focus was on the individual as a consequential social and economic actor whose everyday practices had political and economic ramifications.

This iteration of the economic imaginary discarded the delicate distinction between factuality and advocacy that had held true for the Ad Council's *American Economic System*, enacting in its place an explicit acknowledgement of what business advocates producing sponsored economic education media had privately agreed upon from the 1930s onward: that advocacy and education were one and the same. The notion that media could be a conduit for these ideas to the people on the lower rungs of the economic ladder in the United States held constant; Friedman's philosophies merely suggested a more active role for the individual and her quotidian choices in a democratic and free society.

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## **Chapter Four: Filling the Frontier Void**

In March of 1980, Junior Achievement (JA), a non-profit organization that sponsors ‘business understanding’ outreach to United States youth, distributed a thick stack of goldenrod-hued papers bound with black plastic comb bindings to its own top staff, the executives of companies that supported JA with donations, and directors of affiliated youth organizations. The report summarized the results of a seven-month study of ‘the teen environment,’ funded by a grant from aluminum manufacturer ALCOA that drew upon interviews with JA staff, teachers, and youth as well as prior research on social trends. The report painted a grim picture. Youth, it declared, were caught up in a wholesale transformation of American social values, buffeted by the increased influence of their peers and the media on one side and traditional sources of authority like family, school, and the church on the other.

Worse yet, the report claimed, youth of the 1970s lacked the kind of audacious goals that had unified generations past. While prior generations of youth had come together in the name of causes such as a better standard of living or an end to injustice, no such grand narrative seemed available to the youth of the 1970s. Drawing a potent symbol from the American cultural repertoire, the report figured the aimlessness of 1970s youth in terms of lost frontiers. “Restless young people,” it claimed, “saw their ‘frontiers’ disappearing;” the wild west had been settled, California had become crowded; the thrill of space exploration had faded; experiments in commune living and Eastern mysticism had ended in disillusionment; scholarly pursuits had become dismal as “an excess of Ph.D.’s began driving taxicabs;” and hopes for social change had been “blunted by [the] ineffectiveness” of both protest movements and government benefit programs (Robert Johnston Company, 1980, pp. 9-10).

The result, according to the report, was that American teenagers were focused on

themselves and their peers, and uninterested in either family or society. But such self-centered pursuits, the report warned, would not keep young people's attention for long (Robert Johnston Company, 1980, p. 10). "The absence of a frontier has become the #1 issue of youth this decade... Every generation with rare exceptions seems to have needed a social frontier as well as a personal one." And here was the report's recommendation: "The world of business should seek to fill this void" (Robert Johnston Company, 1980, p. 11, emphasis original).

In the years that followed, Junior Achievement undertook a massive experiment: in addition to offering youth an afterschool 'company experience' of running their own miniature business, as it had done for the past fifty years, JA would enter the classroom with a curriculum designed to teach both economic concepts and 'business understanding.' The result was a high school curriculum program, *Applied Economics*, which combined traditional textbook-based coursework with selling activities and computer simulations of competitive business management decision-making. Developed from 1981 to 1983, piloted in 1983 and funded by corporate and foundation grants, *Applied Economics* reached 210,000 American high school students per year by 1988 (Smith, 1984; Oberman and Seeley, 1989).

### **Made for the Classroom**

This chapter takes JA's *Applied Economics* as a case of sponsored economic education media production. This case differs in many ways from the cases that preceded it: in the type of organization at the heart of the case, the methods of media distribution employed, and the social imaginaries at stake. JA was a different kind of organization than those featured in prior chapters, and it used media to somewhat different ends. The Ad Council and WQLN under Chitester's leadership both mustered media production skills and resources in order to boost pro-business views amongst members of the public. Producing media in the public interest was the

central mission for both of these organizations. JA was not primarily a media production organization, although it seemed to fall sideways into the production of media again and again from the 1950s onward. Rather, JA offered business experience programs to youth, with the assumption that preparing young people for organizational life would foster strong leaders in the future. To this end, JA organized and administered extracurricular programs for youth to form their own actual (albeit small-scale and short-lived) companies, with the support of local and regional businesses. When JA engaged in media production, it was in support of such goals as recruiting youth participants and corporate sponsors in addition to promoting ‘business understanding.’

JA also differed from the Ad Council and WQLN in the forms of media it had historically produced, and the ends to which it put these media texts. JA did not use traditional mass media routes such as broadcast to distribute its messages. Instead, from the 1950s through the 1970s, JA produced films to be shown to prospective corporate sponsors or youth participants during community-level screenings, a style of media use closer to the non-theatrical/educational film practices that developed early in the twentieth century and particularly thrived from the 1940s to the 1970s (Orgeron, Orgeron and Streible, 2012). These media texts supported JA’s primary mission of organizing student-run mini-companies as an extracurricular activity. However, in the late 1970s and early 1980s, a crisis of declining enrollment prompted JA to adapt its afterschool learning-by-doing program into a classroom curriculum, requiring both the development of a textbook and the creation of several pieces of custom software.

In the classroom context, textbooks are “officially sanctioned form[s] of legitimate knowledge” (Apple, 1992). Curricular materials must condense large amounts of information into a necessarily brief and highly edited format. The editorial decisions this process requires can

reflect cultural assumptions and conditions, making curricula a fertile ground for cultural studies of media (Lassig, 2009). Treating JA's production of *Applied Economics* as a case of media production highlights how JA encountered many of the same tensions and conflicts that confronted other producers of sponsored economic education media. As was the case for other sponsored economic education media campaigns, JA used public resources—in this case, the public school system—to distribute a ‘free enterprise’ message. JA not only enjoyed costless use of school facilities, but also generated streams of revenue through the sales of textbooks, software, and other classroom materials. Like other economic education campaigns, JA asserted the social legitimacy of its efforts in order to win corporate funding and defend against critics. And just as the Ad Council leveraged broadcast policy and Chitester’s sponsors navigated the rules of the corporate underwriting ‘game,’ JA leveraged its regulatory circumstances by adapting the *Applied Economics* program to new laws mandating ‘free enterprise’ education. In short, the production of the *Applied Economics* textbook and digital simulation software responded to the same constellation of institutional and regulatory dynamics that characterized the production of other sponsored economic education media texts.

Like the campaigns featured in other chapters, *Applied Economics*’ funding and distribution efforts were buoyed by shared imaginaries about civic life, the public benefit, and the persuasive power of media. And like the campaigns featured in prior chapters, documentation of behind-the-scenes conflicts reveals the limits of, and tensions implicit within, these social imaginaries. But *Applied Economics* called on different notions of learning—and of learners--than campaigns that came before it. JA did not rely on a deficit model in quite the same way that prior campaigns had. Instead, JA staff identified first-hand experience as a powerful tool to build workplace readiness, understanding of the self, and understanding of others.

As with the prior cases, JA grappled with questions of what constituted nonpartisanship and objective information. Whereas factuality was the point of controversy in the Ad Council's *American Economic System* campaign and editorial objectivity was the point of controversy for Chitester while making *Free to Choose*, academic rigor was the matter upon which JA staked *Applied Economics'* social legitimacy. JA differentiated itself from traditional approaches to economic education in schools by offering students experiences in place of deep dives into economic theory. This perspective led to conflicts between JA and the Joint Council for Economic Education (JCEE). JCEE had been built on a foundation of academic economics expertise, which it endeavored to transfer to teachers; this was a profoundly different model of learning than JA's learn-by-doing model. Whereas JCEE valued intellectual rigor and theoretical nuance, JA valued emotional engagement and practical experience. The use of computers and digital simulation became a crucial support for JA's claims that it could engage students who might not have signed up for a traditional economics course.

JA's conflicts with JCEE over funding sources and epistemologies would expose the inherent tensions between education and advocacy that 'economic education,' as a phrase, concealed. These conflicts had two consequential results. First, when initial efforts to win JCEE endorsement failed, JA sought an alternate source of institutional legitimacy by designing *Applied Economics* to comport with emerging state mandates for free enterprise and economics education in secondary schools. Second, moving into the classroom made *Applied Economics* subject to material and temporal constraints that prior JA projects had not encountered. The increasing prominence of computer simulation in *Applied Economics* was not necessarily a pre-planned strategy. Rather, the shift from the lived experience of student-run mini-companies to the simulated experiences made available through digital technology was a consequence of these

constraints.

### **Economic Education in Schools**

**Corporate-Funded Outreach to Schools, Postwar - 1960s.** The postwar push for economic education on a broad scale included not just mass media interventions such as films, public service announcements, and television programming, but also the use of such materials in the classroom. Recall, for example, the *How Our Business System operates (HOBSO)* program, which had been available to secondary schools since the 1950s via NAM. NAM's pamphlet distribution to schools increased six hundred percent between 1947 and 1950; by the close of the 1950s, one in five corporations reported sponsoring materials for use in schools, and school superintendents estimated that corporations spent about \$50 million per year on sponsoring educational materials. This figure was equivalent to one half of the amount public schools themselves spent on textbooks (Fones-Wolf, 1994).

In addition to business advocacy groups such as NAM and the U. S. Chamber of Commerce (whose forays into schools were auxiliary to their foundational public advocacy activities), a number of nonprofit groups emerged during this period whose central mission was to further ‘economic education’ in schools. For example, the politically conservative Foundation for Economic Education (FEE), founded in 1946, took a hard line opposing managed economies and labor unions (Fones-Wolf, 1994). A competing organization, the Joint Council on Economic Education (JCEE), was established in 1949 in response to advocacy groups’ production of economic education materials for schools (and perhaps also in response to the extreme anti-Communism of FEE founder Leonard Read). JCEE’s parent organization, the Committee for Economic Development (CED), represented the interests of more politically moderate corporate executives and business advocates who saw at least a limited role for the state and labor unions

in setting economic policy (Committee for Economic Development, 2016; Fones-Wolf, 1994).

Despite their differing views on labor power and government intervention in the economy, both FEE and JCEE espoused a commitment to ‘free enterprise’ as a foundation of American democracy and prosperity (Fones-Wolf, 1994). JCEE became and remains the leading corporate-sponsored economic education nonprofit organization in the United States (Fones-Wolf, 1994).

For JCEE, the focus was on teaching teachers about economic theories and principles, so that they could return to their classrooms prepared to present material to students. With support from the CED and the Ford Foundation, JCEE built a program of instructional research, curriculum development and teacher workshops in cooperation with academic economists and representatives of labor and agriculture (Fones-Wolf, 1994). By 1952, JCEE was building out regional Councils for Economic Education (CEEs) and offering workshops to thousands of teachers on topics ranging from personal finance and employment to “labor-management relations, social security, the role of profits in our economy, [and] the hazards of inflation” (Fine, 1952). In addition to producing its own materials for teachers, from 1955 onward the JCEE also published annotated bibliographies of the corporate-sponsored economic education materials that issued from individual companies and/or business advocacy groups (Yarrow, 2008). These reviews highlighted the learning objectives to which such materials could be applied in the classroom, a strategy that sometimes implied endorsement without explicitly advocating for the perspectives such materials contained.

Over the course of the 1950s and 1960s, JCEE continued its curriculum development and advocacy activities. A CED-sponsored National Task Force on Economic Education charged in 1961 that ‘economic illiteracy’ was endemic in the United States, piggybacking on more widespread reform efforts to expand the teaching of economics (Coleman, 1965). Into the mid-

1960s, the Task Force's efforts generated interest among teachers and the public, leading a *New York Times* reporter to declare “the teaching of economics is definitely ‘in;’” yet, by 1970, regional JCEE branches were still describing economics education in schools as seriously deficient (Hechinger, 1965; Not Enough Economics, 1970).

**The 1970s: Memos and mandates.** By the 1970s, attention to the matter of economic education in schools was growing. The Powell Memo, an action plan penned for the U.S. Chamber of Commerce by Lewis F. Powell shortly before his confirmation to the U.S. Supreme Court, urged business advocates to treat secondary schools and university campuses as the front lines in an ideological war for the minds of American youth (Glickman, 2009; Powell, 1971). The memo was widely circulated among business advocates and may have influenced the adoption of state mandates requiring secondary-level education in economics and free enterprise, as discussed later in this chapter. Efforts to place sponsored business advocacy materials (such as films or posters) in the schools intensified in the 1970s, with such corporations as Exxon, Bell Telephone, the Gannett Company, and Amway Corporation producing print and audiovisual teaching aids about the virtues of free enterprise for primary and secondary school use (Harty, 1979). These campaigns, sponsored directly by corporations, sat alongside JCEE efforts to bring what it claimed was a more balanced, nonpartisan approach to teaching economics in schools.

Still, the JCEE’s claims of nonpartisanship belied a distinct slant toward ‘free enterprise’ boosterism in its education and community outreach activities. One JCEE-sponsored program in Oklahoma in 1973, for example, featured a K-12 curriculum guide developed by the state department of education in cooperation with the Oklahoma Council for Economic Education. Liberty National Bank and Trust’s senior vice-president of marketing, Willis Wheat, was also president of the local CEE branch; the bank sponsored a cash prize to teachers for creative use of

the guide (Elgenof, 1973). The bank also sponsored print and broadcast advertisements to support the local CEE's in-school efforts, with bank president J. W. McLean explaining, "we are convinced that American free enterprise is caught in a desperate race between economic illiteracy and better economic education" (Egelnof, 1973). As this example shows, the boundaries between curriculum creation in school settings and advocacy in the mass media were porous, and executives of business firms often took roles in both educational and advocacy efforts simultaneously.

JA also moved nimbly across these institutional boundaries. Its executive staff was small in number, but was bolstered by business executives who volunteered time and donated funds at the local and national level. For example, Texas Gas Corporation president and chairman Dennis Hendrix served as the President of JA, and he also supported the organization with volunteer time and corporate donations before and after his tenure as president. Men (and, increasingly, women) like Hendrix leveraged their connections in the business community to garner funding and support for JA projects. One of the advantages of this approach was the ability to draw institutional networks closer together. The porous boundaries between business practice and business advocacy yielded interlocking networks of businesspeople that supported free enterprise with their time and their organizations' dollars.

### **Junior Achievement, 1916-1979**

As JA's history prior to the 1970s illustrates, the organization embodied many of the strategies business advocates employed to defend the role of business in society in the early and mid-twentieth century. JA's founding and early development by industrial leaders reflected a wider, industrially supported shift to vocational education. Early JA leaders designed the organization to focus on first-hand experience of business operations, to help address business

leaders' concerns about 'idleness' of youth and their susceptibility to anti-capitalist ideologies. These aspects of JA were compatible with the views and approaches of the National Association of Manufacturers (NAM), with which it partnered by midcentury (NAM, as discussed in prior chapters, began as a group of industrialists opposed to organized labor, but expanded its repertoire in the mid-twentieth century to include advocacy for 'free enterprise').

**The Boys' and Girls' Bureau: Learning by doing.** JA began its organizational existence in 1916 as the Boys' and Girls' Bureau of the Eastern States Agricultural and Industrial Exposition (ESAIE) (Francomano, Lavitt and Lavitt, 1988). The ESAIE, founded in Massachusetts in 1914, was a regional exhibition in the model of the World's Fair. World's Fairs and expositions emerged as a phenomenon in the 1870s, reaching high popularity in the early decades of the twentieth century (Rydell, 1984). As Rydell (1984) has argued, such expositions were immersive display and demonstration environments that responded to turn-of-the century concerns--about everything from industrial disruption and class warfare to scientific discoveries that unsettled assumptions of human beings' place in the cosmos--with visions of public order and progress. Similarly, the ESAIE promoted a vision of progress and plenitude that linked New England's agricultural sector to the booming industrial factories of the region, amid a major population shift from rural to urban areas (Massachusetts Foundation for the Humanities, n.d.).

The goal of the Boys' and Girls' Bureau was to inculcate the children of New England manufacturing towns with the values of "thrift and economy, coupled with industry" by encouraging them to learn about local businesses (Friedman, 2016; Francomano, Lavitt and Lavitt, 1988, p. 4).

The Boys' and Girls' Bureau was rechristened Junior Achievement in 1920, and a small staff was hired to adapt 'learn-by-doing' models prevalent in agricultural youth organizations

such as 4-H (Friedman, 2016; Francomano, Lavitt and Lavitt, 1988). 4-H's youthful participants not only had learned agricultural skills, but also had become conduits for introducing new agricultural technologies to rural communities (Iowa State University Extension and Outreach, 2016). This hands-on, experiential approach to learning inspired the original JA program, the basic form of which would endure for the next fifty years: children would form a club of at least five participants for the purpose of running a small business.

Usually, the club businesses manufactured and sold ashtrays, lamps, toys, bookshelves, and other simple home items. An adult supervisor would sponsor the club, but children would elect members from their own ranks to hold office in the company and make decisions for it. Clubs were required to hold regular meetings, choose products to sell and figure out how to make them, and form departments within the club to manage purchasing, production, sales and advertising; club members also had the option of selling stock to raise capital (Sukarieh and Tannock, 2009). Clubs met sometimes in the homes of sponsoring adults, but most often in dedicated spaces within the facilities of sponsoring agencies like churches, YMCAs, scouting organizations and settlement houses (Sukarieh and Tannock, 2009). JA provided instructional materials, training for adult supervisors, and records forms; it also sponsored exhibits and contests where clubs could meet their peers and compete for recognition. Youth raised money from their sales activities for materials and equipment (Sukarieh and Tannock, 2009; Francomano, Lavitt and Lavitt, 1988). JA continued to grow throughout the 1920s, buoyed by donations from thriving corporations and riding a wave of public school vocationalization that emphasized training children with relevant, practical skills for industrial work (Kincheloe, 1998; Kliebard, 1999). In its initial form, the youth participants ranged in age from eight to ten (Francomano, Lavitt and Lavitt, 1988).

In 1929, JA modified its offerings by shifting geographic focus and broadening the age range of participants. These modifications set the basic format that JA would keep through the mid-1970s. First, JA in New York expanded its programs. The new Metropolitan program (“Metro JA”) focused on 16-21 year olds. This latter group had more interest in spending time away from home and more motivation to earn money; social concerns about young, unemployed adults’ “idleness” and law-breaking likely also informed this strategic expansion (Sukarieh and Tannock, 2009). Second, in addition to developing a new target market, Metro JA shifted its geographic focus from rural manufacturing communities to major urban areas. Doing so freed up Metro JA from competing with 4H for rural youth, and allowed it to benefit from the population density of cities and towns. The new, urban, more mature Metro JA clubs would be known as “companies,” to signal their difference from the JA clubs for younger children (Francomano, Lavitt and Lavitt, 1988).

The stock market crash of 1929 and subsequent depression of the 1930s strained JA’s public image and funding streams, but the organization survived. Co-founder Horace Moses seized on the moment to solicit corporate donations, promising business leaders that JA could, with their support, instill an appreciation of free enterprise in youth who otherwise might come under the sway of “some strange ideology” (Francomano, Lavitt and Lavitt, 1988, p. 21). Further, state policies such as the establishment of corporate tax deductions for charitable donations in 1935 and the government takeover of some formerly private charities freed up philanthropic and corporate funds (Likhovsky, 2004; Francomano, Lavitt and Lavitt, 1988).

In 1938 Metro JA youth participants (called “Achievers” within the organization) established a link to NAM, which would come to play a major role in JA’s organizational expansion over the decades to come. Metro JA Achievers, spurred by press coverage of NAM’s

business advocacy, made a cold contact with the New York NAM office. This led to NAM President (and head of Ohio-based steel producer American Rolling Mill Company) Charles Hook giving the keynote speech at JA Metro's 1938 awards banquet. Due to Hook's public prominence, the speech was broadcast over the national airwaves, fostering national press coverage and expressions of interest from across the nation. Hook subsequently joined the Metro JA Board of Directors, which benefited from his organizational skill and network of prospective donors from the business community (Francomano, Lavitt and Lavitt, 1988). Hook became the president of JA in 1942 (Friedman, 2016).

Under Hook's leadership, Metro JA expanded into a national program. Hook initiated organizational and programmatic changes in 1942 that intimated the future direction of the organization. Metro JA narrowed its focus to 16-18 year olds, those unaffected by conscription. Further, Metro JA became the national headquarters of the organization. Existing clubs for 8-12 year olds would continue, but the bulk of JA's effort would be directed toward organizing donations of facilities, time, training and materials to older youth in urban areas (Francomano, Lavitt and Lavitt, 1988). In the following years Hook facilitated connections and cooperative efforts between NAM and Junior Achievement—encouraging, for example, senior business leaders active in NAM to sponsor JA youth companies in their own hometowns (Friedman, 2016). JA's transformation during World War II under Hook's leadership brought JA into cooperative alliances with other business advocacy groups including (but not limited to) NAM.

**JA after the war: Producing media for the free enterprise system.** In the postwar period, JA moved beyond its established recruitment practices of outreach through churches, YMCAs and scouting groups, to recruiting through presentations at high school assemblies (Friedman, 2016). JA leaders attributed much of the fivefold increase in JA recruitment from

1945 to 1950 to these presentations (Francomano, Lavitt, and Lavitt, 1988). These assemblies played to JA's strengths, showcasing support from business leaders in the community (who often appeared as speakers along with former and present Achievers), screening educational films, and distributing leaflets and other recruitment materials.

JA's affiliation with NAM evidently influenced JA's first forays into 'economic' education' media production in the form of pamphlets and films in the 1950s and 1960s. In these materials, JA adopted and amplified NAM's framing of American industrial capitalism as a bulwark against collectivism and authoritarianism. For example, a 1952 fundraising film, *Junior Achievement is Your Business*, pitched JA as "the strongest defense" against attacks on free enterprise in the war for the teenage mind (Sukarieh and Tannock, 2009). Similarly, the *Free Enterprise System* leaflet series "explained the underlying logic of the U.S. economic system" to prospective youth JA recruits, and JA partnered with Republic Steel to produce a series of educational films that further characterized the U.S. economy as a "free enterprise system" (Francomano, Lavitt, and Lavitt, 1988, 69).

In short, JA grew steadily from its inception in the interwar period to its 1960s prominence on the national scene. A range of factors aided its rise: generous corporate funding, fostered by interlocking networks of corporate executives and business advocates; support from celebrities, politicians, and the popular press; laws that facilitated corporate philanthropy; a growing climate of anti-Communism, especially in the post-WWII period, and JA's own production of media texts for sponsors and youth alike. President Dwight Eisenhower declared a National Junior Achievement week in January of 1955; business advocacy groups like the Advertising Council, the National Association of Broadcasters, and the Outdoor Advertising Association donated space to publicize the event. Another fivefold increase over the course of

the 1950s left JA enrollment standing at 66,245 Achievers operating more than 3,000 JA companies in 151 localities across the United States and Canada (Francomano, Lavitt, and Lavitt, 1988). This expansion fostered the creation of dedicated JA facilities stocked with equipment for manufacturing.

JA's promotional presence retained a high profile into the 1960s. For example, a JA exhibit in the Hall of Free Enterprise at the 1964 World's Fair both echoed JA's roots in ESAIE and instantiated the midcentury organization's twin goals of providing practical training to youth and inculcating and appreciation of free-enterprise capitalism. The dedication ceremony for the Hall of Free Enterprise left no doubt that the suspicion of 'strange ideologies' Horace Moses had expressed in the 1930s had, by this time, transmuted into a pointed anti-Communism. Speaking at the groundbreaking, JA's then-president John Davis Lodge inveighed against "Russian, Communist imperialist aggression," describing peaceful coexistence with the USSR as "surrender on the installment plan" and calling for strong support of free enterprise as the best defense of American values (Carlson, 1964). *Reader's Digest* sponsored JA contests and speakers' bureaus from 1965 onward, and the Johnson administration recruited JA into the Summer Job Education program in 1967 (Francomano, Lavitt, and Lavitt, 1988).

**The uncooling of JA.** JA's strong support from business leaders, politicians and celebrities could not prevent an enrollment slump in the late 1960s, however, as youth culture became more markedly anti-authoritarian in its values. Students for a Democratic Society (SDS), for example, objected that JA student company programs instilled a conformist and traditional ethic while obscuring the power and income inequalities of the American business establishment: "JA is an effort to get kids into the rat race of competing against everyone else and trying to get to the top," SDS literature reportedly charged, "Ever stop to think how many places there are at

the top?" (Francomano, Lavitt, and Lavitt, 1988, 77). If JA's self-published history is indicative of the organizational response at the time, its defense was that not all students would want to or *should* join JA; the organization only wanted those students most interested in gaining practical training and establishing themselves as future business leaders (Francomano, Lavitt, and Lavitt, 1988). High school assemblies continued, with a new Technicolor youth recruitment film, *Futures Unlimited* (1972), that promised prospective participants abundant social events, opportunities for international travel, and a fast track to employment upon graduation. However, JA insiders voiced concern at waning participation figures: after forty years of steady growth, youth enrollment was declining.

The situation worsened as the 1970s unfolded. Systemic pressures reduced the number of youth eligible and willing to take part in JA. Troublingly, JA youth membership tracked the general trends in U.S. public and private school enrollment; both JA membership and general school enrollment peaked in 1975, and JA membership seemed to be following a downward trend that promised twenty percent fewer students enrolled by the 1983-1984 school year (Robert Johnston Company, 1979). The economic decline of the 1970s, too, exacerbated JA's enrollment problem. Reduced corporate profitability cut into the funds available for philanthropic giving, and fewer parents had the time and considerable gas money required to ensure their kids' attendance at JA's mostly-urban facilities. These facilities were a significant drain on JA resources, especially during an energy crisis. Irrespective of the number of youth a facility served, it required a baseline level of funding for utilities, upkeep, equipment and staff.

**Language and its consequences: “Economic education” in JA.** By the late 1970s, internal documents suggest that JA was going through the organizational equivalent of an identity crisis. Attempts to gauge the effectiveness of JA programs had been stymied by a lack of

internal agreement about the organization's goals and mission (Francomano, 1979). Feedback from staff and board members at the local and national level, along with JA promotional materials, indicated that four ideas dominated perceptions of JA's purpose: creating "an understanding of business," providing business experience, developing "positive attitudes to business," and providing economic education (Francomano, 1979, p. 3). However, only some of these perceptions mapped to the initial 1926 charter for JA and the subsequent Statement of Objectives approved by the national Board in 1959 (Francomano, 1979).

The 1926 Charter had outlined JA's goals as providing practical experience, developing leadership skills and promoting understanding of business. The 1926 Charter made no mention, though, of attitudes toward business, nor of economic education. The 1956 Statement added to these goals "knowledge of the values, freedoms and responsibilities of our business system" (Francomano, 1979). This addition reflected contemporary trends in corporate-sponsored economic education by referring to the business *system* and characterizing that system as a locus of freedom and other social values. However, only most recent 1975 Statement of Purpose explicitly integrated economic education and positive attitudes toward business, reflecting "what was going on in the program in 1975 and the phraseology in common use by staff at that time or in the printed materials" (Francomano, 1979, p. 4). Evidently, JA had been subject to mission creep over the course of the prior fifty years; a program initially focused on practical skills and experiences (albeit with oblique and unofficial gestures to anti-communism, as with Horace Moses' prewar allusions to 'strange ideology') had become increasingly explicit in its alignment with capitalist advocacy and economic education, especially during the Cold War years.

There was also controversy within JA as to whether the organization should offer economic education, and a good deal of disagreement as to what the phrase meant. While some

JA staff and executives supported offering economic education, others felt it should not be a primary purpose of JA because it was “too difficult to teach, is beyond the capability of most Advisers, and not too appealing to Achievers” (Francomano, 1979, pp. 5-6). Part of this disagreement may be attributable to how the term of art ‘economic education’ had been used in the prior decades by business advocates: it sometimes meant free enterprise advocacy, instruction in economic theory, or some combination of the two. Further, the report pointed to JA *staff* as the originators of the term “economic education” within the organization, calling the phrase a “staff-developed” term that entered the JA promotional literature as an “in-phrase” (Francomano, 1979, p. 5). In other words, ‘economic education’ may have functioned in JA offices as a buzzword: strategically vague, yet seemingly palatable to a wide range of stakeholders from school boards to corporate sponsors. JA’s affiliations with organizations like NAM and the Ad Council may have fostered staff adoption of the term; alternately, the JA staff’s adoption of the term may be an indication that such buzzwords need not be formally transmitted, but rather can permeate organizations by virtue of their presence in public discourse. Perceptions of JA’s effectiveness were almost impossible to gauge when so many of the organization’s executives, staff, and volunteers held widely varying perceptions of the organization’s purpose.

**Diversification and *Project Business*.** Facing a downturn in youth participation and uncertainty as to its purpose, JA experimented. In 1976, a grant from the W. K. Kellogg Foundation had supported the development of *Project Business*, an in-class enrichment program for junior high schoolers that, JA executives hoped, would encourage subsequent participation in high school level JA afterschool programs (Francomano, Lavitt, and Lavitt, 1988). In *Project Business*, participating social studies classrooms devoted one day per week for 18 weeks to discussing business topics with a volunteer businessperson from the community. By 1979,

*Project Business* was thriving with more than 136,000 junior high school students taking part in the program (Francomano, Lavitt, and Lavitt, 1988). But JA's traditional extracurricular program was still losing participants, and costs (for facilities and staff especially) were running high. As an alternative to the standard year-long extracurricular program, JA experimented with a 15-week, single semester program that made better use of facilities and staff, but participation still sagged and costs remained high ("Five Year Plan," 1981). *Project Business* suffered no such problems: it drew on a captive audience of students in classrooms, and bore no facilities costs since all meetings took place in the classroom during school hours. Sales of program materials generated a small income for JA, and the volunteer businessperson's employer often subsidized these materials (For Students, 1986). Recruitment for in-school programs, therefore, hinged on getting buy-in from teachers and school boards for a program that could cost them little or nothing—a logic that would become familiar in the 1990s as the "Channel One" package of news, advertisements, and free audiovisual equipment raised controversy over corporate capture of the schoolroom (Apple, 1992). In lieu of promising parties and trips to high school students, JA could talk to other adults on adult terms of preparedness for work and citizenship.

### ***Applied Economics***

'In-class JA.' In April of 1981, JA Executive Vice President Karl Flemke reported to the JA Board of Directors that an 'in-class' version of JA's high school program was in development (Moskin, 1981). The program would build on the successes of *Project Business*, offering JA an opportunity to reach more high school students at a lower cost. The Board granted Flemke \$40,000 to develop the program, which would come to be known as *Applied Economics* (Moskin, 1981). Flemke then turned to JA's network of sponsors to fund the initial development of *Applied Economics*, securing grants of up to \$25,000 from Aetna, Eastman Kodak, Exxon,

General Electric, Holiday Inn, aeronautics firm Parker-Hannifin, automotive equipment manufacturer TRW, and Wells-Fargo; grants of up to \$50,000 from aluminum manufacturer ARMCO, du Pont, Reader's Digest, Standard Oil of Ohio, manufacturing conglomerate Tenneco, and Texas Gas; and grants of \$100,000 each from the oil company ARCO and Coca-Cola (Applied Economics Funding, n.d.).

*Applied Economics* would be a one-semester high school course, meeting five days a week. The course as envisioned covered a tremendous amount of ground, integrating once-weekly visits from a local volunteer businessperson ‘consultant,’ audiovisual content, computer simulations, and an abbreviated version of the classic JA ‘company experience.’ JA would develop all materials for the course, including a textbook and curriculum, and would find local businesses to cover costs of the program. JA executives hoped it would “combine the best of the time-tested hands-on JA company activity with the efficiency and economy of the in-class *Project Business* program, [and] provide a quantum and permanent leap forward toward the goal of improving economic competency and thereby the next generation’s ability to cope with the challenges of the economy” (Five Year Plan, 1981).

In short, *Applied Economics* would combine the JA learn-by-doing tradition with *Project Business*’ in-school model, thereby offloading facilities management to schools. Doing so, however, would require media production on a wider scale than JA had ever attempted before, including not just a textbook but custom computer software. It is not immediately clear why Flemke chose to include computer simulations as an aspect of *Applied Economics*. The concern with entertainment value and personal engagement that had been thematic in postwar economic education media may have played a role (Jack, 2015; Bird, 1999). For example, a research report prepared by consulting firm The Robert Johnson Company (RJCO) at the end of JA’s difficult

1970s advised,

JA planners should not be misled by publicity in educational circles stressing ‘back to basics’ in teaching. This trend, of course, is real. However, in response to the need of young people to be cajoled, amused and entertained, education forecasters claim there will also be a greater variety of innovations in the ‘80s. Simulation will be one feature which [sic] is vitally important to Junior Achievement. JA itself, in a sense is a ‘simulation’ and can be sold to educators in this light. (Robert Johnston Company, 1980, p. 27).

On a practical level, using computers not only gave an impressive means of creating weekly production and sales charts, it also helped the re-create the classic JA company experience within the confines of the classroom. The computer software designed for *Applied Economics* could simulate competition between firms, compressing the time it took for students to ‘experience’ business competition. The inclusion of computers may have also been a matter of leveraging JA’s industry connections to make the program more appealing to both corporate sponsors and prospective participant schools.

**Building *Applied Economics*.** Migrating out of expensive JA-owned facilities and into cost-free high school classrooms would require the creation of a curriculum—but JA had no experience in course creation. Shortly after gaining support from the JA board to develop *Applied Economics*, Flemke began discussions with JCEE about using their existing course materials, but this quickly fell through since these materials left insufficient time for in-class mini-company activities (Flemke, 1981). JCEE Director of Curriculum June Gilliard joined the *Applied Economics* Advisory Board, where strain between the two organizations was almost immediately apparent. Gilliard made her concerns clear in a lengthy letter in January 1982, emphasizing JCEE’s decades of experience in developing classroom materials for teaching economics (and, by implication, JA’s lack of experience in this field of endeavor). She cautioned that prior JCEE efforts to place “pre-packaged programs” in high schools had met with limited

success (Gilliard, 1982, p. 1).

Moreover, Gilliard voiced strong reservations about the specifics of the *Applied Economics* curriculum plan, calling its proposed coverage of economic concepts “meager, narrowly focused, and poorly integrated” (1982, p. 1). To her, *Applied Economics* appeared to be “two separate courses:” a traditional JA mini-company augmented by a computer simulation of competition between firms, and an abbreviated course on micro- and macroeconomics that failed to deliver sufficient information (Gilliard, 1982, p.2). Without proper background understanding of economic concepts, she warned, “all [students would] learn from a computer game is how to play the game” (Gilliard, 1982, p. 2). Gilliard reiterated JCEE’s willingness to advise JA, but warned that JCEE’s experience suggested a need to make major revisions to the *Applied Economics* program. These conflicts with JCEE over the content of *Applied Economics* would endure for the next two years, exposing the two organizations’ differing understandings of what it meant to offer economic education and highlighting their competition for corporate donations.

By April 1982, Flemke (now Chief Staff Officer of JA) and his staff were readying to conduct a pilot study of *Applied Economics*, scheduled for the spring semester of 1983. The curriculum covered 17 weeks, with a traditional JA ‘company experience’ in weeks 1 through 9, management simulation games weeks 10 through 12, and classroom teaching on economic concepts in weeks 13 through 17. As Flemke and his team had discovered, however, the field of economics contained “no absolutes insofar as economic philosophy;” leaving aside the differences between Keynesians, ‘supply-siders’ and monetarists, Flemke struggled to find agreement even *within* these different factions (Flemke, 1982a, p. 1). “Initially we thought...we could develop a model that most people would agree with,” Flemke wrote to JA President Dennis Hendrix, but working with an econometrics firm had convinced Flemke that “not only

would we not get agreement, but our model would be more sophisticated than we would like for the age group we are dealing with" (Flemke, 1982a, p. 1).

Flemke's comments not only reveal JA's inexperience with the field of economics, they also illustrate the difficulty of the task he had at hand. An in-class JA curriculum would need to deliver JA's signature learn-by-doing 'company experience,' but in order to fulfill the promise of providing classroom-appropriate instruction in economics, it would also need to boil down a complex topic to a clear, brief set of classroom lessons. Flemke despaired of the lack of 'absolutes' around which to build such lessons, and turned instead to a case study model that put the emphasis back on firms' responses to economic conditions, rather than on economic principles themselves. The JA Education team pressed on, reporting to sponsors such as E. I. du Pont de Nemours (known today as DuPont), Owens-Corning Fiberglas Corporation, and the aviation conglomerate Textron in June 1982 that the initial draft of the textbook had been completed and sent out for review by educators and that software and audiovisual materials development was "right on target" (Flemke, 1982b).

**Engagement and experience.** By early July 1982, Flemke had submitted proposals for grants to support the pilot study of *Applied Economics*: a request for \$2.2 million in funding from the W. K. Kellogg Foundation, and requests for donations of personal computers from IBM, Xerox, and Hewlett-Packard (Flemke, 1982c). The proposal to the Kellogg Foundation demonstrated Flemke's vision of JA as a provider of economic education: JA's learn-by-doing model could succeed where other efforts had failed, the proposal promised, by offering the excitement and engagement of first-hand experience. A "manifest need" for economic education and high demand from educators, it argued, were "not enough if students do not elect to take the course" (Proposal for the Implementation, 1982, p. 1). To draw student interest, *Applied*

*Economics* would offer a “unique synthesis of the theoretical and the practical” in a “relevant, motivating, and exciting” course (Proposal for the Implementation, 1982, p. 1).

*Applied Economics*, the proposal promised, would enable more learning than a lecture-based course by facilitating learning *experiences* that would impart both understanding of the American economic system and the “skills necessary to function as an informed citizen in that system” (1982, p. 3). *Applied Economics* uniquely deserved Kellogg’s support, the proposal argued, because it represented a balance of views (including those of NAM and the AFL-CIO), and because it offered teacher training, follow-up, and program evaluation (1982). In addition, the proposal asserted, *Applied Economics* “pick[ed] up the slack” created by declines in federal aid to schools (1982, p. 13), addressed calls for entrepreneurship from the Federal Department of Education and the U.S. Small Business Administration through “confidence-building exercises needed to inspire belief in American enterprise”, and offered “a very timely model for the adaptation of the microcomputer to education” (1982, p. 14).

Through the *Applied Economics* materials, JA staff engaged in a dialogue with the students and teachers in the classroom (Spigel, 1992). The classroom materials, the kinds of activities they asked of students, and the back-channel communications about how these materials would affect students all indicated particular understandings of who the presumed audience for the materials were, and how JA assumed (and hoped) the materials would affect students. Whereas Dent had gestured to public apathy and ignorance to justify the Ad Council’s interventions in economic understanding, and Chitester had imagined the public as intellectually engaged but ideologically misled, Flemke imagined a landscape in which students’ disengagement was a consequence of their lack of lived experience. From the perspective of the proposal, students’ lack of interest in economics courses could be overcome by offering first-

hand experiences that would make course content feel relevant, exciting, and inspiring. Like prior economic education efforts, the proposal assumed that opposition to the arrangements of industrial capitalism in the United States was not a matter of principled objection, but rather of information deficit. And like prior campaigns, the proposal called on the notion that economic education could create informed citizens who understood, sympathized with, and supported business.

Yet, the *kind* of citizen the proposal constructed differed from those of prior efforts. If Chitester and the Friedmans' imaginings of the audience had banked on intellectual curiosity, Flemke's formulation of prospective students for *Applied Economics* looked instead to a blend of intellectual and emotional experience: first-hand knowledge of the relevance and excitement of economic competition, and a resulting sense of self-confidence. In short, Flemke's vision relied upon the presence of a student who not only *thought*, but also *felt*. The student learning goals for *Applied Economics* reflected this blended emphasis on practical, intellectual, and emotional engagement. In addition to practical skills such as understanding financial practices, reading technical materials, making systematic decisions, and communicating ideas to others, the course aimed to impart students with knowledge of national economic issues, better understanding of the self and others, and positive attitudes toward both participation in business and the American economic system itself (Gill, Seeley, and Norris, 1983).

**The *Applied Economics* Textbook and Software.** The pilot of *Applied Economics* launched January 1983 with twenty-five school districts across the country testing a provisional first edition of the textbook, curriculum (including transparencies and filmstrips), and software in 121 eleventh- and twelfth-grade classrooms total ("Script," 1982). The textbook was laid out to address one subject per week. The first nine weeks covered topics related to the JA mini-

company activities students completed in class, with chapters on: organizing a business; supply and demand; marketing; production; consumption; productivity; profits; savings and investment; and government and taxes. The subsequent nine weeks covered topics related to the firm in society: competition with other businesses; careers in business; entrepreneurship; ‘comparative economic systems;’ inflation and unemployment; energy; the environment; and international trade (Script, 1982, pp. 6-21). Throughout, the text examined these topics from the perspective of the creator and owner of a business. In keeping with this entrepreneurial lens, it defined capitalism, private enterprise and ‘free enterprise’ as interchangeable terms, with particular emphasis on private ownership and individual liberty to start a business of one’s own choosing. Vignettes on successful entrepreneurs such as Steve Jobs (then a twenty-seven-year-old success story) peppered the text. A chapter dedicated to entrepreneurship made JA’s position clear, as in a section headed, “The Entrepreneur is a Hero”:

Does it seem strange to think of a business leader as a hero? In our culture it certainly does. We honor and admire TV personalities, movie stars, basketball and other sports figures and people from the arts and sciences. But rarely do we recognize the talents of business leaders—entrepreneurs. The purpose here is not to argue that we should. The purpose is to suggest that we must at least recognize that success in business does require many of the qualities we quickly praise in other fields: talent, hard work and intelligence, to name a few. [...] As you read the following two biographical sketches [of George Washington and Thomas Edison], decide what qualities set these business leaders apart. Think about the definition. Also think about your own qualities and your business experiences in the student company and elsewhere. Later in the chapter you will be given the chance to compare your own qualities with checklists of qualities that successful entrepreneurs seem to have. (Harder, 1982, p. 164).

This extract portrays success as a personal, rather than a social, project--a strong contrast to the institutionally focused ‘business system’ ideal of the midcentury period. Further, the section played up the link between digital technology and entrepreneurship, with a passage about “a new breed of student in our country called the ‘microteen’”:

New technology usually fosters entrepreneurship and, as part of the computer-mania that

is sweeping the world, many new opportunities for business have appeared for young people. The natural mix of computers and kids has produced a rash of opportunities for creative computer users. Not content to simply play electronic games, some kids are now designing their own computer programs, marketing their products to larger computer and electronic companies and banking their profits for the future. (Harder, 1982, p. 168)

The ‘mix’ of kids and computers was far from ‘natural.’ As Rankin (2015) and Alper (2014) have shown, the meanings imparted to youth computer use in the 1970s and 1980s was socially contingent and often gendered. Like many publications of its time, the textbook focused on boys who, it may be assumed, were of sufficient socioeconomic status to have regular access to computers. Moreover, this excerpt illustrates how JA positioned computers within *Applied Economics*: as a source of first-hand experience for day-to-day business management and a gateway to future business success.

Students used computers in concert with the weekly themes laid out in the textbook. Hewlett-Packard, Xerox and IBM donated a combined total of 130 personal computers to the pilot program, to be used with custom-built bookkeeping and management simulation software. During the mini-company phase, choices about production based on supply and demand were entered into bookkeeping software to produce an operating budget printout, and resulting sales data were entered to produce weekly sales reports and financial statements. Later in the semester, students used the computerized Management and Economic Simulation Exercise (MESE) software to practice competition between firms. JA materials characterized the MESE software as “a versatile and powerful teaching tool” that illustrated the lessons of the textbook (Teacher/Consultant Guide, 1982, p. i). The use of computers to run in-class business simulation games for students was not a JA innovation; Rankin (2015) documents similar games in classroom use as early as 1971. However, the integration of management simulations within a comprehensive semester-long course that included live-action business simulation through the

JA ‘company experience’ made *Applied Economics* unique, as did the presence of a businessperson in the classroom.

The software manual provided for teachers averred that use of the computer’s calculative speed would make the game “realistic, interactive, and competitive, which should provide the excitement and fun necessary to make the students eager learners” (Teacher/Consultant Guide, 1982, p. 6). Like other management simulation software, the MESE software calculated outcomes based on student inputs. The classroom was split into six companies, each manufacturing the same imaginary product: shoes called ‘Shumps’ (slogan: “Don’t be a chump—wear Shumps”). Students then had to make choices about their Shumps companies’ operations. (Script, 1982, p. 16). In each of several rounds, students made decisions about product price and production levels; budgets for marketing, research, and investments to facilities; and acceptable levels of debt. These decisions would then be input to the computer, which would produce sales and financial statements for the competing firms (Script, 1982, pp. 16-17.) The firm that reaped the highest profits after a set number of decision-making rounds would be declared the winner (Teacher/Consultant Guide, 1982).

Echoing the proposal to the Kellogg Foundation, the textbook and software manuals emphasized that making business fun and exciting for students would engage their capacities for learning. Whereas scholars such as Rankin (2015) and Alper (2014) have shown how both software design and public discourse constructed kids in reference to computers as self-directed learners or ‘hackers,’ these exercises suggested a different identity for student computer users by interpellating student participants into the role of business executives. Although the *Applied Economics* curriculum had earned the endorsement of the AFL-CIO, the materials spoke to students primarily as future managers, not as future workers. Through the experience of playing

the game, teaching materials promised, student would “learn by doing’ how business decisions are made, what the likely consequences are, and the role of both the manager and the business enterprise in the economy” (Teacher/Consultant Guide, 1982, p. i). JA’s use of management simulation in *Applied Economics* highlights ideological consequences: students, regardless of their life paths after high school, were encouraged to empathize and identify with corporate managers.

**JCEE Challenges: What Counts as Economic Education?** Despite (or perhaps because of) *Applied Economics*’ forward momentum, JCEE continued to challenge *Applied Economics*. JCEE president Michael MacDowell expressed concern over the rigor of JA’s materials and the direct competition between JA and JCEE that *Applied Economics* brought into possibility. MacDowell pointedly stated JCEE’s position to Flemke in July 1982. As JA readied itself to move into schools, MacDowell cautioned, it was “more important than ever that we cooperate fully and differentiate our products effectively” (MacDowell, 1982a, p. 1). MacDowell’s phrasing downplayed his disapproval of JA’s project, but the rest of his letter clearly signaled JCEE’s unwillingness to associate itself with *Applied Economics* beyond assessing its effectiveness. Whereas JCEE specialized in teaching teachers to teach economics, MacDowell asserted, JA’s new venture was less about training teachers than about providing materials for teachers “who are interested in teaching more about how our business system operates” (MacDowell, 1982a, p. 1). With this phrasing, MacDowell subtly categorized JA’s *Applied Economics* as not as an academic intervention, but rather as a program of business boosterism in the vein of NAM’s *How Our Business System Operates (HOBSO)* program (see Chapter One), created for factory use and subsequently adapted to classrooms in the 1950s and 1960s.

*Applied Economics*, MacDowell continued, “uses some economics to explain the basic

operations of business, and some of the problems faced by business,” but was “not an inclusive economics course, nor was it intended to be” (MacDowell, 1982a, p. 1). MacDowell’s comments revealed the disjuncture between the two organizations’ understanding of what counted as economic education: from MacDowell’s perspective, *Applied Economics* only glanced at the level of knowledge an economics course would need to deliver. These disagreements would only intensify in the coming year; by spring 1983 Flemke and MacDowell would be embroiled in a protracted dispute over the *Applied Economics* textbook.

Evidently, MacDowell’s misgivings over JA’s approach to economic education led him to privately ask Getty Oil public affairs executive Tim Ozenne to review the first edition of the *Applied Economics* textbook early in 1983. Ozenne’s comments were scathing, characterizing the text as riddled with fundamental errors. As Ozenne wrote in an undated memo,

In summary, the text utterly fails to present economic principles as a useful tool for understanding the world around us and the functioning of markets. Instead the student is asked to express all manner of opinions as to what policies are or are not desirable. If the students are as misinformed as are the authors of the text, their time could be better spent reading comic books, in which case they would come away with fewer misconceptions about economics and about market capitalism! (n.d., p. 11).

MacDowell summarized these critiques in a February 1983 letter to Flemke, lamenting that JA’s unwillingness to heed Gilliard and other JCEE staffers’ prior expressions of concern had brought the relationship between JA and JCEE to a “rather awkward” impasse (MacDowell, 1983a, p. 1). The text, MacDowell explained, was peppered with errors throughout, superficial in its explanation of “the tools of economics,” and insufficient for use in teacher training (1983a, p. 1). Moreover, there was “inadequate blending” of the text with student activities. JCEE, MacDowell declared, was unable to recommend it as a suitable replacement for “a well planned and integrated capstone high school course using a traditional text” (1983a, p. 2). Barring a “total re-examination and revision of the text from the ground up by professional economists with the

assistance of economic educators”—a dig at primary author and JA Director of Curriculum Dr. Peter Harder, who was trained in education, rather than economics—MacDowell requested that Gilliard’s name be removed from the textbook’s list of advisors (MacDowell, 1983a, p. 2).

Both MacDowell and Flemke mustered academic economists to support their points of view. Some backed up Ozenne’s critiques. For example, Duke University economist Allen C. Kelley called the textbook’s economic analyses “erroneous” and “incorrect,” deeming it “unfortunate” that “JA has not hired qualified economists to check out the economics in the most meticulous way” (Kelley, 1983). And Stanford University economist George Leland Bach commented to MacDowell, “the authors of this book either do not know much about economics or were very careless in the way they used what they knew” (Bach, 1983). Others, for example Professor Saul Barr at the University of Connecticut, maintained their support for JA’s efforts. Barr acknowledged that the text needed some changes, but assured Flemke that the text was balanced, and that it provided something quite different from what JCEE could offer. Barr’s emphasis on balance, rather than depth, implies that JA, and economists supportive of *Applied Economics*, were to some degree aware of the political stakes of their efforts. Barr dismissed Ozenne’s critiques as the result of “a skewed view of what *Applied Economics* had attempted to do or ...an ‘Only I know!’ attitude” (Barr, 1983). Another University of Connecticut economist, Peter Barth, provided further support in countering the JCEE-affiliated critiques of the text.

Barr’s and Barth’s gentler assessments may have helped the JA Education team to rally against JCEE criticisms during the pilot study. Conferring with Barth in March 1983, Harder echoed Barth’s point that modifying the text to meet Ozenne’s critiques would make the book more rigorous. However, Harder cautioned, the resulting text would be “difficult to read, more complex, ...more like a principles of economics book,” thus reducing its accessibility to youthful

readers (Harder, 1983). Flemke sent MacDowell a point-by-point refutation in April 1983, thanking MacDowell for his feedback and assuring him that changes would be made to the text, where (and, Flemke implied, *only* where) JA's own economic advisers agreed with the critiques leveled. Building on Harder's defense of *Applied Economics'* accessibility, Flemke emphasized how the program could capture students who otherwise might have little interest in economics. "If a student gets 'turned on' by economics, as we hope they will, then the student can take more courses to learn the technical side of economics" (Flemke, 1983a). This rationale seemed to satisfy MacDowell, at least temporarily; in a letter dated a week later, MacDowell reported that when asked about *Applied Economics* he "simply [said] that it is in its pilot stage and that JA has been receptive to most of our comments to date" (MacDowell, 1983b).

However, one issue remained unresolved: JA's entry into the schools would put it in direct competition with JCEE for corporate and foundation donations. While MacDowell conceded *Applied Economics* was still in development and subject to change as it moved through its pilot study, he urged Flemke, "with regard to the perception of overlap between JA and JCEE on the part of contributions officers and others, I feel that we must develop a strategy, and I will look forward to your thoughts in this regard" (MacDowell, 1983b). In other words, JA's move into the schools had the potential to siphon funds away from JCEE: a corporate officer in charge of charitable giving could easily respond to JCEE that their company had already supported high school outreach via JA. In fact, just the opposite was taking place. JCEE's consternation over the first edition of the *Applied Economics* textbook had resulted in Getty Oil Company withholding all funding to JA, pending review of a new edition of the textbook (Petersen, 1983). Privately, JA staff worried about JCEE lobbying against *Applied Economics* and wondered whether it was ethical for JCEE's president and directors to "criticize—even if asked—another

program which they look on as competition,” declaring, “we need some ground rules” (Our Concerns, n.d.). There is no indication that staff recognized the irony in calling for ‘ground rules’ for competition in the economic materials market, nor that any such ground rules were ever set.

These documents clearly illustrate the impasse between JA and JCEE, and the differences of understanding upon which they rested. JCEE and JA competed for funds, and their views on economic education differed dramatically. JCEE’s understanding of economic education hinged on the expertise of academic economists, while JA’s understanding positioned businesspeople as the experts in economic education—who better, from their perspective, to explain how economies worked than the people who made them run? This difference in opinions starkly illustrated how business advocates had come to use ‘economic education’ as a euphemism for appreciation of industrial capitalism in the United States.

By moving toward its own enactment of ‘economic education,’ JA gained the opportunity to enter the classroom and thereby restore its flagging momentum. In the process, though, JA moved into the territory of a far more established organization, JCEE, with very different standards for educational value. JA responded to these critiques by highlighting their own programs’ accessibility and capacity to engage resistant students. In other words, where JCEE valued academic rigor (within the bounds of a generally pro-‘free enterprise’ framework), JA envisioned modes of learning where academic rigor had to be balanced against accessibility, personal relevance, and felt experience.

Further, differences persisted over whether JA served as an educational venture meant to increase students’ knowledge of economics as a discipline, as a social venture meant to help at-risk youth, or as an advocacy venture meant to instill appreciation for free enterprise. A memo from JA head of program development Mike Roer to JA President Karl Flemke noted that

educators in Texas were similarly grappling with whether recent laws mandating economic education required them to teach consumer skills or principles of economics. “It is somewhat reassuring to note,” Roer confided, “that controversy is not unique to *Applied Economics*, but seems to be a constant companion of economic education in general” (Roer, 1983c, p. 2).

Roer’s comment was perceptive. I have argued elsewhere that persistent tensions and contradictions resulted from business advocates’ attempts to mobilize education as a legitimizing veneer over American business conservatism. The case of Applied Economics shows, however, a different point: that the strategic use of ‘economic education’ as means to advocate for corporate material interests sat uncomfortably side-by-side with academic perspectives for which minimal regulation of enterprise was an implication of theoretical reasoning.

***Applied Economics* rolls out as disagreements continue.** Amidst the wrangling with MacDowell and others at JCEE over the textbook, the project continued to move ahead in development and funding. After limited revisions to the errors in explaining economic principles, a second edition of the *Applied Economics* textbook shipped to schools for testing. Flemke had won the grant from the W.K. Kellogg Foundation, which was finally approved (although only for \$826,500, significantly reduced from the original request for \$2.2 million) in May 1983, along with grants for \$25,000 from the Mobil Foundation and \$50,000 from R. J. Reynolds Industries (Applied Economics Funding, n.d.). These funds would underwrite three years of support from local and regional JA offices for school districts using *Applied Economics*, regular evaluations of program effectiveness, a promotional film, staff training, and consultants (Ellis, 1983). Local sponsoring businesses would pay for textbooks, software, and a ‘program fee’ of sixteen dollars per classroom to cover insurance and other materials (Program Fee Detail, 1983). During the 1983-1984 school year *Applied Economics* expanded from the pilot test of 121 classrooms in

twenty-five cities to a total of 1007 classes across the country, serving 24,607 students (Harder, 1984). The program gained an additional windfall in summer of 1984 with the approval of a grant for \$1 million from the J. Howard Pew Freedom Trust (Gardinier, n.d.).

However, disagreements with JCEE-affiliated economists over the textbook persisted over that first year of rollout. A draft of the third edition of the textbook met with consternation from economists Bach and Kelley in the fall semester of 1983. Mike Roer, JA's Vice President of Program Development, countered the economists' objections to what they saw as persistent errors in the text. Students who took part in the *Applied Economics* pilot, Roer argued, performed as well as students from traditional economics courses on the JCEE's standardized Test of Economic Literacy (TEL). In fact, students in traditional economics courses scored about half a point higher, on average, in their mastery of economic concepts than did students in *Applied Economics*. However, Roer argued, JA's educational assessment consultants assured him that this difference was not statistically significant. Rather, they showed that *Applied Economics* "did as well [as traditional courses] in our growth of economic knowledge while at the same time scoring high in additional areas" such as student understanding of the self and others (Roer, 1983, p. 1; 4).

Peter Barth, the University of Connecticut economist who had defended *Applied Economics* months prior, was hired to revise the text for the third edition (MacDowell, 1983c). Barth attempted to mediate the conflict with Bach and Kelley, emphasizing to Roer, MacDowell, Bach, and Kelley that *Applied Economics* was a non-traditional course designed to appeal to students uninterested in conventional presentations of economics (Barth, 1983; MacDowell, 1983c), deliberately trading off depth of coverage for the raised engagement made possible through in-class activities such as the company experience and simulation games.

JA-affiliated executives evidently adopted this rationale. A December 1983 letter penned by Arthur Little (then Chairman of venture capital firm Narragansett Capital Corporation) on behalf of JA to Hewlett-Packard CEO John Young, argued that *Applied Economics*' differences from traditional economics courses of the type endorsed by JCEE were crucial to the program's appeal. "Our ultimate customers are the high school students," Little wrote. "We can only hope to really reach and interest those young people if we make *Applied Economics* an interesting and interactive experience for them; that is, not the 'me too' experience of all the economic texts that are currently on the market" (Little, 1983). Further, Little argued, while the remaining inaccuracies in the textbook should certainly be cleared up, there would be no way to satisfy every critic when economists themselves did not agree on what constituted accurate economic theory (Little, 1983). Still, JA conceded JCEE's expertise to a degree: the TEL remained the standard by which students' learning of economics was gauged in *Applied Economics*. The disagreement over the third edition of the text came to a close with MacDowell informing regional JCEE centers that if the fourth edition of the textbook showed enough improvement, JCEE would consider training teachers for the program (MacDowell, 1983c).

### **Making the Grade: Applied Economics in Schools**

**Mandates for economic(s) education and educational reform.** Throughout the 1970s, several states had passed laws requiring some kind of economics-related content—whether under the name of economic education, free enterprise education, and/or economics--to be taught in secondary schools. The first such law, Texas House Bill 1118, passed in 1973. It required secondary schools to teach understanding of the American economic system and appreciation of the benefits of free enterprise, starting in the 1974-1975 school year. HB 1118 gave the State Board of Education latitude to determine what course of study would constitute suitable teaching

material to meet the requirement. Further, it defined “free enterprise” for the State Board of Education as “an economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision rather than by state control, and by prices, production, and the distribution of goods that are determined in a free manner” (Armstrong, 1977).

The push to mandate free-enterprise economics curricula had spread across the Sun Belt as the 1970s progressed. By March 1975, Oklahoma, Tennessee, and North Carolina had passed laws modeled on the Texas legislation (Carolina bill, 1975). On the passage of North Carolina’s bill, Democratic Senator and bill sponsor W. K. Mauney commented to a New York Times reporter, “I don’t think there’s anything wrong with the General Assembly telling school teachers what to teach...It’s not that important that school children be taught Marxism. It’s already being taught just like free enterprise...in some schools” (Carolina Bill, 1975). By 1979, twenty-one states had adopted economic education mandates (Harty, 1979).

But the spread of free-enterprise economics through the nation’s classrooms did not go without comment. Publications like *Hucksters in the Classroom* (1979), issued by Ralph Nader’s Center for Study of Responsive Law, highlighted a crucial problem: states mandated the teaching of free-enterprise principles and appreciation for the American economic system, but they rarely provided funds for developing curricula or teacher expertise. As a result, *Hucksters’* author Sheila Harty told Karen Arenson of the *New York Times* in 1979, “corporations step in and pick up the tab” (Arenson, 1979). Standards remained haphazard and poorly defined, elementary and secondary teachers reported feeling unprepared to teach economics classes, and confusion over what teaching economics meant—the free enterprise system? Household budgeting? How to use a bank account and lines of credit?—remained (Arenson, 1979).

In short, as the U.S. economy worsened over the course of the 1970s, economics assumed greater importance in the national discourse. In the atomic-age 1950s and 1960s, the popular imagination in the United States reeled with wonder and fear at the forces of science and technology; an increased emphasis on science and technology education had promised to shepherd the nation into a future of democratic victory over authoritarian forces. But as the stagflation of the early 1970s stretched toward the horizon of the 1980s, the popular imagination and educational agenda became increasingly fixed on the promise of economics. As Arenson wrote in 1979, “Soaring space ships of the 1960s led to a greater emphasis of science and technology in American schools. Now soaring inflation and other economic maladies of the 1970s are spurring a greater emphasis on teaching economics.” Such programs of compulsory economic education embodied a desire to cultivate a population that could understand, explain, and perhaps reverse dwindling national prosperity.

Public attention to education in general increased in the early 1980s: a federal-level Department of Education began operation in May 1980 under the guidance of President Jimmy Carter, amid his eventual successor Ronald Reagan’s vows to dismantle the fledgling department (O’Neill, 1980). With education reform in the headlines, many state governments formulated their own efforts to reform public education (Balz, 1983). Reagan’s misgivings about federal administration of education gave rise to a National Commission on Excellence in Education, whose April 1983 report *A Nation at Risk* characterized schools in the United States as bringing forth “a rising tide of mediocrity” that threatened national interests (National Commission on Excellence in Education, 1983, p. 5). Amidst this atmosphere of concern over the nation’s future, state-level educational reform efforts only intensified. Many of these new laws complemented Reagan’s calls for merit pay for teachers with additional studies, curriculum overhauls, and tax

increases to fund the changes (Balz, 1983). In an unstable atmosphere of calls for change and reform, JA faced the necessity of working on the state level to ensure acceptance of *Applied Economics*—with varying success.

**Fitting the program to state mandates.** So, just as with prior economic education campaigns detailed in this study, JA’s efforts to win institutional legitimacy for *Applied Economics* hinged on the organization’s ability to adapt to institutional regulations. In the summer of 1983, as *Applied Economics* was poised to roll out to schools across the nation, JA staff turned their attention to the matter of meeting state mandates. Fitting the strictures of an individual state’s mandates would not make or break *Applied Economics*, but it would affect how many students were likely to take the course. If JA could demonstrate to state educational authorities that the course met their state’s mandated requirements for core curriculum, then schools could require students to take *Applied Economics*. If not, the course would only be available as an elective (thus substantially reducing the number of students taking part). As Harder later recalled, state mandates for economic education tended to be broadly worded, a factor that worked in JA’s favor. “One generality was confirmed in each city: if the educators want a program, they will interpret state and local regulations to allow the program into the curriculum; if they don’t they will find a regulation that effectively bans it” (Francomano, Lavitt, and Lavitt, 1988, p. 113).

JA’s efforts in the states of Texas and Florida exemplify the challenges JA faced, their strategies to address them, and their ultimate success or failure. Harder’s observations held true in Texas, at least to begin with. In July 1983, the broadly-interpretable HB 1118 was in effect. Roer observed, “if [a school district] likes AE they will interpret the course as fulfilling their state obligation. If they don’t like us, we don’t meet the criteria” (Roer, 1983, p. 1). Therefore,

Roer argued, the best course of action was to “cement relationships” with officials at the local level; these were made more complex by members of the Texas CEE’s prominence in state educational policy circles (Roer, 1983, p. 1). In updates to underwriters at the Pew Freedom Trust, Harder gestured to controversy over more stringent and specific state bills for widespread educational reform (House Bills 246 and 72) as the reason for Texan districts’ reluctance to adopt *Applied Economics* (Harder, 1985).

Given the acrimony between JA and JCEE over textbooks and donations, however, counterpressure from local CEE associates may have had an equal or greater hand in JA’s slow progress in Texas. The passage of HB 246 and 72 in 1984 left educators scrambling to ensure that their curricula passed muster with the new laws (Ball, 1984). By 1985, the course was approved for use as an elective, but not as core curriculum. JA worked up point-by-point comparisons of *Applied Economics* content to the State of Texas Board of Education’s “Social Studies Critical Descriptors” (*Applied Economics/Chapter 75 Matrix*, n.d.), but to no avail. In March 1985, the program was still only in use as a supplement to traditional economics classes (Tesch, 1985).

The circumstances in Florida at the time of the *Applied Economics* launch were similar to those in Texas, but the outcome was different. In an *Applied Economics* progress update memo to Flemke in July 1983, Roer noted that the Florida state legislature had just passed a bill mandating one year of instruction in government and economics at the secondary level. “Mandates are generally good news for AE and this one may be too,” Roer speculated (1983b, p. 5). Caution was in order, however: the recently passed bill tapped the Florida Council for Economic Education to set the curriculum requirements for the course. Roer was hopeful that “history will repeat itself and the state guidelines will be general enough to allow *Applied*

*Economics* or other local options" (Roer, 1983b, p. 5). The guidelines were, in fact, quite specific, and the Florida Department of Education requested item-by-item proof that *Applied Economics* met state standards in September 1984 (Haga, 1984). Harder provided just such an item-by-item mapping in December 1984 showing that the *Applied Economics* textbook supplied 114 of the 125 items of course content stipulated by the state (Harder, 1984b). In this case, JA was successful: *Applied Economics* was accepted for inclusion in the core curriculum in Florida.

JA's eventual victory in Florida may have been aided by a substantive revision to the *Applied Economics* textbook. The fourth edition of the textbook, highly anticipated by MacDowell and others at JCEE, was a major overhaul from the prior editions. Gerson (Gus) Antell, a social studies teacher and author of a popular high school economics textbook (*Economics: Institution and Analysis*) was hired to write the text, with University of Michigan economist Harold Shapiro serving as an academic advisor (Flemke, 1984; Bach, 1984). Review copies sent to school districts met with high praise from school superintendents and specialists in Los Angeles, Fairfax County and Cincinnati, praising the organization and clarity of the revised text (Scholl, 1984; Driscoll, 1985; Moore, 1985). The fourth edition of the *Applied Economics* textbooks was released late in 1984 as the first non-provisional, non-pilot edition, and was distributed and used in classrooms starting in the spring semester of 1985 (Harder, 1985). JCEE evidently approved of this new edition: by May 1985, MacDowell and Flemke were making plans to collaborate on a new edition of the TEL (MacDowell, 1985).

That month, Harder reported to the J. Howard Pew Freedom Trust that *Applied Economics* had won acceptance in Florida schools:

Florida school authorities have encouraged local districts to use AE as an approved economics course. This encouragement came after thorough correlation was made between our curriculum and the intended student outcomes established by the state. Prior to these developments some schools were reluctant to use our materials because of their

concern that they would not compare favorably with state guidelines. There are no major barriers to rapid expansion in this state. (Harder, 1985, p. 4).

Harder noted that educational reforms in California, Texas and Florida had posed particular challenges to the expansion of *Applied Economics*. “In each state our curriculum was carefully checked against local performance standards,” Harder wrote, and “in each state, AE passed the test! The process of refining our curriculum to fill local and state requirements continues through the cooperation of our local staffs and resident educators” (Harder, 1985, p. 3). Harder’s upbeat tone, however, belied the mixed success with which *Applied Economics* had met in Texas and Florida. While Florida accepted *Applied Economics* as appropriate for its core curriculum, Texas kept the course as a supplement to other, more traditional economics courses.

**Computerization.** On both practical and symbolic levels, the personal computer was an important component of *Applied Economics*. In *Applied Economics* classrooms, the computer was available for bookkeeping and management simulation activities. Beyond its practical applications, JA staff and allies attached a variety of symbolic values to the presence of the computer in *Applied Economics* classrooms. By mid-1984, classroom pilot testing had fostered the notion that computers would capture students’ attention. JA internal and promotional discourses often presented the computer in concert with JA software as a means of teaching economic literacy hand-in-hand with computer literacy. For example, a June 1984 letter distributed to state educational board leaders from then U.S. Secretary of Education T. H. Bell, stated that Applied Economics had “the potential of significantly changing young people’s attitudes and their understanding of our free enterprise system, with the added bonus of providing practical computer literacy” (Bell, 1984). Similarly, Flemke promised his contacts at Apple Computer in April 1984 that hardware donated to JA would deliver “a positive first impression of the computer as a teaching tool,” “a favorable introduction” to Apple computers in

particular, and “improved economic and computer literacy of future generations” (Flemke, 1984b, p. 2). Just as JA afterschool programs from earlier decades had tied skill at manipulating such technologies as the drill press to future employability and appreciation of a manufacturing-based economy, these examples illustrate how JA in the 1980s positioned skill at manipulating digital technologies as a gateway to twenty-first century employability and appreciation of an information-based economy.

For the first few years of its operation, the Applied Economics program featured computers as just one of many elements in the curricular mix. Through 1985 and into 1986, however, the computer assumed a more prominent place in *Applied Economics*' suite of teaching activities. The company experience, in which students formed an in-class company that assembled and sold gift products such as notepads to classmates, continued the half-century tradition of JA participants learning business ‘by doing’—but it was poorly suited to the classroom. Teachers complained that students spent too much time assembling products, and some school administrators banned the company experience altogether due to concerns about “too many selling projects conflicting with each other” (Harder, 1985b, p. 2). In response to these objections, JA developed a set of pen-and-paper worksheets for use with the bookkeeping software. These worksheets generated sales numbers and other key metrics—numbers that would otherwise have been the result of actual sales during the company experience--without the hassle of producing and selling a material product. JA pilot tested the worksheets in March 1985 in districts where product assembly and sale had posed problems (Tesch, 1985). Use of the worksheets spread, with higher teacher and administrator buy-in for this quicker and less disruptive simulated version of the company experience (Tesch, 1985). By the autumn semester of 1986, the *Applied Economics* software suite had expanded from the original bookkeeping and

competitive management simulation software to include software for the purpose of simulating the student company experience: the Computerized Student Company (CSC) software, designed by a Louisville, Kentucky JA graduate (Bell, 1986).

With this new CSC software, the transformation of JA's signature company experience from a material production and selling activity to a virtual simulation—wholly contained within the classroom computer—was complete. Further, color and graphic updates for the original bookkeeping and management simulation software were in the works, along with a stock market simulation and economic graphing software (Lesley, 1986). Outside the classroom, other aspects of JA were also migrating from the material to the digital realm (if in a piecemeal fashion), reflecting the widespread adoption of personal computers for organizational use. For example, an October 1986 newsletter to regional JA offices announced the establishment of the Junior Achievement Software Network (JASON), an electronic bulletin board that linked JA offices to one another and to JA's software developer, Harvard Associates, along with ten regional email mailboxes (Harvard Associates Inc., 1986).

As computer use became more commonplace in JA operations and in the schools in which *Applied Economics* was taught, the notion that the computer aspects of the course could draw otherwise disinterested students faded. By 1989, an internal JA report noted that learning about computers was the lowest-ranked feature of Applied Economics for both teachers and students, but asserted, “computer literacy is not a formal objective of the course, and these ratings may reflect the fact that an increasing number of high school students are already familiar with using computers” (Oberman and Seeley, 1989, pp. 5-6).

The meaning of the computer in JA had changed over time. Initially, JA textual materials imaginatively constructed microcomputers as one of many information technologies for the

office and classroom, alongside blackboards, paper charts and folders. The personal computer's connections to entrepreneurship in the popular imagination as far back as the early 1980s could be seen in claims that *Applied Economics* would link computer literacy with economic literacy. As *Applied Economics* expanded to more classrooms, computing offered a means of adapting JA's traditional company experience to the temporal and material constraints of the classroom. This shift was epistemologically consequential: the computer, once presented as a tool to facilitate the acquisition of business knowledge in concert with the first-hand experience of running a small company, became an environment in which the experience itself took place. The 'world of business' that RJCO had pitched as the future frontier had become encapsulated, both in practice and symbolically, within the device.

## **Conclusions**

Corporations and business advocacy groups had used the term 'economic education' since at least the 1930s to legitimize their public relations campaigns; these efforts were meant to be broad-ranging and comprehensive, wearing away resistance to corporate power in the United States like "the constant dripping of water that wears away a stone" (Rippa, 1997, p. 240). Despite the moniker of 'economic education,' most of these efforts were not focused on schools in particular, but rather integrated school outreach as part of a wider effort to change public attitudes. JA's entry into the classroom with programs such as *Project Business* and *Applied Economics* leveraged the language of 'economic education.' Yet, as this chapter has shown, JA confronted institutional and regulatory challenges that revealed the limits of, and tensions within, the construct of 'economic education.' In this regard, the case of *Applied Economics* follows the same logics that held for *The American Economic System* and *Free to Choose*. However, the case provides particular insights on the mechanics of gaining social legitimacy for such projects, the

changing notions of audience that informed the projects, and the emerging relevance of digital technologies.

This case indicates that in the realm of ‘economic education,’ educational value itself was a matter of politics. When JA failed to gain the endorsement of JCEE, it turned instead to the proliferating state mandates for free enterprise education to legitimize its efforts as socially beneficial. As Harder and Roer had observed, however, state educational boards’ approval was often as much the product of professional networking and relationship management as it was a validation of the course’s content. Turning away from JCEE endorsement and toward fit with state mandates to legitimize *Applied Economics* reflected an understanding of educational rigor co-constructed by school boards and JA to meet political requirements, rather than the theory-driven, academic understanding of rigor held by JCEE. Even among self-identified practitioners of ‘economic education,’ there were foundational disagreements about the meaning of the term, the standards it implied, and the models of learning by which it should proceed.

The protracted disagreements between JA and JCEE often stemmed from the two organizations’ different conceptualizations of learning. When the theory-oriented educators at JCEE pushed back with criticism of *Applied Economics*’ intellectual rigor, JA executive staff framed the issue as one of balancing rigor against engagement. This pulled the disagreement back into JA’s terrain: imparting youth with first-hand experience of business operations. The ‘experiences’ JA offered to youth through material and, subsequently, digital simulations relied on the notion that youth would best learn about economics by being, themselves, economic actors. For JA, such an approach was a logical extension of its decades-long ‘learn-by-doing’ tradition. Shifts in how educators thought about learning more broadly may have helped dispose educators favorably to JA’s classroom offerings, especially in light of the experiential ‘learning

by discovery' approaches that emerged in the 1960s (Rippa, 1997).

The experiential model was still, at its heart, a deficit model of learning: it assumed that students, once exposed to information, would adopt and integrate that information into their understandings of the world. However, where prior campaigns had assumed that making information accessible and palatable was a sufficient remedy for knowledge deficits, JA staff endeavored to rectify both intellectual and emotional deficits that, from their perspective, stood in the way of youth appreciation of business. By having experiences—first through the actions of forming and administrating a small company, and subsequently through digital simulations of these activities—students would, JA staffers hoped, learn both skills and mindsets that would make them good businesspeople and good citizens.

However, the personal computer did not fill the 'frontier void' JA's market research had proposed nearly a decade earlier, despite the incipient rhetoric of electronic frontiers that would come to make such a conclusion seem self-evident. Rather, the personal computer became a *vessel* for JA's representations of 'the world of business.' The 'world' JA offered to youth through the software, however, was very different from what midcentury economic education advocates might have imagined. This world was shorn of the institutional obligations and interrelations that the midcentury ideal of a business system had championed. In the mid-1970s, the Ad Council's *American Economic System* campaign had signaled the growing implausibility of that midcentury ideal, offering the abstract categories of producers and consumers as a palliative. *Free to Choose*, in turn, had called to the individual with the assumption that their self-interested actions would be the best distributor of resources. JA's representations reflected a market-based understanding of the United States economy as a domain ruled by market forces, as did *Free to Choose*. Yet *Applied Economics* reflected a new level of interest in the figure of

the highly successful entrepreneur, a figure that stood apart from established institutional structures of state, labor, and commerce. These representations were instantiated in the *Applied Economics* textbook, and in software that could accommodate the temporal, material and cultural constraints of the classroom and the schoolhouse. Inasmuch as JA succeeded in presenting the world of business as a new frontier, it did so by presenting the personal computer as the medium by which students could access business experiences, and entrepreneurialism as the route to business success.

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## **Chapter Five: Conclusions**

Between 1974 and 1986, the American corporations, corporate-funded philanthropic organizations, and business advocacy groups detailed in this study spread pro-business perspectives in the name of educating the public. Critics in their time, and in the years that followed, charged that these campaigns were corporate propaganda. Yet, Corner (2011) challenges media scholars to think *past* the charge of propaganda. In an effort to do so, this study has thought *into* the ideas and practices that played a part in the creation and legitimization of these particular media texts. Ideologies are reproduced, maintained, and perpetuated through practices of meaning—more specifically, through fixing meanings and drawing equivalences (Hall, 1985). The sponsored economic education campaigns in this study drew equivalence between political positions and states of knowing. More specifically, the campaigns were premised on the idea that support for the political and moral autonomy of American corporations was, in fact, a state of economic knowledge. Advocacy, from this perspective, was education.

The foregoing cases show that the moment when producers of media handed off content to audiences was just one of *many* moments of ideological maintenance work. The producers and sponsors of economic education media campaigns both transmitted ideologically valenced messages to the public, *and* circulated an additional set of ideologies amongst themselves. Put another way, the sponsors and producers of economic education campaigns co-constructed meaning together, for one another and for other institutional actors, as much as they constructed meaning and presented it to the public.

In order to do this work, the producers and sponsors of economic education media drew upon a shared set of ideas, which I have called social imaginaries. With one another, they co-constructed ideas about what the public considers socially legitimate, and about how media texts

could help to manage public dissent. They used these social imaginaries to promote agreement amongst themselves as to the purpose and intended outcomes of their campaigns. Further, they called upon these social imaginaries to help them navigate, and in some cases exploit, the policies and regulations meant to protect the public interest. Propaganda is often imagined as an expression of the interests and imperatives of governments. Yet, as this study has shown, public resources can be the instruments of private efforts to persuade—and rules and regulations designed to serve the public benefit get drawn into this process in unexpected ways.

### **Thinking Beyond Propaganda**

One way to approach Corner's (2011) challenge of thinking beyond propaganda is to use the charge that media is propagandistic as a sign that deeper, more specific exploration is in order. In this study, I have worked to think beyond propaganda by asking how, precisely, sponsored economic education campaigns came to occupy publicly funded media spaces. In each of the cases featured in this study, the producers of sponsored economic education media performed the social legitimacy of their campaigns in concert with laws, rules, and regulations imposed by the government or by government-affiliated bodies. The Ad Council relied on television networks to interpret the FCC's Fairness Doctrine such that their own PSAs would be recognized as factual—and thus win airtime--while opposing views remained off the air. Chitester operated at the delicate edge of PBS's Standards and Practices for National Program Funding and the U.S. Tax Code to bring an ideologically extreme perspective to the airwaves in the name of academic detachment and political balance. Junior Achievement's *Applied Economics* curriculum, denied the legitimacy of an endorsement from JCEE on the grounds of lacking academic rigor, won recognition as core curriculum on the basis of its fit to idiosyncratic state mandates for education in economics.

Taken together, these cases suggest that even when the state is not the motive force behind the creation of propaganda—indeed, even when the state is the ‘enemy’ identified in propagandistic texts—the rules and regulations the state puts in place a set of structures that *help* the producers of capitalist ideological projects. Laws and state regulations set the terms by which the producers of sponsored economic education materials performed factuality, objectivity, and academic rigor. State institutions, and the rules they set, became a crucial element of economic education media sponsors’ strategies to defend and maintain capitalist ideologies.

I have approached the ideological content of economic education campaigns, too, in terms of social imaginaries. While ideas about the public interest and the power of media helped the makers of economic education campaigns coordinate their activities with one another, ideas about how economies work were at the heart of what these makers communicated to the public. The media campaigns I have explored in this study reflected a changing social imaginary of business and its role in the American economy.

### **Change over Time: From Institutions in a System to Actors in a Market**

The mid-1970s to the mid-1980s was a particularly eventful period in terms of American ideological change. The dominant discourse as reflected in economic education materials from the postwar period through the early 1970s constructed the United States economy as an interconnected system of state, labor and corporate institutions, each tied to the others through webs of obligation and affiliation. Economic education materials during this period aimed to explain to workers where they fit in this system, and what the effects would be if they failed to ‘cooperate’ and play their parts. Freedom, in this system, was each individual’s liberty to do as they pleased, but while socially embedded in the fabrics of community, institution, and nation. Economic education media referred to this model as the ‘American system of business’ or the

‘American economic system.’ In the context of this imagined system, dissent and critique were characterized as ignorance, apathy or inaccurate thinking. These forms of opposition to the system were dangerous, from a corporate perspective, because they could result in democratic decision-making that led to more regulation of business, higher taxation of corporate profits, and greater levels of government economic management. Economic education campaigns were designed to prevent these policy outcomes from coming to pass.

Widespread economic inflation, unemployment and repeated oil shocks confounded long-standing economic models in the 1970s, leaving policymakers and economists grappling for a new framework of understanding. The public’s confidence in institutions—and especially in institutions of government--was severely shaken: the Watergate scandal and the mismanagement of the Vietnam War, combined with the government’s inability to get control over the economy, left the public with little faith. The Ad Council’s *The American Economic System* campaign, released in 1976 at the bicentennial anniversary of the nation’s founding, attempted to maintain the institutional system perspective, but revealed the places where it had been strained beyond plausibility.

From a critical perspective, the media produced for all three campaigns either downplayed systemic disparities in power and capital amongst different class, race and gender groups in U.S. society--or ignored them altogether. Paying attention to the social imaginaries of the American economy helps suggest see a possible reason why. Social imaginaries, Taylor explains, can both normative and positive. That is to say, they can express both how things are and how they ought to be. As advocacy efforts, the campaigns in this study omitted portions of ‘how things are’ that did not match up with ‘how things ought to be.’ Characterizing labor activists, left-wing critics and others who questioned corporate power as uninformed, misled or

apathetic helped to maintain the integrity of the social imaginary.

The new imaginary that emerged in the late 1970s and into the 1980s was a vision of monadic individual and institutional economic actors that each moved according to their own interests through a soup of economic forces. This vision did not make room for networks of obligation and social responsibility as the midcentury ideal had. Economic education materials in the late 1970s and beyond focused more on everyday life experiences, and on the ways those quotidian practices interacted with wider economic phenomena. For example, in the planning materials for *Free to Choose*, Friedman described everyday life in American capitalism as miraculous in its ability to apportion the resources in society appropriately while granting individual autonomy. *Applied Economics*, too, held up everyday life as economically important by encouraging students to take on the roles of corporate managers. Entrepreneurialism emerged as a crucial concept in these later materials. *Free to Choose* and *Applied Economics* both identified the entrepreneur as a figure of economic dynamism; such a discourse had been absent from *The American Economic System* booklet.

### **Implications for Future Study**

While this work documents economic education campaigns of the 1970s and 1980s, it opens up new ways of understanding present-day events. The study makes two contributions that are particularly relevant for understanding how corporate actors narrate their own place in twenty-first century American society. First, it suggests a new lens for making sense of the entrepreneur as a heroic figure. Second, it suggests an approach to understanding present-day corporate messaging about markets, commerce, and capitalism.

**The figure of the entrepreneur.** Part of the cultural maintenance work of capitalism is in defining who an individual is and ought to be within a capitalist system. The figure of the

entrepreneur is particularly compatible with capitalist practices in the United States, and has taken on especially aspirational cachet as successful internet startups have enriched mostly young, mostly white, and mostly male company founders. Exploring the romantic individualism that emerged in 1970s and 1980s sponsored economic education media helps illuminate one of the many paths by which this figure gained its primacy. Romanticism is a difficult term to pin down, since it signposts not only movements in art and literature but also attendant general worldviews and practices. Scholars have mapped this second sense of the term, romanticism as a tendency of thought, to American consumer culture in the twentieth century and beyond. As Streeter (2010) observes, romantic individualism suffuses many of the most extreme contemporary notions of the marketplace, populating this imagined space with figures who are not only self-interested and rational, but also creative, dynamic, and expressive.

Critical scholars of twenty-first century 'tech industry' culture have (somewhat hyperbolically) noted the elevation of entrepreneurs to the role of "rebel hero genius god" (Borsook, 2000, p. 148). This is an extreme version of the impulse to create a romantic hero, yet even comparatively restrained conservative Austrian economists acknowledge discourses of a heroic entrepreneurial subject when they dismiss "personal magnetism" (McCaffrey, 2014) as less important to successful entrepreneurship than instrumental factors like willingness to bear risk.

These intimations of the romantic hero, whether obvious or subtle, are prominent precisely because they are a necessity. These conceptions of the self, and the practices they suggest, are means of surviving and thriving in the current configuration of capitalism in the United States. The externalities this subject position can generate--ongoing power inequality, widening income inequality, lack of concern for community, or communitarianism premised on

profit—pose harm to society. But the subject position of romantically individualistic entrepreneurship itself enables individuals within capitalism to make sense of and adapt to the existing system. In this sense, romantic individualism is both attractive to the individual and functional in integrating the individual to the society in which she lives.

**Making sense of the on-demand economy.** Over the past several years, app-based, on-demand marketplaces for services--such as the ridesharing company Uber, for example, or the digital labor marketplace Amazon Mechanical Turk—have exploded in popularity. The companies at the heart of this ‘sharing economy’ design their technological platforms to resemble economic markets. Further, spokespersons for these companies describe their systems as frictionless spaces for flexible opportunity and authentic social connection. Both scholars and workers contest such narratives, critiquing harsh working conditions, low pay, and structural obstacles to collective action. Regulators are not far behind, questioning the legality of car- and home-sharing arrangements. Yet, the executives and spokespeople for sharing economy companies continue to tell stories about entrepreneurial self-determination, voluntary cooperation, and neighborly sharing.

These new practices and rhetorics in the on-demand economy may be, in many ways, different from the corporate practices and rhetorics that were commonplace in the United States in the 1970s and 1980s, but the cases explored in this study can indicate potentially fruitful approaches to digital platforms that offer on-demand services. The companies at the heart of the on-demand economy circulate imaginaries about markets and economics, as did the sponsors and producers of the economic education media campaigns featured upon which this study focused; this dynamic has changed little, although the particular social imaginaries about the role of business in Americans society have evolved. This study suggests that looking to the ideas on-

demand companies circulate about the role of business in American society and in individual peoples' everyday lives can be motivated not only by the desire for profit, but also by the pursuit of legitimacy amongst other businesspeople, and amongst the public at large.

The artful skirting of laws and regulations is as much a part of on-demand companies' practices as it was a part of the campaigns at the heart of this study. While the campaigns detailed in this study worked within the margins of laws and regulations in order to demonstrate their social legitimacy, however, companies in the on-demand economy take a different approach. Rather, such companies often claim that they are not, for example, taxi companies or hoteliers, but rather software companies whose service is to provide a platform for independent buyers and sellers. Companies in the on-demand economy use such claims to avoid classifying their workers as employees, and to avoid taxation that other, more conventional providers of services would have to pay (Rosenblat and Stark, 2015). The mediated nature of the services they provide allows such companies to claim that they should be regulated as intermediaries rather than as purveyors of goods or services. The findings of this study suggest that the ideological significance of on-demand companies' participation in the public discourse may lie, at least in part, in how these companies make claims about their social legitimacy in concert with existing laws and regulations.

A crucial difference between the economic education campaigns in this study and the practices and rhetorics of the on-demand economy is in the degree of interactivity and customizability of the media by which these companies interact with the public. Digital media encode informational asymmetries: workers who sell their labor through Mechanical Turk, for example, see only a fraction of the information that is available to the 'requesters' who make this digital piecework available (Irani, 2013). The design of Mechanical Turk may even, as some

researcher argue, build unequal levels of market power into the code itself, with workers on the losing end of the imbalance (Kingsley, Gray and Suri, 2015). A similar situation holds for Uber drivers and riders, who see limited information about their counterparts on the other side of the transaction—and may be presented with visual information via Uber’s mobile app that is misleading (Rosenblat and Stark, 2015).

The partial or misleading information presented to the public through these on-demand companies’ apps, combined with their strategic navigation of regulations and the content of their rhetoric about the on-demand economy as a powerful force for entrepreneurial good in American society, invites the question of whether on-demand digital platforms’ apps are, themselves, a subtle form of propaganda. This question remains to be explored.

This study has traced an ideological arc from an ‘economic system’ of institutions to a market in which both corporations and individuals take economic action. Over time, the institutions of labor, state and corporation seemed to fade from sight, and technologically savvy entrepreneurs rose to take their place in the public imagination as the force that drives economic development in the United States. However, as this study makes clear, institutions still have significant influence over how commerce takes place. The corporation still matters, eclipsed as it may be by the figure of the entrepreneurial startup founder (or the equally entrepreneurial, but typically less capitalized, digital pieceworker). The state still matters, and on-demand companies’ strategies for extracting maximum profit and exerting maximum persuasive force while staying within the law should be a major focus of future works. Finally, labor still matters, and digital pieceworkers are developing digital and material means of lessening information asymmetries (Irani, 2013). Institutions matter, and accounting for institutional forces is crucial to doing the work of thinking past propaganda.

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